

**FASKEN OIL AND RANCH, LTD.
STATE "32" NO. 2
Sundry Report**

Location: 660' FNL & 1980' FEL, Sec. 32, T-20-S, R-25-E, Eddy County, NM

Spudded well at 12:15 am CDT 7-23-2001.

Drilled 17-1/2" hole to 429'. Lost complete returns at 180'. Set 13-3/8" 48.0#/ft H-40 ST&C 424.36'. Cemented with 10 bfw, 30 bbl gelled water, 10 bfw, 400 sx Class "C" with 2% CaCl₂ (s.w. 14.8 ppg, yield 1.34 ft³/sx). Plug down at 5:15 am CDT 7-24-01. Did not have returns during cement job. No fluid level observed in annulus.

1" CEMENTING DETAIL:

Plug #1: Tagged TOC at 159' with 1" tubing. Cemented with 25 sx Class "C" neat (s.w. 15.1 ppg, yield 1.2 ft³/sx).

Plug #2: WOC 2 hrs., tagged at 155'. Cemented with 25 sx Class "C" with 3% CaCl₂ (s.w. 15.1 ppg, yield 1.2 ft³/sx).

Plug #3: WOC 2 hrs., tagged at 145'. Dumped 1/2 yd³ gravel down annulus and cemented with 50 sx Class "C" with 3% CaCl₂ (s.w. 15.1 ppg, yield 1.2 ft³/sx).

Plug #4: WOC 2 hrs., tagged at 95'. Attempted to load hole with fresh water with out success. Dumped 1 yd³ gravel down annulus and cemented with 50 sx Class "C" with 3% CaCl₂ (s.w. 15.1 ppg, yield 1.2 ft³/sx).

Plug #5: WOC 2 hrs., tagged at 95'. Dumped 1/2 yd³ gravel down annulus and cemented with 50 sx Class "C" with 3% CaCl₂ (s.w. 15.1 ppg, yield 1.2 ft³/sx). Topped of with 25 sx Class "C" cement.

Note: Plug Nos. 2 and 3 were witnessed by Mr. Phil Hawkins with the Artesia OCD office.

Drilled 12-1/4" hole to 3000'. Set 9-5/8" 36.0#/ft J-55 LT&C at 2998.96'. Cemented with 1000 sx Class "C" with 4% gel and 2% CaCl₂ (s.w. 13.5 ppg, yield 1.74 ft³/sx) and 200 sx Class "C" with 2% CaCl₂ (s.w. 14.8 ppg, yield 1.32 ft³/sx). Plug down at 9:00 am CST 7-30-01. Circulated 510 sx excess cement.

Drilled 8-3/4" hole to 9775'. Set 4 1/2" 11.60# N-80 LT&C casing at 9765.71'. Centralized middle of shoe jt., top of 2nd joint and each jt. flint coat. Cemented with 10 bbl. fresh water, 12 bbls. mud clean II, 150 bbls. 3% KCl water containing 15 gals. corrosion inhibitor, 1100 sx Super C modified w/1% salt and 1.1% FL25 (sw 14.2/yield 1.30 cuft/sk). Displaced w/3% KCl water containing 15 gals. corrosion inhibitor. PD @ 3:00 a.m. CDT 8/32/01.
Released rig at 11:00 CDT am 8-23-01.

Top of cement in 8-3/4" x 4-1/2" annulus at 6467' KB per temperature survey.