

MALLON OIL COMPANY

Amoco - Red Bluff Federal #3  
130' FNL, 1805' FEL of Section 28  
Township 26 South, Range 29 East  
Eddy County, New Mexico

RECEIVED

JAN 23 '90

TIGHT HOLE

O. C. D.  
ARTESIA, OFFICE

12-26-89 Burlason Construction Company began location dirt work.

12-27-89 Building location and pits.

12-28-89 Building location and pits.

12-29-89 Building location and pits. Frank's Rathole Service MIRU, Spudded well at 2:55 p.m. SIFN.

Daily Cost: (Dirtwork) \$3393  
Cum Cost: \$3393

12-30-89 Finished drilling 22" hole to 30' set 16" conductor pipe to 30' and cemented with 2 1/2 yards ready-mix concrete (5 sks/yd.)

Daily Cost: (Drig.) \$2,053,  
Cum Cost: \$5,446.

12-31-89 Waiting on CapStar Drilling Rig (Due to move in 1/5/90).

1-01-90 Waiting on drilling rig.

1-02-90 Waiting on drilling rig.

1-03-90 Waiting on drilling rig.

1-04-90 Waiting on rotary rig.

1-05-90 Waiting on rotary rig.

1-06-90 Waiting on rotary rig.

1-07-90 - Drilling Surface Hole-

Depth at 07:00 172', Bit #1 12 1/4", Mud-Spud. Moved in and rigged up CapStar Rig #2. Mixed spud mud and spudded under conductor pipe (30') at 02:15 (a.m.) 1-07-90. Lost circulation at 82'. Mixed LCM pill, regained circulation drilled to 84' and lost circulation again, drilled ahead without returns.

Daily Cost = \$2,714  
Cum Cost = \$8,160

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1-8-90 - Cementing Surface Casing -  
Depth 424'

Drilled 12 1/4" hole to surface TD (424' KB), Conditioned hole, TOOH w/ 15-6" drill collars, bit sub and 12 1/4" bit. TIH w/8 5/8" regular pattern guide shoe (1'), 40.48' shoe joint, flapper type insert float and ten more joints 8 5/8", 28#/ft, Used (Tested to 2700 PSI, Drifted to 7 7/8") Total casing run 412.05'. Centralizers on 1st and 4th Collars. Threadlocked shoe and first 4 collars. Landed casing at 423' KB. Rigged- up Dowell-Schlumberger, pumped 200 sx (264 ft<sup>3</sup>) Class 'C' + 2% CaCl<sub>2</sub> mixed at 14.8 #/gal. Dropped wooden top plug and displaced to float with 23 Bbl water. Float leaking back slightly left head shut in. No circulation during conventional cementing. Waited on cement 3 hr. Tripped in annulus w/6 jts 1", Schedule 40, PVC tbq, tagged cement at 107'. Pumped 65 sx Class 'C' + 3% CaCl<sub>2</sub> without returns, TOOH w/1" tbq. WOC 3hr. TI annulus with 1", Tagged cement at 107', pumped 100 sx class 'C' + 3% CaCl<sub>2</sub> without returns, TOH w/1" tbq. WOC 3 hr.

Daily Cost: \$10,272  
Cum Cost: \$18,432

1-09-90 - Drilling -  
Depth 660'

Dumped 28.75 ft<sup>3</sup> pea gravel down annulus and washed down with water. TIH w/1" tbq. Tagged pea gravel at 59'. Pumped 94 sx C + 3% CaCl<sub>2</sub>, circulated cement to surface at end of stage. Jetted 1 Bbl slurry from cellar, Nipple-Up BOP, tested blind rams and manifold to 1000#, TIH w/Bit #2, 7 7/8" Re-run Hughs J-226 w/3-13/64" jets. Tested pipe rams, tagged cement at 354' drilled cement, float and shoe and began drilling under surface.

Daily Cost: \$12,814  
Cum Cost: \$31,246

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1-10-90      Drilling at 1068' (made 408')

Drilled ahead to 866'. Ran survey and found 3° deviation. Reduced WOB to 8000#, Survey at 927' 3°, TOOH at 945' and TIH w/ bit #3 Security S33SS, Drlg w/ 8000# WOB. Survey at 1019' 3°.

Daily cost: \$4,120  
Cum cost: \$35,366

1-11-90      Drilling at 1238 (Made 170')

MW 9.9, VIS 29, TOOH at 1219, w/ bit #3 7 7/8" Security S33SS, TIH w/ bit #4 7 7/8" J-22C, drilling w/ 15000# WOB.

Daily Cost: \$1,488  
Cum Cost: \$36,854

1-12-90      Drilling at 1697' (Made 459')

TOOH w/ bit #4 7 7/8" Hughs J-22C, Ran survey at 1298' and found 2° deviation. MW 9.9, VIS 29. Survey at 1487' 2.25°. Will TFB at 2200' - probably tomorrow.

Daily Cost: \$4,526  
Cum Cost: \$41,380

1-13-90      Drilling at 2011' (Made 314')

MW 10, Vis 29, Drilling in Rustler anhydrite, keeping WOB at 15,000# to minimize deviation. Surveys - 1670' 3°, 1731' 2.75°, 1911' 2°.

Daily Cost: \$4,286  
Cum Cost: \$45,666

1-14-90      Tripping for bit at 2649' (Made 638')

MW 10.0, Vis 29, Drilling in Rustler anhydrite and salt, 20,000# WOB, Surveys - 2095' 1°, 2312' 1°, 2584' 2°. Tripped for bit @ 2649' bit #5 7 7/8" Hughs J33C w/3 13/32" jets.

Daily Cost: \$5,862  
Cum Cost: \$51,528

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1-15-90	Drilling at 3006' (Made 357')
	MW 10.0, Vis 29, Drilling in Bell Canyon Formation. Formation tops (Delaware Ls 2830', Ramsey Sd. 2864') No show in Ramsey. WOB 25,000#. Survey @ 2797' 1.75°.
	Daily Cost: \$3,634 Cum Cost: \$55,162
1-16-90	Drilling at 3777' (made 771')
	Drilling sand and shale. MW 10.0, Vis 29, Deviation surveys - 3289' 1°, 3782' 1/2°. Cherry Canyon formation top at 3730' (-838')
	Daily Cost: \$7,366 Cum. Cost: \$62,528
1-17-90	Drilling at 4503' (Made 726')
	MW 10.0, Vis 29, Drilling Sand, Shale and Limestone Surveys 3782' 1/2°, 4273' 1 1/4°.
	Daily Cost: \$7,633 Cum Cost: \$70,161
1-18-90	Drilling at 5004' (Made 501')
	MW 10.0, Vis 33, Drilling Sand & Shale, Surveys - 4772' 1.75°. Williamson Sand top 4870', base at 4950. Good drilling break, good fluorescent & cut in lower Williamson.
	Daily Cost: \$5,961 Cum Cost: \$76,122
1-19-90	Logging, TD 5100' (Made 96')
	Drilled to TD, circulated 2 1/2 hours, trip out of hole with drill string, rig up Atlas wireline, ran CNL-FDC-GR, logging with dual lateral logs. Williamson Sand Top 4860'.
	Daily Cost: \$10,216 Cum Cost: \$86,338