NIBU # 34 660' FSL & 660' FEL Sec. 4, T-21-S, R-23-E Eddy Co., N.M.

2/23/97 - MIRU United Rig # 7, Spud w/ 12-1/4" bit and drilled to 1065'. Washed out conductor pipe. Ran 20" conductor and cemented with redi-mix. Ran 25 Jts., 9-5/8", 36#, to 1074'. Cemented surface csg. w/200 sx. "C" w/ 10% A-10, 1% CaCl. WOC and cut off csg. Did not circ. cement. Ran temp svy & found TOC @ 350'. RIH w/ 1" to 350' and pumped 50 sx. "C", WOC, Tagged Cement @ 350', Pumped 50 sx "C", WOC, tagged TOC @ 280', pumped 100 sx."C". WOC. Tagged cement @ 150'. Pumped 100 sx "C", WOC. Tagged cement @ 35'. pumped 50 sx. "C" d 10 sx. to pit. Released United rig #1 @ 1600 hrs, 3/7/97.

4/15/97 - MIRU McVay # 4, NU11" 3M Dual Ram & Annular BOPE. Tested blind and pipe rams, choke and kill lines, floor valves and mud lines to 300/3000 psi. Tested casing to 1000 psi. TIH w/ 8-3/4" bit and tagged cement @ 1018'. Drillled cement and float eq. to 1058'. Tested csg. to 1750 psi. drilled formation to 8074'. Ran DST #1 8069' - 7868'. Resumed drilling to 9300'. TD @ 1500 hrs 5/6/97. Logged well as follows: Platform Express/SP/Sonic/NGT TD-4000', GR/Cal/Sonic to Surf. FMI 9300' - 8900'.

Change rams to 7", ran float shoe 2 jts., 7" 26# L-80,LTC, Float Collar, 38 jts., 28#, Marker jt., 37 jts., 26#, DV tool, 31 jts., 26#, 107 jts., 23 #, 2 jts., 26# production casing. Landed shoe at 9300', FC @ 9208', Marker Jt. @ 7611', DV @ 5975'.

Cemented Production Csg. W/ 950 Sx "H" w/ .5 % BA 58, % pps CSE, #pps Kolseal, .25 pps cello., wt. 15.35, yield 1.29. Dropped plug and opened DV tool, Circ'd 208 sx. on first stage.

Cemented 2nd stage W/ 700 sx. poz. "C" W/ 5pps NACL, # pps Kolseal, Wt.14.7, yield 1.98. tailed in w/100 sx. "C". Circ'd 51 Sx on 2nd Stage.

ND BOPE, Set slips, cut csg. NU 7-1/16 3M X 11" 3M tbg spool, tested seals to 3000 psi. Released rig @ 2400 hrs 5/9/97