

State of New Mexico
Energy, Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-105

Revised March 25, 1999

WELL API NO.

30-045-31435

5. Indicate Type of Lease

STATE ☐ FEE ☒

State Oil & Gas Lease No.

NMOCD ORDER NO. R-10987-A

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:

OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER ☐

b. Type of Completion:

NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. ☐
WELL OVER BACK RESVR. ☐ OTHER ☐

Lease Name or Unit Agreement Name

HORTON

2. Name of Operator

Questar Exploration and Production Company

8. Well No.

2 C

3. Address of Operator

1050 Seventeenth Street, Suite 500, Denver CO, 80265

9. Pool name or Wildcat

BLANCO MESA VERDE

4. Well Location

Unit Letter : 1865 Feet From The SOUTH Line and 725 Feet From The EAST Line
NE SE Section 22 Township 32 North Range 11 West San Juan, County NM

10. Date Spudded

4/14/03

10. Date T.D. Reached

4/26/03

11. Date Compl. (Ready to Prod.)

5/13/03

12. Elevations (DF& RKB, RT, GR, etc.)

KB 6357' DF 6356' GL 6345'

13. Elev. Casinghead

6345'

15. Total Depth

5860'

16. Plug Back T.D.

5732'

17. If Multiple Compl. How Many Zones?

18. Intervals Drilled By

Rotary Tools

0 - TD

Cable Tools

N/A

19. Producing Interval(s), of this completion - Top, Bottom, Name

4613' - 5630' Mesaverde

20. Was Directional Survey Made

YES

21. Type Electric and Other Logs Run

HRTT, SDL/ DSN

22. Was Well Cored

NO

23.

CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
9 5/8" <i>K</i>	36#	224'	12.5"	125 sks <i>G</i>	None
7" <i>K</i>	23#	3407'	8.75"	410 sks	None
			6.25		

24. *V*

LINER RECORD

25. TUBING RECORD

SIZE <i>K</i>	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
4 1/2"	3281'	5860'	285 sx <i>B</i>		2 3/8"	4575'	

26. Perforation record (interval, size, and number)

See attached, QEP Completion Procedure Report for Perforation record (interval, size and number).

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL

AMOUNT AND KIND MATERIAL USED

4613' - 4988'

45,354 gal Clear fluid, 1,217.3 Mscf N2, 118,500 lb Proppant

5066' - 5310'

62,157 gal Clear fluid, 1,145.4 Mscf N2, 116,415 lb Proppant

5370' - 5630'

48,413 gal Clear fluid, 1,159.0 Mscf N2, 114,139 lb Proppant

28

PRODUCTION

Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump)				Well Status (Prod. or Shut-in)		
5/19/03	Flowing				Producing		
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
5/19/03	24 hrs	20/64		0	550	0	
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	
740 psig	740 psig		0	550	0		

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Sold

Test Witnessed By

Kirby Sanchez

30. List Attachments

Change of Operator form C-104A, Request for Allowable and Authorization to Transport form C-104, Completion Procedure, Gas Analysis, Spud Sundry Form C-103.

31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief

Printed Signature:

Bea Steele

Name: Bea Steele

Title: Sr. Engineering Analyst

Date: 9/18/03

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

T. Anhy _____	T. Canyon _____
T. Salt _____	T. Strawn _____
B. Salt _____	T. Atoka _____
T. Yates _____	T. Miss _____
T. 7 Rivers _____	T. Devonian _____
T. Queen _____	T. Silurian _____
T. Grayburg _____	T. Montoya _____
T. San Andres _____	T. Simpson _____
T. Glorieta _____	T. McKee _____
T. Paddock _____	T. Ellenburger _____
T. Blinebry _____	T. Gr. Wash _____
T. Tubb _____	T. Delaware Sand _____
T. Drinkard _____	T. Bone Springs _____
T. Abo _____	T. _____
T. Wolfcamp _____	T. _____
T. Penn _____	T. _____
T. Cisco (Bough C) _____	T. _____

Northwestern New Mexico

T. Ojo Alamo <u>1208</u>	T. Penn. "B" _____
T. Kirtland-Fruitland <u>2615</u>	T. Penn. "C" _____
T. Pictured Cliffs <u>3095</u>	T. Penn. "D" _____
T. Cliff House <u>4906</u>	T. Leadville _____
T. Menefee <u>5000</u>	T. Madison _____
T. Point Lookout <u>5358</u>	T. Elbert _____
T. Mancos <u>5690</u>	T. McCracken _____
T. Gallup _____	T. Ignacio Otzte _____
Base Greenhorn _____	T. Granite _____
T. Dakota _____	T. _____
T. Morrison _____	T. _____
T. Todilto _____	T. _____
T. Entrada _____	T. _____
T. Wingate _____	T. _____
T. Chinle _____	T. _____
T. Permian _____	T. _____
T. Penn "A" _____	T. _____

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....	No. 3, from.....to.....
No. 2, from.....to.....	No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....	feet.....
No. 2, from.....to.....	feet.....
No. 3, from.....to.....	feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
	1208		Ojo Alamo Ss.				
	2615		Fruitland				
	3095		Picutred Cliffs Ss.				
	3256		Lewis Sh.				
	4906		Cliff House Ss.				
	5000		Menefee Fm.				
	5358		Point Lookout Ss.				
	5690		Mancos Sh.				

State of New Mexico
Energy, Minerals & Natural Resources
Oil Conservation Division
1000 Rio Brazos Rd.
Aztec, NM 87410

Horton No. 2C
NE SE Sec. 22, T32N, R11W

<u>Name</u>	<u>Top Meas. Depth</u>
Ojo Alamo Ss.	1208
Fruitland	2615
Picutred Cliffs Ss.	3095
Lewis Sh.	3256
Cliff House Ss.	4906
Menefee Fm.	5000
Point Lookout Ss.	5358
Mancos Sh.	5690

Questar Exploration and Production Company

Completion Procedure
May 2, 2003

Horton 2 C
1910' FSL & 760' FEL
Section 22, T32N-R11W
San Juan County, New Mexico

Well Data:

Elevation: GL = 6,350', KB = 6,362'

Surface Pipe: 5 jts – 9 5/8", 36 #/ft, K-55, LT&C, 8rd set @ 226.71' KB. Cemented w/ 120 sx Class "G" w/ 2% CaCl₂. Recovered 8 bbls cement (did not fall back).

Intermediate: 82 jts – 7", 23 #/ft, J-55, P-110, LT&C, 8rd set @ 3407' KB, Float Collar @ 3360' KB, DV Tool @ 2832' KB. Cement 1st stage w/ 100 sx 50/50 Poz with full returns. Cement 2nd stage w/ 360 sx Econolite & tailed with 50 sx 50/50 Poz. Lost returns 70 bbls into displacement. Estimated TOC @ 1000'.

Liner: 66 jts – 4 1/2", 10.5 #, K-55, ST&C set @ 5860' KB. Float collar at 5818' KB. TOL at 3281' KB. Cemented w/ 285 sx 50/50 B Poz. Circulated 16 bbls cement off top of liner.

Open Hole Logs: Halliburton on April 25, 2003
HRI, HRTT, SDL/DSN.

Completion Procedure

Page 2

Horton 2C

May 2, 2003

1. MIRU. NU BOP. Set 11 – 400 bbl frac tanks and fill w/ 2% KCl water. Dowell will add biocide to tanks one day before frac.
2. PU 2 3/8" tubing and strap in hole w/ 3 7/8" bit and scraper. Drill/clean-out to float collar set @ 5818' KB. Circulate hole clean.
3. RU Computalog. Run GR/CCL/CBL from PBTD to liner top @ 3281' KB under 500 psig. RD Computalog and pressure test casing to 3500 psig for 15 minutes.
4. If CBL indicates Mesaverde formation has good bond and adequate isolation, perforate the 1st stage of the Mesaverde (per SDL dated 4/25/03) w/ 3 1/8" casing gun, 12 gram charges, 0.32" diameter hole as follows:

<u>Interval</u>	<u>SPF</u>	<u>Phasing</u>
5370'	1	None
5378'	1	None
5408'	1	None
5416'	1	None
5424'	1	None
5430'	1	None
5470'	1	None
5560'	1	None
5618'	1	None
5630'	1	None

RU Dowell to breakdown and ball out 1st stage of Mesaverde as per approved procedure. A junk basket will be run on wireline to retrieve balls prior to frac. MAXIMUM PRESSURE FOR ALL STAGES IS 3500 PSIG.

5. Immediately after fracturing the 1st stage, wireline set a composite frac plug @ 5330'. Pressure test plug to 3500 psig. If pressure holds, perforate as follows:

5066'	1	None
5074'	1	None
5104'	1	None
5118'	1	None
5168'	1	None

Completion Procedure

Page 3

Horton 2C

May 2, 2003

5228'	1	None
5249'	1	None
5262'	1	None
5280'	1	None
5296'	1	None
5310'	1	None

Breakdown, retrieve balls and frac the 2 nd stage down casing.

6. Immediately after fracing the 2 nd stage, wireline set a composite frac plug @ 5030'. Pressure test plug to 3500 psig. If pressure holds, perforate as follows:

4613'	1	None
4666'	1	None
4706'	1	None
4716'	1	None
4762'	1	None
4916'	1	None
4920'	1	None
4938'	1	None
4948'	1	None
4956'	1	None
4962'	1	None
4972'	1	None
4980'	1	None
4988'	1	None

Breakdown, retrieve balls and frac the 3 rd stage down casing.

7. Flow back load immediately through a 20/64ths choke.
8. After well loads up and logs off, TIH with 2 3/8" tubing and 3 7/8" bit. Drill out frac plugs and clean out to PBTD. Land tubing with seating nipple open-ended at +/- 5000'.
9. Swab tbg as required to unload well and kickoff.
10. Turn well over to Hallador for production after well cleans up.

C INC. ON-SITE GAS ANALYSIS -2
1523 W. AZTEC BLVD.
AZTEC, NM 87410 505-333-2003

Source: QUESTAR E&P Report Date: 05/13/2003 07:56:11
Station #: Sample Date: 05/13/2003
Station Name: HORTON #2C Flowing Pressure: 0 psig
Field: Flowing Temp.: 0 F

Method: c:\mti\ezchrom\200\methods\btu 2.met
File: c:\mti\ezchrom\200\chrom\horto2c.2

Gas Analysis by Chromatograph

Name	Mole %	BTU	RD	GPM
Nitrogen	2.747	0.000	0.027	
Methane	79.765	807.490	0.442	
CO2	1.447	0.000	0.022	
Ethane	9.882	175.276	0.103	2.643
Propane	3.925	98.985	0.060	1.082
i-Butane	0.777	25.326	0.016	0.254
n-Butane	0.875	28.611	0.018	0.276
i-Pentane	0.288	11.549	0.007	0.105
n-Pentane	0.192	7.715	0.005	0.070
Hexanes	0.086	4.100	0.003	0.035
Heptanes	0.016	0.882	0.001	0.007
Octanes	0.000	0.000	0.000	
Nonanes	0.000	0.000	0.000	

Ideal Total 100.000 1159.935 0.701 4.472
Unnormalized Total 104.852

Gross BTU/Real Cu. Ft.
(@ 60 deg F, 14.730)
Dry = 1163.547
Sat. = 1144.595
Actual = 1163.547
(0.000 lbs. water/MMCF)

Gasoline Content
Propane GPM = 0.254
Butane GPM = 0.381
Gasoline GPM = 0.112
26# Gasoline GPM = 0.218
Total GPM = 4.472

Real Relative Density Calculated = 0.7028
On-Site Relative Density = 0.0000

Gas Compressibility = 0.9969

PERC**WELL CHRONOLOGY REPORT****WELL NAME : HORTON 2C**FIELD : BLANCO MESA VERDECOUNTY & STATE : SAN JUANWI% : 25.00000 AFE# : 2003-3

DHC : CWC :

AFE TOTAL :

DISTRICT :

LOCATION : NESE SEC. 22, T32N, R11WCONTRACTOR : BEARCATPLAN DEPTH : 5,250 SPUD DATE : 4/14/2003FORMATION : MESAVERDE

REPORT DATE : 4/15/2003 MD : 224 TVD : 0 DAYS : 0 MW : VISC :
 DAILY : DC : \$69,542 CC : \$0 TC : \$69,542 CUM : DC : \$69,542 CC : \$0 TC : \$69,542

DAILY DETAILS : MIRU Bearcat Rig #1. Drill Rat Hole & Mouse Hole. Drilled 12-1/4" Hole from 0' - 135' 90'/hr. Wire line survey @ 103' 3/4 deg. Drilled 12-1/4" hole from 135' to 224' 118.6'/hr. Wire line survey @ 197' 1/2 deg. TOOH for csg. Rig up csg crew. Ran 5 jts of 9-5/8", 36.0#, K-55, LT&C csg. Total Length 226.71', csg equipped w/ guide shoe & insert baffle plate & 3 centralizers, located in middle of bottom jt. and every other one. Rig-up Cementers (Halliburton), safety meeting. Cemented csg w/125 sks. Class G cmt. w/ 2% CaC12, 1/4#/sks. Flocele, full returns thru-out job. Recovered 10 bbls of cmt. Halliburton over-displaced csg, circulated out cmt. Circulated water w/dye. Pumped 23 bbls, recovered green dye. Csg and annulas = 23.35 bbls. Wait on cement from yard. Circulate with rig equipment while waiting on cmt. Full returns. Maximum pressure Halliburton pumped 800 psi., csg internal yield = 3520 psi, 70% = 2464 psi. Will re-cement and displace to insert and shut-in cmt head.

REPORT DATE : 4/16/2003 MD : 307 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$20,761 CC : \$0 TC : \$20,761 CUM : DC : \$90,303 CC : \$0 TC : \$90,303

DAILY DETAILS : Cmt 9-5/8" surface csg w/ 120 sks Class G cmt. Full returns, recovered 8 bbls. Cmt. WOC. Cut-off csg. Weld on csg head. Test to 1000 psi. Nipple-up BOP's. Test BOP's w/ Quadco, Blind Rams, Pipe Rams, Floor Valve, Kelly Valve, Choke Valve - 2000 psi, csg - 1500 psi. TIH, tag cmt. Rig service. Drill cmt, insert and shoe. Drilled 8-3/4" hole from 224' to 307' 55.33'/ hr.

REPORT DATE : 4/17/2003 MD : 1,975 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$9,910 CC : \$0 TC : \$9,910 CUM : DC : \$100,213 CC : \$0 TC : \$100,213

DAILY DETAILS : DRILLED 8-3/4" HOLE FROM 307' - 745' 87.6'/ HR. WIRE LINE SURVEY @ 703' - 3/4 DEG. RIG SERVICE. DRILLED 8-3/4" HOLE FROM 745' TO 1155' 126.2'/ HR. SPR/ OP DRILL. DRILLED 8-3/4" HOLE FROM 1155' TO 1250' 63.3'/ HR. WIRE LINE SURVEY @ 1220' DEG, RIG SERVICE. DRILLED 8-3/4" HOLE FROM 1250' TO 1305' 55.0'/ HR. RIG SERVICE. DRILLED 8-3/4" HOLE FROM 1305' TO 1754' 64.2'/ HR. WIRE LINE SURVEY @ 1717' TO 1/2 DEG, RIG SERVICE. DRILLED 8-3/4" HOLE FROM 1754' TO 1975' 55.3'/ HR.

REPORT DATE : 4/18/2003 MD : 2,895 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$10,397 CC : \$0 TC : \$10,397 CUM : DC : \$110,610 CC : \$0 TC : \$110,610

DAILY DETAILS : DRILLED 8-3/4" HOLE FROM 1975' TO 2261' 38.2'/HR. WIRE LINE SURVEY @ 2224' - 3/4 DEG. RIG SERVICE. DRILLED 8-3/4" HOLE FROM 2261' TO 2388' 36.3'/HR. RIG SERVICE. DRILLED 8-3/4" HOLE FROM 2388' TO 2768' 46.1'/HR. WIRE LINE SURVEY @ 2733' - 1 DEG. DRILLED 8-3/4" HOLE FROM 2788' TO 2895' 36.3'/HR.

PERC**WELL CHRONOLOGY REPORT**

REPORT DATE : 4/19/2003 MD : 3.113 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$20,845 CC : \$0 TC : \$20,845 CUM : DC : \$131,455 CC : \$0 TC : \$131,455

DAILY DETAILS : DRILLED 8-3/4" HOLE FROM 2895' TO 2990' 31.7'/HR. RIG SERVICE. DRILLED 8-3/4" HOLE FROM 2990' TO 3113' 49.2'/HR. TOOH - 6 STANDS - 2753'. FILL BACKSIDE, ESTABLISH CIRCULATION @ 2753'. MIX MUD, CONDITION HOLE @ 2753'. TIH 3 STDS, BREAK CIRCULATION, TIH 2 STDS BREAK CIRCULATION. MIX PILL, TIH TO 3113', LOST COMPLETE RETURNS. TOOH 6 STANDS - 2753', MIX MUD W/ 20% LCM, FILL BACKSIDE (140 BBLS), BREAK CIRCULATION. BUILD MUD VOLUME W/ 20% LCM @ 2753'. STAGE IN HOLE TO 3113', CIRCULATING, LOST CIRCULATION @ 3113', SERVER TORQUE @ 3113'. TOOH - 3 STANDS - 2924'. BUILD MUD VOLUME W/ 30% LCM @ 2924'. FILL BACKSIDE @ 2924' WITH 90 BBLS. TOOH TO CHECK BIT. TOTAL LOSS = 920 BBLS.

REPORT DATE : 4/20/2003 MD : 3.244 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$10,525 CC : \$0 TC : \$10,525 CUM : DC : \$141,980 CC : \$0 TC : \$141,980

DAILY DETAILS : TOOH, CHECK BIT, PICK-UP BIT #3 (RE-RUN W/ 3-14 JETS), REMOVE DRILLSTRING FLOAT. BUILD MUD VOLUME. TIH TO 2813', FILL ANNULAS - 5 BBLS, CIRCULATE, CONDITION MUD AND HOLE. TIH TO 2993', CIRCULATE, BUILD & CONDITION MUD. STAGE IN HOLE AND CIRCULATE FROM 2993' TO 3113'. 8-3/4" HOLE FORM 3113' TO 3174' 20.3'/HR. - SEVERE TORQUE, HIGHLY FRACTURED. DROP SURVEY, TOOH TO CHECK BIT. RIG SERVICE. TIH, NO PROBLEMS. DRILLED 8-3/4" HOLE FROM 3174' TO 3244' 11.7'/HR. - WOB - 25,000#, RPM - 80, SEVERE TORQUE W/ WT. ABOVE 25K.

REPORT DATE : 4/21/2003 MD : 3.465 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$18,573 CC : \$0 TC : \$18,573 CUM : DC : \$160,553 CC : \$0 TC : \$160,553

DAILY DETAILS : DRILLED 8-3/4" HOLE FROM 3244' TO 3377' 20.46'/HR. RIG SERVICE. DRILLED 8-3/4" HOLE FROM 3377' TO 3465' 27.07'/HR. CIRCULATE. SHORT TRIP 6 STANDS. CIRCULATE. DROP SURVEY, PUMP PILL. TOOH FOR LOGS, (SLM = 3466.28' - NO CORRECTION). RU LOGGERS, (HLS), LOG WELL - LOGGER TD = 3465', DRILLER TD = 3465', RIG DOWN LOGGER. TIH, BREAK CIRCULATION @ 2400', TIH.

REPORT DATE : 4/22/2003 MD : 3.465 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$38,488 CC : \$0 TC : \$38,488 CUM : DC : \$199,041 CC : \$0 TC : \$199,041

DAILY DETAILS : BUILD MUD VOLUME. TIH - 3465'. CIRCULATE. LDD & DC'S. RIG UP CSG CREW. RUN 7", 23.0#, P-110 & K-55, LT&C CSG. TOTAL LENGTH = 3421.9' W/ FLOAT EQUIPMENT. HIT BRIDGE @ 3408' ATTEMPT TO WASH THRU BRIDGE W/ RIG PUMPS - NO GO, RIG UP HALLIBURTON, 800 PSI @ 6 BPM - NO GO. CSG LANDED @ 3407.10' KB, FLOAT COLLAR @ 3359.69' KB, DV TOOL @ 2831.86' KB. PREPARE TO CMT. RIG DOWN CSG CREW, RU CEMENTERS (HALLIBURTON). CMT 1ST STAGE, FULL RETURNS, PLUG DOWN @ 2330 HRS. - OK. DROP BOMB - OPEN DV TOOL, CIRC. W/ FULL RETURNS. CMT 2ND STAGE, LOST CIRC WITH 70 BBLS INTO DISPLACEMENT, DISPLACED WITH 112 BBLS WTR, BUMPED PLUG @ 5:45 HRS - OK. ESTIMATED TOP OF CMT @ 1000' RIG DOWN CEMENTERS.

REPORT DATE : 4/23/2003 MD : 3.465 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$20,386 CC : \$0 TC : \$20,386 CUM : DC : \$219,427 CC : \$0 TC : \$219,427

DAILY DETAILS : N/D BOP'S, SET 7" CSG SLIPS, CUT - OFF CSG, N/U BOP'S. TEST BOP'S W/ QUADCO - 2000 PSI, CSG - 2000 PSI. RIG REPAIR (RIGHT ANGLE DRIVE).

PERC**WELL CHRONOLOGY REPORT**

REPORT DATE : 4/24/2003 MD : 3,465 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$7,627 CC : \$0 TC : \$7,627 CUM : DC : \$227,054 CC : \$0 TC : \$227,054
 DAILY DETAILS : RIG REPAIR (RIGHT ANGLE DRIVE). CHANGE OUT KELLY, STRAP BHA. PICK - UP BHA. RIG SERVICE. PICK - UP 3-1/2" DRILL PIPE. KELLY - UP, TAG DV TOOL @ 2884'. DRILL DV AND 10' OF CEMENT. TIH TO 3287' D.O. CMT, FLOAT COLLAR & SHOE. CIRCULATE. TOOH. PU HAMMER BIT & TEST. TIH. UNLOAD HOLE @ 1566' TIH - 3465' UNLOAD HOLE @ 3465'.

REPORT DATE : 4/25/2003 MD : 5,400 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$28,942 CC : \$0 TC : \$28,942 CUM : DC : \$255,996 CC : \$0 TC : \$255,996
 DAILY DETAILS : BLOW HOLE DRY @ 3465'. DRILLED 6-1/4" HOLE FROM 3465' - 4712' 82.1'/HR RIG SERVICE. DRILLED 6-1/4" HOLE FROM 4712' - 5182' 72.3'/HR. RIG SERVICE. DRILLED 6-1/4" HOLE FROM 5182' - 5400 72.66'/HR.

REPORT DATE : 4/26/2003 MD : 5,860 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$47,219 CC : \$0 TC : \$47,219 CUM : DC : \$303,215 CC : \$0 TC : \$303,215
 DAILY DETAILS : DRILLING 6-1/4" HOLE FROM 5400' TO 5860' 87.6'/HR. BLOW HOLE CLEAN. TOOH FOR LOGS. SAFETY METTING, RIG-UP LOGGERS (HALLIBURTON). LOG WELL, (HRI, HRT, DENSITY SPACED NUETRON DEEP RESITIVITY) LOGGERS TD 5859'. RIG DOWN LOGGERS. RIG-UP CSG CREW, PICK-UP 4-1/2", 10.5#, K-55, ST&C LINER - TOTAL LENGTH 2564.47' & HANGER. RIG DOWN CSG CREW. TIH W/ DRILL PIPE & LINER, TAG @ 5860' BLOW DRILL PIPE, HANGER, LINER AND ANNULAS W/ AIR. SET LINER, SAFETY MEETING, RIG-UP HALLIBURTON. CMT LINER (5860' - 3281') W/ 285 SKS OF 50/50 B POZ CMT. DISPLACED CMT W/ 64 BBLS WTR. BUMPED PLUG @ 923 PSIG - OK. CIRCULATE 7" INTERMEDIATE VOLUME ON TOP OF LINER. RECOVER 16 BBLS OF CMT. LDDP.

REPORT DATE : 4/27/2003 MD : 5,860 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$14,784 CC : \$0 TC : \$14,784 CUM : DC : \$317,999 CC : \$0 TC : \$317,999
 DAILY DETAILS : LDDP & DC'S. N/D BOP'S CAP WELL. RIG RELEASE @ 12:00 HRS. 4/26/03.

REPORT DATE : 4/28/2003 MD : 5,860 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : CC : TC : CUM : DC : \$317,999 CC : \$0 TC : \$317,999
 DAILY DETAILS : WOCT.

REPORT DATE : 4/29/2003 MD : 5,860 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : CC : TC : CUM : DC : \$317,999 CC : \$0 TC : \$317,999
 DAILY DETAILS : WOCT.

REPORT DATE : 4/30/2003 MD : 5,860 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : CC : TC : CUM : DC : \$317,999 CC : \$0 TC : \$317,999
 DAILY DETAILS : WOCT.

PERC**WELL CHRONOLOGY REPORT****WELL NAME : HORTON 2C**FIELD : BLANCO MESA VERDECOUNTY & STATE : SAN JUANWI% : 25.00000

AFE# :

DHC :

CWC :

AFE TOTAL :

DISTRICT :

LOCATION : NESE SEC. 22, T32N, R11WCONTRACTOR : KEYPLAN DEPTH : 5,250SPUD DATE : 4/14/2003FORMATION : MESAVERDE, NM
API# : 03-045-31435**REPORT DATE : 5/1/2003**MD : 5.860TVD : 0DAYS : 0

MW :

VISC :

DAILY : DC : \$0CC : \$1,411TC : \$1,411CUM : DC : \$317,999CC : \$1,411TC : \$319,410

DAILY DETAILS : ROAD RIG TO LOCATION. RUSU, NDWH, NHBOP. SPOT IN RIG PUMP & TANK. SPOT IN 4-400 BBL FRAC TANKS. RUN LINES FROM PUMP TO TANKS & WELL. TRAVEL.

REPORT DATE : 5/2/2003MD : 5.860TVD : 0

DAYS :

MW :

VISC :

DAILY : DC :

CC :

TC :

CUM : DC : \$317,999CC : \$1,411TC : \$319,410

DAILY DETAILS : WOCT.

REPORT DATE : 5/3/2003MD : 5.860TVD : 0

DAYS :

MW :

VISC :

DAILY : DC :

CC :

TC :

CUM : DC : \$317,999CC : \$1,411TC : \$319,410

DAILY DETAILS : WOCT.

REPORT DATE : 5/4/2003MD : 5.860TVD : 0

DAYS :

MW :

VISC :

DAILY : DC :

CC :

TC :

CUM : DC : \$317,999CC : \$1,411TC : \$319,410

DAILY DETAILS : WOCT.

REPORT DATE : 5/5/2003MD : 5.860TVD : 0

DAYS :

MW :

VISC :

DAILY : DC : \$0CC : \$6,642TC : \$6,642CUM : DC : \$317,999CC : \$8,053TC : \$326,052

DAILY DETAILS : TRAVEL. SPOT IN FLOW BACK TANK. SPOT IN FLOAT W/ 2-3/8" TBG. POCK UP AND TIH W/ 6-1/4" BIT, 4 DRILL COLLARS AND 102 JTS TBG TAG LT AT 3282. TOH. TIH W/ 3-7/8" BIT, COLLARS AND 181 JTS 2-3/8" TBG. TAG CMT @ 5732'. 102' BELOW BOTTOM PERF. RU PUMP. CIRC 170 BBLs OF 2% KCL W/ BIOCID. LAY DOWN 21 JTS TBG TOH W/ 80 STDS TBG & COLLARS, CHANGE OUT PIPE RAMS ON BOP. SWIFN. TRAVEL. NOTE: SCHLUMBERGER UNAVAILABLE UNTIL FRIDAY. WILL RUN LOGS. PRESSURE TEST, PERFORATE AND RUN ACID BREAK DOWN ON LOWER ZONE THURSDAY. START FRAC FRIDAY MORNING.

REPORT DATE : 5/6/2003MD : 5.860TVD : 0

DAYS :

MW :

VISC :

DAILY : DC :

CC :

TC :

CUM : DC : \$317,999CC : \$8,053TC : \$326,052

DAILY DETAILS : WO FRAC. SHOULD FRAC ON FRIDAY (5-9-03)

REPORT DATE : 5/7/2003MD : 5.860TVD : 0

DAYS :

MW :

VISC :

DAILY : DC :

CC :

TC :

CUM : DC : \$317,999CC : \$8,053TC : \$326,052

DAILY DETAILS : WO FRAC.



WELL CHRONOLOGY REPORT

REPORT DATE : 5/8/2003 MD : 5.860 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$0 CC : \$10,240 TC : \$10,240 CUM : DC : \$317,999 CC : \$18,293 TC : \$336,292

DAILY DETAILS : TRAVEL. CALL IN RU TRUCK. SHUFFLE EQUIP ON LOCATION TO MAKE ROOM FOR FRAC EQUIP. ADJUST PERFORATING GUNS. TIH W/ WIRE LINE TOOLS. TAG PBTD 5732', RUN STRIP TO GET ON DEPTH W/ SDL LOG. PRESS CSG TO 500 PSI. RUN GR, CBL & CCL TO LINER TOP 3282'. CEMENT TOP AT 3372'. BOND GOOD. TOH. INSTALL TREE SAVER. PRESSURE TEST CSG TO 3500 PSI FOR 15 MIN. HELD SOLID TIH W/ GUNS. PERFORATE LINER ZONE FROM 5630' TO 5370'. TOH, ALL GUNS FIRED. RD LUBRICATOR SWIFN. TRAVEL.

REPORT DATE : 5/9/2003 MD : 5.860 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$0 CC : \$145,636 TC : \$145,636 CUM : DC : \$317,999 CC : \$163,929 TC : \$481,928

DAILY DETAILS : TRAVEL. RU SCHLUMBERGER. HOLD SAFETY MEETING. PRESSURE TEST LINES TO 4500 PSI. OPEN TREE SAVER. PUMP FIRST STAGE FRAC PER PROCEDURES. MAX PRESS 3044. AVERAGE PRESS 1799. RU WIRELINE, TIH W/ HALLIBURTON COMPOSITE PLUG & GUN. RUN STRIP AT LINER TOP TO GET ON DEPTH. ATTEMPT TO RUN PLUG TO 3330'. COULD NOT GET DOWN. GUN & PLUG HANGING UP IN SAND. PULL ABOVE LT. PUMP 200 BBLs ATTEMPTING TO CATCH PRESS. COULD NOT. TIH SET PLUG AT 5330'. ATTEMPT TO PULL UP. GUN STUCK. DOCK WIRE LINE 20 MIN PULL FRAC. PRESSURE TEST PLUG TO 3500' PSI. HOLD. RE RUN STRIP TO GET ON DEPTH. PERFORATE FROM 5310' TO 5066'. TOH. FRAC 2ND STAGE PER PROCEDURES. MAY PRESS 3528 PSI AVERAGE PRESS 1046 PSI. RU WIRELINE. TIH W/ 2ND COMPOSITE PLUG & GUN. RUN STRIP AT LT TO GET ON DEPTH. TIH TO 5030'. RUN STRIP TO VERIFY DEPTH. SET PLUG AT 5030'. PRESS TEST PLUG TO 3500. HOLD. PERFORATE 3RD STAGE FROM 4988' TO 4613'. TOH. RD WIRELINE. FRAC 3RD STAGE PER PROCEDURE. MAX PRESS 2664 PSI AVERAGE TREATING PRESS 1628 PSI. 5 MINUTE SHUT IN AT 900 PSI. RD SCHLUMBERGER RU CHK MANIFOLD & RUN FLOW BACK LINES TO TANK. OPEN TO FLOW AT 7:20 P.M. 700 PSI ON WELL AT 20/64 CHK. RELEASE RIG CREW. TRAVEL.

REPORT DATE : 5/12/2003 MD : 5.860 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$0 CC : \$14,411 TC : \$14,411 CUM : DC : \$317,999 CC : \$178,340 TC : \$496,339

DAILY DETAILS : TRAVEL. RU 4" BLEWY LINE. FOUND 1 JT TO THIN TO RUN. CALL FOR REPLACEMENT JT. BLOW WELL DOWN TO 400 PSI THRU CHK MANIFOLD WHILE WAITING. PUMP 84 BBLs 2% KCL DOWN CSG. TIH W/ 3-7/8" BIT, PUMP OFF SUB AND 19 STDS TBG. WELL UNLOADED. PUMP 7 BBLs DOWN TBG. TIH W/ 17 STD. PUMP 11 BBLs. TIH W/ 44 STDS. TAG AT 4949.47. 80' ABOVE COMPOSITE PLUG. TBG DRAGGING WHEN PULLING ABOVE TAG. PUMP 20 BBLs DOWN TBG. RU POWER SWIVEL. CIRC WELL W/ AIR FOAM. ATTEMPT TO DRILL. BIT HANGING UP. WORK TO DRILL THRU FOR 45 MIN. WELL FLOWING TO HARD TO TOH SAFELY. LAY DOWN 14 JTS. SET TBG IN SLIPS AND CLOSE PIPE RAMS W/ BOTTOM OF STING AT 4575'. 38' ABOVE TOP PERF. FLOW WELL OVER NIGHT TO PULL DOWN PRESSURE. TRAVEL. PRESS; 700, GAUGE; 0' - 7", BBLs; 0, CUMM; 0, CKH; 24/64. PRESS; 730, GAUGE; 4' - 1", BBLs; 3.37, CUMM; 353.26, CHK; 20/64. PRESS; 730, GAUGE; 3' - 6", BBL; 3.23, CUMM; 401.48, CHK; 20/64. PRESS; 690, GAUGE; 4' - 1", LOTS OF FOAM, CHK; 20/64.

PERC**WELL CHRONOLOGY REPORT**

REPORT DATE : 5/13/2003 MD : 5,860 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : \$0 CC : \$27,363 TC : \$27,363 CUM : DC : \$317,999 CC : \$205,703 TC : \$523,702

DAILY DETAILS : TRAVEL. RUN GAS ANALYSIS ON WELL. 2.5% N2, 1.5% CO2. PUMP 14 BBLS 2% KCL DOWN TBG. NU TBG HANGER, TIW & SUB. PUMP 70 BBLS 2% DOWN CSG. LAND TBG HANGERS 143 JTS 2-3/8" TBG (4528.50'), SN (1.10'), 1 JT 2-3/8" TBG (31.18'), PUMP OFF SUB AND BIT (2.40') PLUS 12' KB. BOTTOM OF TBG AT 4575.18' KB. 38' ABOVE TOP PERF. ND 4" BLOW SPOOL, BLEW LINE & BOP. PUMP ANOTHER 14 BBLS DOWN TBG. PULL TIW & SUB, NUWH. 2" NIPPLE W/ 2" BALL VALVE ON TBG HEAD STARTED LEAKING WHEN BREAKING UNIONS OFF CSG FLOW LINE. POSSIBLE CRACKED THREADS. CALL FOR TOOLS TO REMOVE THREADS. PUMP 70 BBLS 2% DOWN CSG. PULL NIPPLE & REPLACE S/ DOUBLE X HEAVY NIPPLE. FLOW 60 BBLS FLUID UP TBG. RDSU. MOVE ALL EQUIPMENT OFF LOCATION. WILL FLOW WELL UNTIL PRESSURE DROPS TO CONTROLLABLE LEVEL. TRAVEL.

REPORT DATE : 5/14/2003 MD : 5,860 TVD : 0 DAYS : MW : VISC :
 DAILY : DC : CC : TC : CUM : DC : \$317,999 CC : \$205,703 TC : \$523,702

DAILY DETAILS : TURNED OPERATIONS OVER TO HALLADOR. WOP & PIPELINE.