Indian Hills Unit # 25 Sec. 20. T-21-S, R-24-E SHL @ U.L. "B" 1093' FNL & 1367' FEL BHL @ U.L. "H" 1834' FNL & 626' FEL Eddy Co. N.M. API # 30-015-31194

Drilled and set 40' of 20" conductor pipe, cement to surface.

Move in and rig up Mcvay Rig # 8. Notified BLM of Spud date to be Sat. Nov. 11<sup>th</sup>. Spudded W/ 17-1/2" bit and air drilled from 58' to 1795'. POOH w/ drill pipe, R/U csg. crew, Ran 41-jts. 13-3/8" 54.50# J-55 csg. @ 1775'.R.U Halliburton, cement w/ 100 sks. PP, w/ 10# Diamond Seal, 200 sks. Thix-set, 750 sks. P.P. Hall. Light. followed by 300 sks. P.P. Plug down @ 6:00 AM T.T. Circ. No cement, bump plug to 1100# PSI Run Temp. survey EST TOC @ 450'. RIH w/ 1" pipe, pump 620 sks. neat w/ additives., 500 sks. neat w/ 8 yds. Pea gravel. Fill to surface w/ 3-yards ready-mix concrete.N.U 13-5/8" BOP and hydril. Test mud lines, P.U. 12-1/4" bit tag cmt. @ 1745'. Test csg. to 1000#. Drill cmt. to 1795'. Drill formation f/ 1795' to 4465'. TOOH to pick up motor and directional tools, P.U. new BHA, rotate and slide from 4465' to 7487', pump sweep, wash f/ 7445' to 7487'. Rotate and slide f/ 7487' to 7820'. Reamed f/ 7420' to 7544,. Rotate and slide f/ 7544' to 8280'. Rotary drill from 8280' to 8300', slide drill f/ 8300' to 8375'. Ream f/ 8000' to 8375' to reduce torque and drag. Ratate f/ 8375 to 8865. 8865 is T.D. R.U. loggers tag up @ 8800'. Neutron Density and Resistivity. Tih w/ platform express tag @ 8775'. Wash and ream to btm.@ 8750'. R.U. casing crew, ran 193 jts. 9-5/8" 43.50# csg. @ 8740'. Cement 9-5/8" csg. First Stage W/ 650 sks. N2 Cement. Opened D.V. Tool Circ. 125 sks. to pit. Cement 2<sup>nd</sup> stage w/ 1450 sks. Interfill "C" tailed w/ 200 sks. Premium neat. Plug. Down Circ. 180 sks. to pit. Pick up BHA, drill D.V. tool, tih to float collar, drill float collar and shoe track.

Directionally drill 8-1/2" hole rotating and sliding f/ 8865' to 9947', Replace float sub, bitsug and bit. Rotate and slide f/ 9947' to 10400'. TOH laid dn Motor and BHA. R.U. Schlumberger, ran platform express. R.U. casaing crew run 7" liner. TIH w/ 1668' of 7" 26# liner on drill pipe, tag @ 10370'. Land liner w/ Baker hanger(TOL) @ 8731', F.C., 10,352 and shoe to 10400'. Circ. And set liner hanger @ 8731'.

R.U Hal. Services cement w/ 325 sks. Super "H" w/ additives. Reverse circ. Out 81 sks. cmt.

Release Rig @ 15:00 CST.