AGI # 1 2139' FNL & 1061' FWL Sec. 23, T-21-S, R-23-E Eddy Co. N.M. API # 30-015-31294

Drilled and set 40' of 20" conductor pipe, cement to surface. Move in rig up Nabors Rig # 311. Alert BLM @ 9:10 AM. (Paul Evans). Finish rigging up weld on 20" conductor pipe. Spudded hole @ 11:15 AM. Air drilled 68' to 1200'. .Surface T.D. @ 24:30 hrs. R.U. csg. Crew, RIH W/ 26-jts. 13-3/8" 54.50# csg. To 1196'. R.U. Halliburton, cmt W/ 100 sks. w/ 10#/ sk diamond seal, 100 sks. thix-set, 750 sks. Hall. Lite., tailed w/ 300 sks. Premium Plus. Plug dn. @ 11:45 AM, 8/30/00 TT , **Circ, 31 sks cmt to pit**. Pick up 1" tag cmt @ 260', pulled to 245', cmt w/ 150 sks,. Prem. Plus. **Circ. Cmt. To cellar**. R.U. nipple up crew set stack. Test BOP stack to 3000# . P.U. BHA start in hole w/ collars. Test casing to 1000# . Drill out float collar and cement f/ 1166' to 1194'. Start drilling formation from 1200' to 2720' w/ air mist. Switch to water Drill F/ 2720' to 10108. Ran 9-5/8" casing to 10108' Rig up HES pump 55 bbls 11.0 ppg scavenger. Pump 1400 sks. Super-H cmt. w/ .additives 13.0 ppg. 1.67cuft/ sk. Dropped bomb opened D.V. tool Cement second stage. Pumped 1400 sks. Interfill "C" w/ additives@ 11.9ppg 2.47cuft/ sk.

Tailed w/ 200 sks. Prem. Plus w/ 2% CACL2 14.8 ppg 1.34 cuft/sk. Circulated 179 sks. to surface.WOC 23 hrs. TIH w/ 8-1/2" bit. Drill out float collar @ 10059. Pressure test casing to 1000# OK,drill cmt, float shoe,to 10108. Drill formation from 10108 to 11,100' T.D. Laid down drill pipe and collars. R.U casing crew, Begin running 5-1/2" 20# Duoline Tbg Ran 234 jts. 5-1/2" 20ppf L-80 tubing. Circ. 460 bbls of packer fluid, and pressure test annulus to 1050#. N.D. BOP, laid down equipment. Jet pits, Release Rig @ 0600 hrs. Oct. 5th, 2000.