ENWEST

DIVERSE FEDERAL NO. 1 900' FSL & 660' FEL, SEC. 14,

T26S-R29E, EDDY COUNTY, NEW MEXICO



1

1-4-2000

STATUS REPORT – Road construction and location finished on Monday, 1-3-2000, moved in Key Energy Rig No. 6. Built and lined reserve pits, filled with water. Drilling rig should spud later this afternoon.

1-5-2000

Working on derrick, should resume this afternoon.

1-6-2000

Continuing to work on derrick.

1-7-2000

Diverse Federal #1 is spudded, expect to set surface casing around 1 a.m. Saturday, January 08, 2000. BLM has been notified. Key Rig #6 spudded at 11:00 a.m. and drilled 12 ¼" hole to 416', circulated 30 minutes, prepared to run 8 5/8" casing. Hole is ½" at 416'. At 8:00 p.m. rigged up casers and ran 8 5/8" as follows:

- 1 8 5/8" Texas pattern shoe
- 1 joint 8 5/8" 23# ST&C J-55 new
- 1 insert float at top of collar
- 9 joints 8 5/8" 23# ST&C J-55 new
- 1 8 5/8" (rig's) landing joint
- 10 joints new 8 5/8" casing

Centralized casing with 3 centralizers

9:00 p.m. BJ Hughes cemented with 400 Sx Class C=2%CAL2, Slurry wt. 14.6#, displaced with 24 BFW, plug down @ 9:40 p.m. 1-7-2000. Circulated 100 Sx cement. WOC 18 hrs. NU BOP, test 8 5/8" casing to 2000#psi before drilling shoe joint.

1-8-2000

Drilled 416' to 594', drilling break from 480' to 520'

1-9-2000

8:00 a.m. Drilled 594' to 1359', drilling break from 671' to 715' (could have water flow - 480' to 520', 671' to 715')

1-10-2000

7:00 a.m. Drilled 1359' to 1784'. Formation: Anhydride, survey 2 1/2°

1-11-2000

10:00 a.m. Drilled 1784' to 2380'. We plan to cement 5 ½" and circulate to the surface due to up hole drilling breaks when we reach the Lamar.

1-12-2000

Drilling at 2975', Geologist is calling probable 5 ½" casing point.