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Penwell Energy, Inc.
Daily Drilling Report
Rifleman AFQ "32" State Com. #1
Eddy County, New Mexico

MAY 29 1996

OIL CON. DIV.
DIST. 2

32-21-26

Directions:

- 4-24-96 Dug down 6' around dry hole marker to check condition of 8 5/8" casing; cut off 8 5/8" casing & installed 8 5/8" X 5 1/2" casing head w/ two 2" valves; tested 8 5/8" head to 1200# for 30 min. held OK.
Daily Cost: \$ 550.
- 4-26-96 Leveled, watered and packed location.
Daily Cost: \$ 700.
- 4-30-96 Started moving in McGee Rig #2; will start re-entry operations today.
- 5-1-96 **Day 1:** Depth 2,333'; Present Operation- Drilling on CIBP; Footage in past 24 hrs. 2,333'; Formation- CIBP; MW 10; Vis 29; Chl. 190,000; Bit #1, 7 7/8", Jets open, WOB 10m; RPM 60; pump type DB-550; stroke length 16; SPM 62; psi 175#; BHA- bit, 9 ea. 6" DC's; Past 24 hrs. 13 1/2 hrs. MIRU; 8 1/2 hrs. PU DC's & drill 95' surface plug; 1/2 hr. test casing to 1500#, ok; 2 1/2 hrs. drill cement & CIBP @ 2,333'. Remarks: Started re-entry operations @ 8:00pm MST, 4-30-96; conducting continuous re-entry operations @ midnight 4-30-96.
Daily Cost: \$ 30,136; Cum Cost: \$ 30,836.
- 5-2-96 **Day 2:** Depth 2196'; Present Operation- Circulating off gas kick; WL 10; Vis 29; Chl 190,000; Present Operation- 22 hrs. drilling CIBP & cement plugs; 2 hrs. circulating off gas. Remarks: Drilled on CIBP @ 2461'; came loose & pushed downhole to cement plug @ 4186'; drilled cement plug from 4186'-4529'; took gas kick after plug drilled out; gas coming from interval of 4529'-6800' where next plug is supposed to be.
Daily Cost: \$ 5,657. Cum Cost: \$ 36,493.
- 5-3-96 **Day 3:** Depth 9792'; Present Operation- Washing & reaming; Footage in past 24 hrs. 5,263'; MW 10; Vis 29; Past 24 hrs. 8 3/4 hrs. wash & ream from 4687'-7700'; 1 hr. circ. off gas @ 7700'; 1 hr. wash & ream from 7700'-8263'; 1 hr. circ. off gas @ 8263'; 13 1/4 hrs. wash & ream from 8263'-9792'.
Daily Cost: \$ 8,043. Cum Cost: \$ 44,111.
- 5-4-96 **Day 4:** Depth 10,224'; Present Operation: Logging. Footage in past 24 hrs. 408; MW 10; Vis. 29; CI 190,000; Past 24 hrs: 1 hr. wash & ream from 9,792' - 9,853'; 1 1/2 hr circulate off gas; 3 3/4 hrs. wash & ream 9,853 - 10,224'; 3 hrs. circulate & displace hole w/450 bbls. of 10# brine water; 9 hrs. logging from 10,100' - intermediate casing.
Daily Cost: \$18,476. Cum Cost: \$65,587.
- 5-5-96 **Day 5:** Depth 10,088'; Present Operation: Cementing 5 1/2" casing: Footage in past 24 hrs. 0'. Past 24 hours: 5 1/2 hrs. LDDC's & TIH w/DP; 2 1/2 hrs. circulating; 1 hrs. spot cement plug; 6 1/2 hrs. LDDP; 7 1/2 hrs. RU & run 5 1/2" casing; 1 hr. circulating w/csg. on bottom. Remarks: Spotted 65 sks of Class "H" Neet cement plug @ 10,224'.
Daily Cost: \$53,816. Cum Cost: \$119,403.
- 5-6-96 **Day 6:** Depth 10,088': Present Operation: Moving out drilling rig. Past 24 hrs. 1/4 hr. circulating; 2 hrs. cementing first stage; 3 1/4 hrs. open D.V. Tool and circulate; 1 hr. cement second stage; 1 1/2 hr. ND BOP; 6 hrs. PU BOP, set slips, cut off 5 1/2" csg., NU tubing head & test to 3,000#, O.K.; 2 hrs. rigging down; 8 hrs. idle. Ran 5 1/2" Production casing as follows:
- | | |
|---|------------------|
| 1 - 5 1/4" Davis-Lynch float shoe | 2.16' |
| 1 - 5 1/2", 17#, N-80, 8rd, LTC Shoe Joint | 44.31' |
| 1 - 5 1/2" Davis-Lynch float collar | 1.58' |
| 95 jts. 17#, N-80, 8rd LTC casing | 4162.65' |
| 1 - 5 1/2" Davis-Lynch Hydraulic Stage Tool | 2.08' |
| <u>132 jts. 17#, N-80, 8rd LTC casing</u> | <u>5,793.72'</u> |
| 228 jts. Total Casing: | 10,006.50' |
| Less Above K.B. | 2.50' |
| Casing Set @ | 10,004.00' |

Ran 25 centralizers across zones of interest. Halliburton cemented first stage w/350 sks. Of Class "H" Lite containing 1/2#/sk. Flocele + 1#/sk. Gilsonite + 5#/sk. Salt + .4% Halad 322 mixed @ 12.7#/gal.; yield of 1.96ft³/sk.; followed by 320 sacks of Class "H" Neet containing 5#/sk. Salt + 3% Halad 322 + .3% Halad 344 mixed @ 16.0#/gal.; yield of 1.18 ft³/sk.; Plug down to 9,958' @ 9:00 A.M. MST 5-5-96. Opened D.V. Tool and circulated 83 sacks of cement to pit. Circulate 3 hours and cement second stage w/550 sks. Of Class "H" Lite containing 1/2#/sk. Flocele + 1#/sk. Gilsonite + 5#/sk. Salt + .4% Halad 322 mixed @ 12.7#/gals., yield of 1.96 ft³/sk, followed by 100 sks. Of Class H Neet. Plug down to 5,807 @ 1:30 P.M. MST 5-5-96. D.V. Tool closed and held o.k. Rig released @ 9:00 P.M. MST 5-5-96.
Daily Cost: 38,062.

Cum Cost: 157,463.67