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FEB 12 1992



O. C. D.
ARTESIA OFFICE

SIETE OIL & GAS CORPORATION

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ARCO FEDERAL NO. 4

710' FNL & 1980' FEL

Section 23: T18S, R31E

NW $\frac{1}{4}$ NE $\frac{1}{4}$, Lease No. NM-2938

Eddy County, New Mexico

DAILY DRILLING REPORT

Page One

- 12/16/91 Dan Reddy staked & surveyed location, Archaeological Consultants, Inc. gave archaeological clearance.
- 1/2/92 Application for Permit to Drill submitted to BLM.
- 1/16/92 Application for Permit to Drill approved by BLM.
- 1/18/92 Valley Construction built road, location & pits.
- 1/19/92 Valley Construction built road, location & pits.
- 1/20/92 Valley Construction built road, location & pits.
- 2/7/92 MIRU Tinsley & Son Rig #5.
- 2/8/92 Tinsley & Son Rig #5 spudded 12 $\frac{1}{4}$ " hole @ 9:15 PM 2/7, TIH w/bit #1 (12 $\frac{1}{4}$ " Veril L124), jets 3-12, drl'd to 372' & TD 12 $\frac{1}{4}$ " hole @ 3:00 AM 2/8, circ for 30 min, TOH w/bit, mud wt. 8.4, vis. 31, WOB all, RPM 120, SPM 58, PP 700, $\frac{1}{2}$ ° @ 372', RU & ran 8 jts (356.96') 24# & 32# 8 5/8" csg + 19.72' landing joint, set @ 366.5' KB w/230 sxs C, 2% S-1, $\frac{1}{4}$ # D-29, presently finish cmt'ng.
- 2/9/92 PD @ 6:00 AM 2/8, WOC, cmt did not circ, ran temp survey, TOC @ 50', 1" w/100 sxs C, 2% S-1, cmt to surface, NU BOP & test to 1000#, held ok, TIH w/bit #2 (7 7/8" Veril V52CF) @ 372', jets 14,16,Blk, DO @ 9:00 PM, presently drlg @ 750', progress 378', salt/anhy, mud wt. 10, vis. 28, WOB 20, RPM 75-80, SPM 58, PP 850.
- 2/10/92 Drlg @ 1954', progress 1204', salt/anhy, mud wt. 10, vis. 28, pH 9.5, WOB 20-25, RPM 75-80, SPM 58, PP 1050, $\frac{1}{2}$ ° @ 853', $\frac{1}{4}$ ° @ 997', $\frac{1}{4}$ ° @ 1204', $\frac{1}{2}$ ° @ 1462', 3/4° @ 1708' & 1° @ 1954'.
- 2/11/92 Drlg @ 2628', progress 674', anhy, mud wt. 10, vis. 28, pH 9.5, WOB 40-42, RPM 75-80, SPM 56, PP 1125, 1 $\frac{1}{4}$ ° @ 2232' & 3/4° @ 2539'.