INDIAN HILLS UNIT NO. 23 660' FSL, 1990' FWL Section 16, T-21-S, R-24-E Eddy County, New Mexico

1/22/00 Drill out & install 20" conductor pipe @ 40', drill out mouse and rat hole.

1/23/00 MIRU McVay, spudded w/ 12-1/4" bit @ 10:00 a.m. Drilled from 40'-136', RIH w/14-3/4" bit. drilled to 1800'. Ran 40 jts 9-5/8", 36# K-55 casing. Landed @ 1800'. Pumped 100 sx P.P. with 10#/sk Diamond Seal (Yield 7.5 @ 9.5 ppg). Pumped 100 sx Thixset (1.52 @ 14.1#/gal), Pumped 970 sx of lead w/2% CACL₂, w/1/4# Flocele, 5# Gilsonite (2.01 @ 12.4 ppg). Tailed w/300 sx P.P. w/2% CACL2 (1.32 @ 14.8 ppg). Bump plug @ 16:15 hours. WOC, cut off 20" conductor pipe. Poured 7.5 yds. Ready-Mix down annulus. Filled to surface. Cut off 9-5/8" csg. Test csg to 1500 psi. PU 8-3/4" bit, drill cement to 1800'. Drill new formation from 1800'-8600'. RU csg crew, ran float shoe, 1 jt of 7" 26# float collar, 19 jts 7" 26# marker jt, 31 jts 7" 26# ECP, DU, 63 jts 26# csg, 82 jts of 23# csg, & 2 jts 26# csg. Circulated top of DU @ 6333'. Pumped 50,000 scf Nitrogen, 20 bbls nitrified H₂O ahead of 250 sx premium cement w/350 scf nitrogen (Yield 2.18 @ 9.2 ppg). Tailed w/300 sx premium cement foamed w/150 scf nitrogen (Yield 1.44 @ 13 ppg). Displace w/333 bbls water. Circ 80 sx. WOC. Cement 2nd stage w/625 sx Interfill "C" w/1/4# Flocele, 3# Gilsonite, .2% Halad 322 (Yield 2.47 @ 11.9 ppg). Tail w/100 sx P.P. neat (Yield 1.32 @ 14.8 ppg). Circ 41 sx cmt. Set 7" csg slips, cut off 7" csg. PU 6-1/8" bit, tag cmt @ 6327', test csg to 1500 psi. Drill cmt & stage tool from 6327' - 6339'. Test csg to 1500 psi, tag float collar @ 8550', Drill formation from 8600' - 10,050'.

- 2/18/00 TD @ 21:45 hrs. RU casing crew. Ran float shoe, 1 jt 4-1/2", float collar, 37 jts 4-1/2" 11.60# L-80 casing. Cement 4-1/2" liner, pump 200 sx P.P., 4% CFR-3, 5# Gilsonite, 2% HR-7, 1% Salt (Yield 1.67 @ 13 ppg). Reverse out 23 sx cmt.
- 2/23/00 Release Rig @ 7:00 PM CST.