

HINKLE, COX, EATON, COFFIELD & HENSLEY

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December 11, 1990

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JOHN R. KULSETH, JR.
TONY CONNERS

*NOT LICENSED IN NEW MEXICO

VIA FEDERAL EXPRESS

Ms. Florene Davidson
New Mexico Oil Conservation
Division
310 Old Santa Fe Trail
Room 206
Santa Fe, New Mexico 87501

Dear Florene:

Enclosed for filing are an original and two copies of each of the following Applications:

A. For Santa Fe Energy:

1. Application for Compulsory Pooling (S $\frac{1}{2}$ Section 17-24 South-25 East).
2. Application for Unorthodox Oil Well Location (S $\frac{1}{2}$ SE $\frac{1}{4}$ Section 5-18 South-33 East).
3. Application for Compulsory Pooling (W $\frac{1}{2}$ NW $\frac{1}{4}$ Section 8-18 South-33 East).

B. For Mewbourne Oil Company:

1. Application for Compulsory Pooling (E $\frac{1}{2}$ Section 29-20 South-27 East).
2. Application for Unorthodox Gas Well Location (N $\frac{1}{2}$ Section 14-17 South-26 East).

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OIL CONSERVATION DIV.
SANTA FE

11 209

Ms. Florene Davidson
December 11, 1990
Page 2

C. For The Petroleum Corporation of Delaware:

1. ~~Application for Compulsory Hearing (see Section 1
29 South 77 East).~~

Please set these cases for the January 10, 1991 Examiner
Hearing. Thank you.

Very truly yours,

HINKLE, COX, EATON, COFFIELD &
HENSLEY


By: James Bruce

JB:le
Enclosures

Presidio Oil Company

OIL CONSERVATION DIVISION
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'91 JUL 1 AM 9 55

3131 Turtle Creek Blvd. • Suite 400 • Dallas, Texas 75219-5415 • (214) 528-5898 • Facsimile (214) 528-2160

SUBSIDIARIES

Peake Operating Company
Presidio Energy, Inc.
Presidio Exploration, Inc.
The Desana Corporation
The Petroleum Corp. of Delaware

June 27, 1991

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

New Mexico Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: OCD Case No. 10209
OCD Order No. R-9413
Superior Federal No. 9 Well
N/2 Section 1, T-20-S, R-29-E
Eddy County, New Mexico

Gentlemen:

On December 13, 1990, Mr. James Bruce of Hinkle, Cox, Eaton, Coffield & Hensley, filed an Application for Compulsory Pooling with the Oil Conservation Division (OCS) covering the N/2 Section 1, T-20-S, R-29-E, Eddy County, New Mexico. This Application was filed on behalf of The Petroleum Corporation of Delaware (TPC), a wholly owned subsidiary of Presidio Oil Company (Presidio), and was assigned OCD Case No. 10209. This Case was heard before Examiner David E. Catanach on January 10, 1991, and OCD Order No. R-9413 was issued on January 17, 1991.

All of the working interest owners, save and except The Estate of E. J. Rousuck, Deceased (Estate) which owns a .0510947% interest, elected to participate in drilling and completion of the Superior Federal No. 9 well at a location in the SW/4 SE/4 Section 1, T-20-S, R-29-E, on a 321.20 acre gas spacing and proration unit consisting of Lots 1 through 4 and the S/2 N/4 (N/2 equivalent) Section 1. The well was drilled as a Morrow test to a depth of 11,892 feet, and was dually completed in both the Atoka and Strawn formations - the Morrow was dry.

The original AFE estimated the costs of this well to be \$462,400.00 for a dry hole and \$776,000.00 for a single completion. However, since the well was dually completed, our completed costs increased to \$1,298,915.69. The over expenditures are attributed to the following items:

1. Additional well control for the abnormally pressured Atoka formation.
2. Additional completion rig time to control, stimulate and evaluate the Atoka, Lower and Upper Strawn zones.

New Mexico Oil Conservation Division
June 27, 1991
Page 2

3. Two sets of surface production facilities.

In an effort to establish reasonable well costs, as provided in paragraph (6) of OCD Order No. R-9413, attached for your review is an itemized schedule of the actual costs attributed to this well. Also, attached is a copy of the Daily Drilling Report. Even though this Report shows estimated daily and cumulative costs, the actual costs are shown on the itemized schedule.

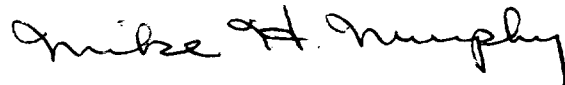
A copy of this letter and the attachments are also being furnished to the Estate for its review. If no objections are raised by either OCD or the Estate within 45 days following the receipt of this information, we understand that these numbers will be considered "reasonable well costs".

For your information, TPC has been merged into Presidio Exploration, Inc. (PEI), another wholly owned subsidiary of Presidio, and PEI is the new operator of the Superior Federal No. 9 Well.

If additional information is required, please contact this office at your convenience.

Very truly yours,

PRESIDIO EXPLORATION, INC.



Mike H. Murphy
District Land Manager

MHM:ap

Attachments

cc: Estate of E. J. Rousuck, Deceased
c/o NCNB-Texas National Bank, Agent
P. O. Box 83038
Dallas, Texas 75283-0308
Attention: Mr. James W. Coburn
W/Attachments

MHM-174

09210

Video T/B by Cost Center

CC/Object. 310001302101_____ SUPERIOR FEDERAL #9 (DRILLING)
 Thru Date/Period 06/30/91 Ledger Type. . . AA
 Level of Detail. 9 Cum/Period(C/P). C
 Sub Ledger . . . @_____ ('@' = All Subledgers)

S	Account Number	L	Description	Cumulative Balance
L		D		
	310001302101.B .	2	SUPERIOR FEDERAL #9 (DRILLING	
	310001302101.2001.	5	Oil & Gas Properties	
	310001302101.2101.	6	Full Cost Pool	
	310001302101.2300.	7	Intangibles	
	310001302101.2300.100	8	Intangible Drilling Cost	
-	310001302101.2300.101	9	Drilling Title Opinions	4,531.56
-	310001302101.2300.102	9	Surveying & Permits	1,316.60
-	310001302101.2300.103	9	Roads, Location & Dirtw	18,380.57
-	310001302101.2300.104	9	Contract Drilling	305,341.11
-	310001302101.2300.105	9	Power Fuel & Water	38,565.01
-	310001302101.2300.106	9	Drilling Mud, Chemicals	47,198.37
-	310001302101.2300.107	9	Bits & Reamers	4,693.35
-	310001302101.2300.108	9	Transportation	

Opt: 1=Acct Ledger Inquiry 2=Acct Bal by Period F22=Clear Screen
 03-22 SA MW KS IM II S1 KB

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Video T/B by Cost Center

CC/Object. 310001302101_____ SUPERIOR FEDERAL #9 (DRILLING)
 Thru Date/Period 06/30/91 Ledger Type. . . AA
 Level of Detail. 9 Cum/Period(C/P). C
 Sub Ledger . . . @_____ ('@' = All Subledgers)

S	Account Number	L	Description	Cumulative Balance
L		D		
-	310001302101.2300.109	9	Equipment Rental	13,960.46
-	310001302101.2300.110	9	Contract/Company Labor	24,639.43
-	310001302101.2300.111	9	Cementing/Cementing Ser	48,006.71
-	310001302101.2300.112	9	Geological & Engineerin	3,800.41
-	310001302101.2300.113	9	Surface/Water Damages	
-	310001302101.2300.114	9	Drilling Overhead	5,972.00
-	310001302101.2300.115	9	District Overhead	
-	310001302101.2300.116	9	Logging, Testing & Cori	52,696.25
-	310001302101.2300.117	9	Drilling Insurance	
-	310001302101.2300.118	9	Location Restoration	
-	310001302101.2300.119	9	Plug & Abandon Costs	
-	310001302101.2300.120	9	Contingencies/Other	2,300.64
-	310001302101.2300.199	9	ACCRUAL FOR IDC	

Opt: 1=Acct Ledger Inquiry 2=Acct Bal by Period F22=Clear Screen
 03-22 SA MW KS IM II S1 KB

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Video T/B by Cost Center

CC/Object. 310001302101_____ SUPERIOR FEDERAL #9 (DRILLING)
 Thru Date/Period 06/30/91 Ledger Type. . . AA
 Level of Detail. 9 Cum/Period(C/P). C
 Sub Ledger . . . @_____ ('@' = All Subledgers)

S	Account Number	L	Description	Cumulative Balance
L		D		
			Intangible Drilling C	571,402.47
	310001302101.2300.200	8	Intangible Completion Co	
	310001302101.2300.201	9	Completion Rig Time	77,949.07
	310001302101.2300.202	9	Perforating	14,676.51
	310001302101.2300.203	9	Fracturing	
	310001302101.2300.204	9	Acidizing	46,708.51
	310001302101.2300.205	9	Power Fuel & Water	6,439.23
	310001302101.2300.206	9	Casing Crew	
	310001302101.2300.207	9	Cased Hole Logging	9,401.12
	310001302101.2300.208	9	Transportation	9,240.00
	310001302101.2300.209	9	Equipment Rental	38,302.40
	310001302101.2300.210	9	Contract/Company Labor	129,010.96
	310001302101.2300.211	9	Cement/Cementing Servic	28,668.84

Opt: 1=Acct Ledger Inquiry 2=Acct Bal by Period F22=Clear Screen
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Video T/B by Cost Center

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 Thru Date/Period 06/30/91 Ledger Type. . . AA
 Level of Detail. 9 Cum/Period(C/P). C
 Sub Ledger . . . @_____ ('@' = All Subledgers)

S	Account Number	L	Description	Cumulative Balance
L		D		
	310001302101.2300.212	9	Geological & Engineerin	24,687.48
	310001302101.2300.214	9	Completion Overhead	
	310001302101.2300.215	9	District Overhead	
	310001302101.2300.218	9	Location Restoration	374.25
	310001302101.2300.219	9	Plug & Abandon Costs	
	310001302101.2300.220	9	Contingencies/Other	13,032.60
	310001302101.2300.299	9	ACCRUAL FOR ICC	
			Intangible Completion	398,490.97
			Intangibles	969,893.44
	310001302101.2400.	7	Tangible Lse & Well Equip	
	310001302101.2400.100	8	Tangible Drilling Equipm	
	310001302101.2400.101	9	Conductor Pipe	
	310001302101.2400.102	9	Surface Casing	182,750.37

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CC/Object. 310001302101_____ SUPERIOR FEDERAL #9 (DRILLING)
 Thru Date/Period 06/30/91 Ledger Type. . . AA
 Level of Detail. 9 Cum/Period(C/P). C
 Sub Ledger . . . @_____ ('@' = All Subledgers)

S	Account Number	L	Description	Cumulative Balance
L		D		
-	310001302101.2400.103	9	Intermediate Casing	
-	310001302101.2400.104	9	Casing Head	2,370.46
-	310001302101.2400.105	9	Guide Shoe, Centralizer	6,887.27
-	310001302101.2400.106	9	Other/Misc.	2,507.62
-	310001302101.2400.199	9	ACCRUAL FOR TDC	
			Tangible Drilling Equ	194,515.72
	310001302101.2400.200	8	Tangible Completion Equi	
-	310001302101.2400.201	9	Production Casing	
-	310001302101.2400.202	9	Tubing	52,303.55
-	310001302101.2400.203	9	Tubing Head	2,746.94
-	310001302101.2400.204	9	Tanks, Rods & Subsurfac	11,025.00
-	310001302101.2400.205	9	Packers	16,791.52
-	310001302101.2400.206	9	Pumping Unit	

Opt: 1=Acct Ledger Inquiry 2=Acct Bal by Period F22=Clear Screen
 03-22 SA MW KS IM II S1 KB

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Video T/B by Cost Center

CC/Object. 310001302101_____ SUPERIOR FEDERAL #9 (DRILLING)
 Thru Date/Period 06/30/91 Ledger Type. . . AA
 Level of Detail. 9 Cum/Period(C/P). C
 Sub Ledger . . . @_____ ('@' = All Subledgers)

S	Account Number	L	Description	Cumulative Balance
L		D		
-	310001302101.2400.207	9	Heater Treater	
-	310001302101.2400.208	9	Seperator	13,681.69
-	310001302101.2400.209	9	Tank Battery/Surface Eq	
-	310001302101.2400.210	9	Flowlines, Valves Fitti	31,185.64
-	310001302101.2400.211	9	Other/Misc.	6,771.19
-	310001302101.2400.299	9	ACCRUAL FOR TCC	
			Tangible Completion E	134,505.53
			Tangible Lse & Well Eq	329,021.25
-	310001302101.2401.	7	Transfer-Abandon/Sale	
			Full Cost Pool	1,298,914.69
			Oil & Gas Properties	1,298,914.69
			SUPERIOR FEDERAL #9 (DRILLI	1,298,914.69

Opt: 1=Acct Ledger Inquiry 2=Acct Bal by Period F22=Clear Screen
 03-22 SA MW KS IM II S1 KB

MID-CONTINENT DIVISION
DAILY DRILLING/WORKOVER REPORT

PRESIDIO OIL COMPANY
3131 TURILE CREEK BLVD., STE. 400
DALLAS, TEXAS 75219

SUPERIOR FEDERAL NO. 9	S1- T20- R29E
East Burton Flat	TD: 12100'
Eddy Co., NM	Formation: Morrow
Operator: The Petroleum Corp.	AFE No.: MC-90D-136
WI: 39.89%	

- 12/28/90 SFUD 12:00 AM 12-28-90. Drld 26" hole to 256 ft. Lost circulation at 240 ft.
DC: \$21,000; CUM: \$21,000
- 12/28/90 Day 1. Depth 256' (206'); PO: Drilling surface hole, had 8 hrs RU. 7 hrs WO water; 1 hr working on conductor pipe & mud line; 6 hrs drilling w/full circ to 240.
DC: \$6,476; CUM: \$27,476
- 12/29/90 Day 2. Depth 469' (213'), PO: Wait on cement. Ran 12 jts 20", K55, 94#, Range 3 total set @ 467. Pick up SP sting into float and cement w/675 sk Class C 4% Gel 2% CaCl 1/4 CF. Tail in with 200 sk Class C 2% CaCl. Preflush was 24 bbl Flocheck. Did not cir plug down @ 8:30. WOC.
DC: \$22,600; CUM: \$50,076
- 12/30/90 Day 3. Depth 1138' (669'), PO: Drilling. MW 10 ppg brine water, Vis 28, pH 9.5, PP 1300#, had 10 hrs drlg, 1 hr trip, 1/2 hrs survey, 4-1/2 vent trapped air from hole, hit air at 587' and at 630', loaded hole again with brine water, 1-1/2 hrs cementing, 5-1/2 hrs WOC, 1 hr drill cement, Bit #2, 17-1/2", Surveys: 3/4" at 594', 1-1/4" @ 814' HTC-A3J, made 669' in 10 hrs, 66.9 fph.
DC: \$16,667; CUM: \$66,743
- 12/31/90 Day 4. Depth 1162' (24'), PO: TTH with Bit #3 to drill ahead. MW = fresh water, had 1 hr drlg, 1-3/4 hrs trip, 1/4 hrs survey. 1/2 hr test csg to 900#, 1-1/2 hr cementing, 2-1/2 hrs run 13-3/8" casing, Bit #3, HTC 12-1/4", ATM 11C. Ran 28 jt 13-3/8 48# H 40 St @ Range 3. Set @ 1162'. cement w/925 SK Halid Light 15# salt 1/1 Flocele. Tail in with 200 sxs Class "C" 2% CaCl. Plug down 2:30 PM 12/30/90. Circ approx 200 sxs.
DC: \$42,492; CUM: \$109,235
- 01/01/91 Day 5. Depth 1688 (1526'), landed 13-3/8" casing. Installed BOP. Drld out casing. Drilled 12-1/4" hole.
DC: \$12,151; CUM: \$121,386
- 01/02/91 Day 6. Depth 2307 (619'), drilled 12-1/4" hole. Lost total circulation @ 1874'. Twisted off DP pin @ 1932'. Recovered fish without difficulty.
DC: \$18,206; CUM: \$139,592
- 01/03/91 Day 7. Depth 3026' PO: Drilling lime stone without circulation. MW-fresh water, Bit #4 12-1/4" Reed HP5 3AJ, 1338/ft/39 hrs, avg 34 ft/hr, WOB 50, RPM 70, 200 psi P.P., 175 GPM, 23 hrs drlg, 1 hr survey.
DC: \$18,549; CUM: \$158,141

MID-CONTINENT DIVISION
DAILY DRILLING/WORKOVER REPORT

PRESIDIO OIL COMPANY
3131 TURTLE CREEK BLVD., STE. 400
DALLAS, TEXAS 75219

SUPERIOR FEDERAL NO. 9

East Burton Flat

Eddy Co., NM

Operator: The Petroleum Corp.

WI: 39.89%

S1- T20- R29E

TD: 12100'

Formation: Morrow

AFE No.: MC-90D-136

01/04/91 Day 8. Depth 3450'(424') Drilled 12-1/4" hole to 3450 ft without circulation. Recovered about 60% returns from 3380-3450'. MW - fresh water, Bit #4, Reed HP53AJ, 1762 ft/51 hrs, avg 34.5 ft/hr, WOB 60, RPM 70, 3-13 Jets, 200 psi P.P., 175 GPM. 12 hrs drilling, 3-1/2 hrs laying down drill collars, 2 hrs circulating, 6-1/2 hrs running casing. Ran 81 jts, 3466 ft of 8-5/8" 24# & 32#/ft J-55 8RD ST/C casing to 3450 ft., circulated hole, preparing to cement.

SURVEYS:

<u>Depth</u>	<u>Angle</u>
265	1°
444	3/4°
594	3/4°
814	1-1/4°
1160	2-1/4°
1490	1-1/2°
2239	2-1/2°
2548	2°
2981	1-3/4°
3450	1-3/4°

DC: \$24,905; CUM: \$183,136

01/05/91 Day 9. Depth 3450'. Cemented first stage with 1000 gals super flush, 575 sxs Howco-Lite mixed with 5#/sx Gilsonite, 1/2 #/sx Floseal and 2% CaCl2 followed with 200 sxs Class "C" with 2% CaCl2. Opened stage collar and circulated well. Cemented second stage with 600 sxs Howco-Lite mixed with 5#/sx salt, 1/4#/sx Floseal. Followed with 200 sxs "C" with 2% CaCl2. Had circulation but did not circulate cement. Ran 1" string in annulus to top of cement at 1025 ft. Pumped in 350 sxs Class "C" cement. Circulated out about 18 sxs of cement 4 hrs circ thru stage collar, 2-1/2 hrs cementing, 9-1/2 hrs WOC, 8 hrs nipple up.

DC: \$107,249; CUM: \$290,385

01/06/91 Day 10. Depth 3975' (525') Drilled 7-7/8" hole to 3975'. MW 9.5# water, Bit #5 ATJ 33C, 525 ft/15-1/2 hrs avg 34'/hr. WOB 65-68, RPM 65, 3-13 jets. 65 SPM, 325 GPM 1550 psi. P.P. 15-1/2 hrs drilling, 4 hrs trip, 4-1/2 hrs drlg cement & float equipment. Survey: 3965 - 1 1/4°

DC: \$1,076; CUM: \$291,461

01/07/91 Day 11. Depth 4849' (874') Drilled 7-7/8" hole to 4849'. MW 9.5# brine, Bit #5 ATJ 33C, 1399 ft/33 hrs, ave 42'/hr. WOB 63, RPM 70, 3-13 jets, 107 SPM, 1400 psi, 353 GPM, 18 hrs drilling, 5-1/2 hrs trip, 1/2 hr survey. Survey: 4460-1°.

DC: \$21,043; CUM: \$312,504

MID-CONTINENT DIVISION
DAILY DRILLING/WORKOVER REPORT

PRESIDIO OIL COMPANY
3131 TURTLE CREEK BLVD., STE. 400
DALLAS, TEXAS 75219

SUPERIOR FEDERAL NO. 9	S1- T20- R29E
East Burton Flat	TD: 12100'
Eddy Co., NM	Formation: Morrow
Operator: The Petroleum Corp.	AFE No.: MC-90D-136
WI: 39.89%	

01/08/91 Day 12. Depth 5748' (899'). PO: drilling hole in sand and Dolomite. MW 9.7# brine water, 28" visc, Bit #5 AT233C, 2298 ft in 56-1/2 hrs, avg 41 ft/hr, 65 WOB, 65 RPM, 3-13 jets, 1450 psi P.P., 346 GPM. 23.5 hrs drilling, 1/2 hr survey. 50 units BGG, max 110 units.

DC: \$18,994; CUM: \$331,498

01/09/91 Day 13. Depth 6000' (252'). Drilling 7-7/8" hole in sand and Limestone. Conditioned hole. Ran Schlumberger Laterlog, Neutron Density with Gamma Ray from TD to surface. Testing BOP's. MW 9.7# brine, Vis 28, Bit #5 AT233C in at 3450', out at 6000', 2550 ft in 65.5 hrs, ave 39 ft/hr, 65 WOB, 65 RPM 3-13 jets, 1400 psi P. P., 346 GPM. Survey 5983 - 3/4".

DC: \$5,950; CUM: \$337,448

01/10/91 Day 14. Depth 6044' (44'). Drilling 7-7/8" hole in Dolomite. MW 9.1# cut brine, Vis 28, pH -7, Bit #6 HP54 44-1/16 hrs, avg 2-8 ft/hr, WOB 60, RPM 70, Jets 3-13, 1475 psi PP, 312 GPM. 16 hrs drlg, 2-1/2 hrs trip, 2 hrs reaming, 1 hr cut line, 2-1/2 hrs testing BOP's. Test truck broke down, will re-test BOP stack on next trip.

01/11/91 Day 15. Depth 7290' (1246'). Drilling 7-7/8" hole in Limestone. MW 9.2 cut brine, Vis 28, pH 10, Cl 95000. Bit #6 HP54, 1290 ft in 39.5 hrs, avg 32.6 ft/hr, WOB 68, RPM 60, Jets 3-13, PP 1550 psi, 327 GPM. 23-1/2 hrs drilling, 1/2 hr survey.

Survey: 6786 - 2° B.G.G. 40-60 units, Max gas 180 units, no shows.

DC: \$40,385; CUM: \$377,833

01/12/91 Day 16. Depth 7880' (590'). Drilling 7-7/8" hole in Bone Springs Limestone. MW 9.2, Vis 28, pH 10, Cl 101000, Ca 1600, Bit #6 HP54, 1880' in 62.25 hrs, avg 30.2 ft/hr, 1-1/4 hrs surveys. WOB 68, RPM 65, Jets 3-13, PP 1500 psi, 300 GPM. Had 22-3/4 hrs drlg.

Survey: 7430 - 2°, BGG 60 units, Max gas 80

DC: \$12,095; CUM: \$389,928

01/13/91 Day 17. Depth 8300' (420'). Trip for bit #7 & testing BOP's, MW 9.4, Vis 28, pH 10, Cl 108000. Bit #6 HP53, 2300' in 80.75 hrs, avg 28.4 ft/hr. WOB 65, RPM 68, Jets 3-13, PP 1550 psi, 300 GPM. 18-1/2 hrs drlg, 4 hrs trip, 1/2 hr survey & RS, 1 hr test BOP's.

Survey: 7962 - 2° BGG 60 units, Max gas 360, 2-1/2"/ft. rate, no shows.

DC: \$8,637; CUM: \$398,565

01/14/91 Day 18. Depth 8700' (400'). Drilling 7-7/8" hole in Limestone. MW 9.2, Vis 29, pH 10, Cl 107000. Bit #7 HP62, 400 in 14-1/2 hrs, avg 27.6 ft/hr, WOB 65, RPM 65, Jets 3-14, PP 1400 psi, GPM 363. 14-1/2 hrs drlg, 3 hrs trip, 1/2 hr RS, 3-1/2 hrs W&R, 2-1/2 hr attempt to test BOP's, test truck was frozen up. Did not get test. Trip gas 500 units, BGG 80.

DC: \$9,723; CUM: \$408,288

MID-CONTINENT DIVISION
DAILY DRILLING/WORKOVER REPORT

PRESIDIO OIL COMPANY
3131 TURTLE CREEK BLVD., STE. 400
DALLAS, TEXAS 75219

SUPERIOR FEDERAL NO. 9
East Burton Flat
Eddy Co., NM
Operator: The Petroleum Corp.
WI: 39.89%

S1- T20- R29E
TD: 12100'
Formation: Morrow
AFE No.: MC-90D-136

01/15/91 Day 19. Depth 9200' (500'). Drilling 7-7/8" hole. MW 9.5, Vis 28, pH 10.5, Cl 106000. Bit #7 HP62, 500' in 23-1/2 hrs, avg 21.3 ft/hr, WOB 65, RPM 55/60, Jets 3-14, PP 1500 psi, 23-1/2 hrs drlg, 1/2 hr slope test.

Survey: 8996 1-1/4°

DC: \$11,018; CUM: \$419,306

01/16/91 Day 20. Depth 9650' (450). Drilling 7-7/8" hole. Tripping for new bit. MW 9.5, Vis 28, pH 10.5. Bit #7 HP62, 1350' in 60-3/4 hrs, avg 22 ft/hr, WOB 60, RPM 65, PP 1400 psi, 23 hrs drlg, 1 hr trip.

DC: 10,164; CUM: \$429,470

01/17/91 Day 21. Depth 10011' (361). Finished short trip to pick up additional high strength drill pipe. Drilling 7-7/8" hole in limestone and shale. MW 9.7, Vis 28, pH 9.7. Bit #7 Reed HP62, 1711' in 80-1/4 hrs, avg 21 ft/hr, WOB 65, RPM 65, PP 1600 psi, 19.5 hrs drlg, 4 hrs trip, 1/2 hr survey, survey at 9760 - 1 1/4°

DC: \$7,400; CUM: \$436,870

01/18/91 Day 22. Depth 10266' (255). Drilled 7-7/8" hole. POH. Set test plug in well head. Plug turned & jammed in well head. ND BOP to recover plug. Prep NU BOP & test. MW 9.8, Vis 31, W/L 14, pH 9, Cl 144,000. Bit #7 Reed HP62, in at 8300', out at 102666', 1966 ft in 94-1/2 hrs, avg 20.8 ft/hr. T6, B5. WOB 65, RPM 65, PP 1600, GPM 300. 13 hrs drilling, 4 hrs trip, 7 hrs working on test plug and ND BOP's.

DC: \$10,285; CUM: \$447,155

01/19/91 Day 23. Depth 10,366' (366'). PO: Drilling in shale and lime.

DC: \$8,003; CUM: \$455,158

01/20/91 Day 24. Depth 10,726' (360'). PO: Drilling in Strawn Lime formation. MW 9.8, Vis 31, W/L 12, pH 10.5, Cl 160,000. Bit #8, 7-7/8" Reed HP62, made 460' in 27.5 hrs, 16.7 fph, WOB 65, RPM 60, 3-14's, PP 1650#, 300 GPM, had 21-1/2 hrs drlg, 2-1/2 hrs trip.

DC: \$7,380; CUM: \$462,538

01/21/91 Day 25. Depth 10,788' (62'). PO: running DST #1 in Strawn formation 10,600' - 10,788' ±, had GTS in 20" (5" open + 15" into ISI) 110 psig FTP on 1/4" choke, est. 180 MCFD rate, SI for 3 hrs, prepare to TOH. Bit #8, 7-7/8" Reed HP62, made 522' in 32 hrs, WOB 65, 60 RPM, Jets 3-14's, PP 1600, 300 GPM; MW 9.8, Vis 29, W/L 10, pH 10.5, FC 1/32, Cl 154,000; had 4-1/2 hrs drlg, 9-1/2 hrs trip, 2-1/2 hrs C&C mud, 5-1/2 hrs Halliburton DST, 2 hrs FU test tools.

TMC: \$10,483

DC: \$4,897; CUM: \$467,435

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Formation: Morrow
AFE No.: MC-90D-136

01/22/91 Day 26. Depth 10,874' (86'). PO: Drilling limestone, MW 9.8+, Vis 30, W/L 0, pH 10, 1/32", 146,000, Bit #9 Reed HP 62, 86' in 8 hrs, avg 10.8 ft/hr, WOB 60, RPM 60-65, 3-14, 1300 PP, 265 GPM. 8 hrs drilling, 13 hrs trip, 1 hr circ well, 1/2 hr testing, 1-1/2 hr cutting drill line.

DC: \$10,699; CUM: \$478,134

DST #1 (Strawn) 10,640'-10,788', took 7 min IF, 30 min ISI, 60 min FF, 180 min FSI. Ran 0 fluid cushion, opened tool, had immediate strong blow to bucket. Had gas to surface 10 min into the F.F. period with 45 psi flow pressure. Pressure on 1/4" choke increased to 110 psi at end of test with estimated 162 MCF/D rate. Had 5-10 foot gas flare during test. Recovered approximately 6.6 bbls of drilling fluid with small amount of oil on top. Recovered 900 cc 44" oil in sample chamber along with 100 cc drilling fluid. Recovered 0.11 CF gas at 30 psi.

	Top Recorder	Bottom Recorder
IHP	5395	5526
IFP	198-243	224-270
ISIP	2727	2942
FFP	270-431	321-483
FSI	431-3619	483-3699
FHP	5375	5475

DC: \$10,699; CUM: \$478,134

01/23/91 Day 27. Depth 11085' (211'). PO: Drilling limestone in 7-7/8" hole. MW 9.9, Vis 30, W/L 7, pH 11, Cl 146,000, Bit #9 Reed HP 62, 297' in 26 hrs, avg 11.4 ft/hr, WOB 60, RPM 65, 3-14, PP 1450, GPM 300. 18 hrs drilling, 5 hrs circ out gas kick, 1 hr repairs. Drilled break in the Atoka formation from 10962-10965. Drill rate increased from 12 ft/hr to 30 ft/hr & back to 12 ft/hr. Checked for flow, had no flow. Drilled ahead to 10975 and well started flowing. Shut-in well. Had 400 psi. DP Pressure. Gained 40 bbls in mud tanks. Circulated out gas. Resumed drilling using rotating head with 25 ft gas flare.

DC: \$6,088;; CUM: \$484,222

01/24/91 Day 28. Depth 11246' (161'). PO: Drilling lime and shale, increasing mud weight. MW 9.9, Vis 33, W/L 7, pH 10.5, FC 2, PV 2, YP 5, Bit #9, 7-7/8" Reed HP62, made 458' in 40 hrs, 11.5 fph, jets 3-14's, WOB 60/65, RPM 60/65, PP 1400, GPM 300, had 14 hrs drlg, 10 hrs C&C mud. Had drilling break from 11226'-11238' rate was 5"/1"/6" and gas units 400 to 700 back to 400, BGG now 800 units, drilling with well on choke and flare; raising mud weight to 10.5 ppg ± took 40 bbl gain at 11246' when diverted to choke.

DMC: \$280; CMC: \$14,225
DC: \$3,300; CUM: \$487,522

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S1- T20- R29E
TD: 12100'
Formation: Morrow
AFE No.: MC-90D-136

01/25/91 Day 29. Depth 11247' (1'). PO: Drilling ahead after raising mud weight from 9.9 to 11.5 in last 24 hrs. Rig on daywork operations at 9:00 PM 1/24/91 because of increased mud weight. MW 11.5, Vis 39, W/L 4, pH 10, FC 1/32, 16% Solids, Cl 144,000, PV 13, YP 10, Gels 3/8, Bit #9, Reed HP62, WOB 60, RPM 60, Jets 3-14's PP 1600, GPM 275, AV 158/288, had 23-3/4 hrs C&C mud to increase weight, have 6#/bbl LCM in system, had 15-25' gas flare at MW 9.9, flare is now out with 11.5 ppg MW. BGG now 250; max 1200 GU.

DMC: \$8,487; TMC: \$22,432
DC: \$11,519; CC: \$499,041

01/26/91 Day 30. Depth 11360' (113'). PO: Drilling 7-7/8" hole in Limestone, MW 11.4+, Vis 39, W/L 4, pH 10, FC 1, Solids 15, Cl 144,000, Bit #9 7-7/8 Reed HP-62, 582'/64 hrs, Avg 8.9 ft/hr, WOB 65, RPM 60, 3-14, PP 1500, GPM 317, 24 hrs drilling. Preparing to raise mud weight to 11.6#/G.

DC: \$5,607; CUM: \$504,548

01/27/91 Day 31. Depth 11483' (123'). Drilling 7-7/8" hole in Limestone. MW 11-7; V-38, WL 5, pH 10, FC 1, Solids 15, Cl 145000, Bit #9 Reed HP 62, 695'/88 hrs, Avg 7.9 ft/hr, WOB 65, RPM 60, 3-14, PP 1575, GPM 317. 24 hrs drilling.

DC: \$7,745; CUM: \$512,393

01/28/91 Day 32. Depth 11582' (99'). POH for new bit. Drilled 7-7/8" hole to 11582' in Limestone. MW 11.8, Vis 39, WL 5, pH 10, FC 1, Solids 17, Cl 145000, Bit #9, 7-7/8" Reed HP62, in at 107888', out at 11582', 794'/108 hrs, Avg 7.4 ft/hr. WOB 65, RPM 60, 3-14, PP 1350 psi, GPM 287. 20 hrs drilling, 4 hrs trip.

DC: \$11,220; CUM: \$523,613

01/29/91 Day 33. Depth: 11,660' (78') PO: Drilling 7-7/8" hole in limestone, shale and sand. MW 11.9, Vis 40, WL 9, pH 10, FC-1, Solids 19, Cl 145,000. Bit #9, T-8, B-6, G-out 1/4", Bit #10 7-7/8" Reed HP-62, 78'/17 hrs, Avg 4.6 ft/hr. WOB 60, RPM 60, 2-12, 1-13, PP-1800, GPM 290. 17 hrs drlg, 5 hrs trip, 1/2 ream 90 ft to bottom, 1-1/2 hrs survey & change out Totco line. Survey at 11615 -2'. Had drlg brk 11634-11636. Drlg rate 12'-3'-12' per foot. Gas units 20-200-20. No shows.

DC: \$10,507; CUM: \$534,120

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SUPERIOR FEDERAL NO. 9

East Burton Flat

Eddy Co., NM

Operator: The Petroleum Corp.

WI: 39.89%

S1- T20- R29E

TD: 12100'

Formation: Morrow

AFE No.: MC-90D-136

01/30/91 Day 34. Depth: 11,882' (162') PO: Drilling 7-7/8" hole in limestone, shale and sand. MW 11.9, Vis 40, WL 6, pH 10, FC-1, Solids 17, Cl 145,000. PV 15, YP 10, Gels 4/8, Bit #10, 7-7/8" Reed HP-62, 240'/41 hrs, Avg 6 ft/hr. WOB 60, RPM 60, PP-1700, GPM 266. 24 hours drilling. Will T. D. at 11950 & log.

BGG 15, Max Gas 50, Avg. ROP 6.8ft/hr

(top-bottom)	(before-during-after)	(before-during-after)	(flur. cut,gas,etc.)
11723-11736	9-4-6-10	25-25-25	None
11752-11762	14-5-6	15-15-15	None
11768-11772	5.5-3-12	40	None
11790-11796	12-4-8.5	30	None

DC: \$9,006; CUM: \$543,126

01/30/91 CORRECTED REPORT.

Day 34. Depth: 11,822' (162') PO: Drilling 7-7/8" hole in limestone, shale and sand. MW 11.9, Vis 40, WL 6, pH 10, FC-1, Solids 17, Cl 145,000. PV 15, YP 10, Gels 4/8, Bit #10, 7-7/8" Reed HP-62, 240'/41 hrs, Avg 6 ft/hr. WOB 60, RPM 60, PP-1700, GPM 266. 24 hours drilling. Will T. D. at 11950 & log.

BGG 15, Max Gas 50, Avg. ROP 6.8ft/hr

(top-bottom)	(before-during-after)	(before-during-after)	(flur. cut,gas,etc.)
11723-11736	9-4-6-10	25-25-25	None
11752-11762	14-5-6	15-15-15	None
11768-11772	5.5-3-12	40	None
11790-11796	12-4-8.5	30	None

01/31/91 Day 35. Depth: 11,882' (60') PO: Drilling 7-7/8" hole in limestone and shale. MW 11.8, Vis 38, WL 5.0, pH 9.5, FC-1/32, Solids 16, Cl 143,000. PV 13, YP 10, Gels 4/8, Bit #10, 7-7/8" Reed HP-62, 300'/65 hrs, Avg 4.6 ft/hr. 24 hrs drilling. WOB 60, RPM 60, PP-1625, GPM 260.

BGG 10-15, Max. Gas 200, Avg. ROP 2-1/2

DC: \$7,738; CUM: \$550,864

02/01/91 Day 36. Depth: 11,892' (10') PO: Drilling 7-7/8" hole to 11888. Measured out of hole. Corrected T.D. to 11892'. Ran Neutron-Density- Gamma Ray log from T.D. to 5800 ft. Now running dual laterlog-Gamma Ray. MW 11.7, Vis 38, WL 6, pH 10.5, FC-1/32, Solids 15, Cl 148,000. PV 12, YP 9, Gels 4/7, Bit #10, 7-7/8" Reed HP-62, 310'/68 hrs, Avg 4.6 ft/hr. WOB 60, RPM 60, PP-1625, GPM 260.

BGG 10-15, Max. Gas 10-15, Avg. ROP 3.3

DC: \$6,835; CUM: \$557,699

02/02/91 Day 37. Depth: 11892' (0') Finished running logs. Conditioned mud. Laid down D.P. & D.C.'s Started running 5-1/2" casing. MW 11.7, Vis 42, WC 5.

DC: \$21,796; CDC: \$579,495

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Formation: Morrow
AFE No.: MC-90D-136

02/03/91 Day 38. Depth: 11892'. Ran 271 jts, 11873 ft net of 5-1/2" 17# S-95 & N-80 8 rd, LTC/C casing to 11892 ft. Float collar at 11,805', stage collar at 7026'. Circulated bottoms up. Cemented first stage with 760 sxs Class "H" cement mixed with 0.6% W.L. control, 0.4% friction reducer and 5#/sx KCl. Preceded cement with 1000 gal mud flush. Displaced with water. Bumped plug with 2200 psi. Slurry weight of 15.6#/G. Had full returns.

Dropped bomb, opened stage collar and circ for 5-1/2 hrs. Cemented second stage with 940 sxs Class "H" cement mixed with 0.5% water loss control, 5#/sxs KCl. Displaced with water. Closing plug bumped with 3250 psi. Cement in place 8:30 PM 2-2-91. Slurry weight of 15.6#/G. Had full returns.

Bled off pressure, dropped slips & set with 150,000# of weight. ND BOP. Installed tubing head. RIG RELEASED AT 1:00 AM ON 2-3-91.

DROP FROM REPORT UNTIL COMPLETION STARTS.

DC: \$137,462; CUM: \$716,957

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DAILY DRILLING/WORKOVER REPORT

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East Burton Flat

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WI: 39.89%

NRI: 31.84%

S1-T20-R29E

TD: 12,100'

Formation: Atoka/Strawn

AFE No.: MC-90D-136

AFE Amt.: \$776,000

02/15/91 MIRU completion unit. NU BOP's. Wait on tbg. PU 4-3/4" mill, 6 3-1/2 DC & 132 jts new 2-3/8" tbg. Depth 4456. SIFN.
DC: \$36,340; CUM: \$753,297

02/15/91 CORRECTED REPORT.
MIRU completion unit. NU BOP's. Wait on tbg. PU 4-3/4" mill, 6 3-1/2 DC & 132 jts new 2-3/8" tbg. Depth 4456. SIFN.
DC: \$36,125; CUM: \$753,082* Note: DC includes tbg cost.

02/16/91 FGIH w/2)3/8" tbg, 6-3 1/2 DC & 4-3/4" mill. Tag cement at 6950. RU reverse unit. Establish circulation, Drill cement to 6989. MO DV to 6990, reamed DV and TIH to 7052, circulate clean. POH w/tbg, collars & mill. PU 4-3/4 bit, 5-1/2 csg sraper, DC & tbg, TIH to 11805 PBTD. SIFN.
DC: \$4,690; CUM: \$757,772

02/17/91 Displaced csg-tbg annulus w/250 bbls 2% KCl. tst csg 3000#, hold ok for 30 min. RD reverse unit. POH w/tbg. LD 6-3 1/2" DC, 5-1/2 csg sraper & 4-3/4 bit. RU WL. Run CBL-OCL & Gamma Ray from 11475 to 10,000 and 7100 to 4750 cmt top on 1st stage 8800', cement top on 2nd stage 5066. RD loggers. SIFN. (Bond 70-90%)
DC: \$5,740; CUM: \$763,,512

02/18/91 Last 24 hrs: PU RIH w/2-3/8 SN, 5-1/2" Lokset pkr, 2-3/8 profile nipple w/1.875 ID, seal divider and 2-3/8" tbg to 11256. Spot 400 gal 10% acedic acid. POH to 10891. Set pkr w/10,000# tension, NU tree. Test pkr to 1000#, pkr leaking, ND tree. Release pkr. RIH to 10908. Set pkr, test to 1000#. Pkr leaking. Release pkr. SIFN.
DC: \$2,264; CUM: \$765,776

02/19/91 PO: NU tree & perf thru tbg. Last 24 hrs: POH w/2-3/8" tbg, 5-1/2" Lok Set pkr, PU redressed 5-1/2" Lok Set. Set blanking plug in 1.875" F nipple. RIH w/2-3/8" tbg, tst tbg to 1000#, all OK. Set pkr at 10891. RU slick line, RIH & fish equalizer and blanking plug. RD WL. Test pkr to 1000#. Held OK. SIFN.
DC: \$2,740; CUM: \$808,335

02/20/91 PO: Well flowing on 15/64" choke, 900 psig FTP, est 1.2 MMCFD rate. Previous 24 hours: Finish install tree, TIH with swab and swab well down to 4800'. FS, RU perforators WL and perforated Atoka zones at 11226'-233', 11041'-048', 1096'-61' in 3 runs with 2 SPF, total 38 holes. Had 1900 psig SITP after last zone perforated, est. FL at 900' FS, opened well on 18/64" choke, FTP 900 psig, choke plugging, put on 22/64, F 2.6 MMCFD, 24 BLW, FTP 900 to 700 psig, put on 15/64 last 6 hours, FTP 1000/850 psig, rec. additional 20 BF, est 5 BC, 15 BLW, SI for PBU. Prepare to acidize this PM.
DC: \$7,171; CUM: \$763,947

02/21/91 PO: SI Prepare to acidize
Last 24 hrs; flow TST after perf. RU western. ISIP = 4250#. Held 1500# on backside. Attempt to acidize w/2000 gal 15% HCL acid. Treating pressure - 5050# after 3 BBL acid PMPD, SWI. Flow acid back to pit to clean up. Rev'd 3 BBL acid. SITP, after flow back - 3900#. SWIFN. Prepare to install tree saver and acidize.
DC: \$1,840 CUM: \$765,787

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S1-T20-R29E

TD: 12,100'

Formation: Atoka/Strawn

AFE No.: MC-90D-136

AFE Amt.: \$776,000

02/22/91 7 A.M. SITP - 4250#. Bled pressure off well to approx. 1050. Install tree saver. RU Western and acidize Atoka intervals 10961-66, 11041-48 and 11226-33 w/2000 gal 15% HCL acid and 57-7/8" ball sealers. Maximum treating pressure - 6150# at 3 BPM; ATP - 5400# at 2.4 BPM; ISDP - 4350#; 5 min SIP - 4000#; 10 min SIP - 3700#; 15 min SIP - 3200#; Total load to rec - 88 BBLS. RD Western open well to tank for FLW tst.

NEW MEXICO	TP/CP	BARRELS	LOAD		RATE
TIME	TP/CP	IN TANK	TO REC	CHOKE	MMCF
7:00 AM	ACIDIZE				
9:45	O/O	46	88		OPEN
10:45	50/80	51	83		OPEN
11:30	700/-	87	41		27
11:35	SWI - Hole in rubber	FLW line	WO Roustabout.		
12:00	2250/80	87	41		WSI
1:30	3700/310	87	41		WSI
2:00	3725/390	87	41		WSI
2:30	3800/490	87	41		WSI
3:00	3900/-	87	41		15
3:30	1850/-				15-20
4:00	1250/540	95	39		20
4:45	1100/480				20
5:30	1150				20
6:00	1120/420	109	25		20
6:30 PM	1120/395				20
7:00 AM	1250/250	155	0		20

Well producing an estimated 3 BOPH. Preparing to temporarily plug off and test the strawn series.

DC: \$7,080 CUM: \$67,578

02/23/91 Well flowing to tank on 20/64 choke w/pressure stabilized last 4 hours at 1250#. Calculated rate 3030 MCFPD. SWI at 10:00 AM. Load to rec 88 bbls. Rec'd 55 BW, 54 BC for a total of 109 BBLS of fluid. RU slickline. TIH and set 1.875" blanking plug in profile. POH. TP 2900#, attempt to bleed off. Bled to approximately 150#, SI PBU to 500#, bled off to 200#, SI. PBU to 750#, plug leaking. PU equalizing tool, start in hole, found blanking plug in tree at master valve. POH w/plug. Redress plug. GIH w/plug and attempt to set plug a second time. Set plug in profile. POH TP - 3000#, Bled off to 0# in 35 min. RD slickline. RU kill truck. Load tubing w/40 bbls 2% KCl (tbg capacity 42 bbls). Tst plug to 4000#. Held OK RD kill truck. ND tree. Release on/off tool from pkr. LD 1 jt 2-3/8" tbg. SWIFN.

DC: \$3,894; CUM: \$776,761

02/24/91 7:00 AM. SITP 0#. RU Western. Circulate 41 bbls 2% wtr, pumped sand slurry to spot, 20' sand on top of pkr at 10891'. LD 1-jt 2-3/8 tbg, spot 300 gal 10% acetic acid across Strawn interval 10770-10824'. POH w/2-3/8 tbg and on/off tool. RU Wedge WL, GIH and perf lower Strawn from 10770-824 w/3-1/8" Hollow Carrier Gun, 2 SPF (total 108 holes). RD Wedge. PU 5-1/2 Lok Set Pkr, 1.780'F' profile nipple and on/off tool on 2-3/8" tbg. GIH and set pkr at 10735 w/9000# Tension, test to 1900#. Held OK. NU tree. SWIFN.

DC: \$12,941; CUM: \$789,702

02/25/91 7:00 AM SITP - 650#, SICP 295#. Bled TP to 0# in 5 min. RU swab. Tank gauge 250 BW, 45 BC. Load to rec approx 42 bbls.

Run 1-FL 600', pull from 2600

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AFE No.: MC-90D-136

AFE Amt.: \$776,000

Run 2-FL 2500', pull from 4500

Run 3-FL 4000, pull from 6000

Run 4-FL 5000, pull from 7000

some light gas blow behind swb

Run 5-FL 6500, pull from 8500

some light gas blow behind swb

Run 6-GIH approximately 1000' and well started flowing. Attempt to POH and parted swab line \pm 2' above rope socket.

Fish consist of: Swab cup - OD 1.95

No GO OD 1.872

Sinker bar 20'

Rope Socket

\pm 2' swab line

RU kill truck to kill well. Open well and TP - 3600#. Pumped 9 bbls KCl water and pressure increased to 5000#. Attempt to flow well to pit to blow down, blew down to 2600# in a few minutes and pressure started increasing. TP increased to 3900# and SWI. RU slickline. SITP 3750 in 2 hours shut in. GIH w/ 1.9 No-Go to 13'. POH. Ice plugged in btm of No-Go. GIH w/gauge cutter to 13', worked to 23; and POH. Chunks of ice fell out of cutter. Pu another 5' wt bar and GIH to 23'. Tried to work down, started sticking. POH. SWIFN.

DC: \$3,807; CUM: \$793,509

02/26/91

7:00 AM SITP -3900#, SICP - 1100#. Install tree saver. RU Halliburton. SITP increased 100# to 4000#. Held 2500# on backside. Pumped 50 gal methenol and SI approx. 5 min. Pumped additional 50 gal methenol and displaced w/350 gal (8.3 bbl) of 2% KCl water and pressure built to 6500#. SI for 5 min and pressure fell off to 6300#. Pumped 63 more gal (1.5 bbl) of 2% KCl water and pressure went to 7200#. SI for 25 min and pressure bled to 5700#. Pumped 587 more gal (14 bbl) at 0.5 BPM at max TP 7200 and began to decrease to 5800#. Halliburton truck broke down and SIW. WO another truck. 2:30 PM resume operations. TP dropped to 3000# in approx. 2 hrs. Pumped additional 870 gal (20.7 bbl) 2% KCl water at approx 6500# TP at 1 BPM. Total load pumped 44.5 bbl. Hole capacity to btm perf approx 42 bbl. ISDP - 6000# 2-1/2 hr SI-1750. Bled csg to 0#. RU slickline. PU and GIH w/gauge cutter and tag top of fish at 10,702'.

Length of fish:

Swab cup w/No Go	- 1.0
Sinker bar	-23.75
Rope socket	- 1.2'
	<u>25.95</u>
Swab line	<u>\pm 2.0</u>
	<u>\pm27.95</u>

Top of 'F' nipple at 10730. RD slickline. RD Halliburton. SITP 800#. SWIFN
DC: \$7,064; CUM: \$800,573

02/27/91

7:00 AM. SITP - 1400#, SICP -400#, Bled csg to 0#. RU Slickline 11:30 AM. SITP - 1450#. GIH w/broach and tag top of fish at 10,702, had tight spot approx. at 1600, did not see coming out of hole. Found strands of swb line in broach. RU kill truck, pumped 5 bbls 10# down tbq, TP 3500#. RD kill truck. GIH w/Kinley mechanical tbq perforator and tbq stop, found tite spot at 6000' and could not get down. POH, perforator did not fire. GIH w/1.9: gauge ring, picked something up at 50' and acted like we pushed it to btm. POH, found strands of swab line in jars. TP 1800#. RU kill truck, pmpd 2 bbls 10# brine, TP 3500#. RD kill truck. GIH w/perforator and tbq stop, caught collar at 10664, perf hole in tbq at 10662, TP went from 2200# to 1600#. POH, fluid level at 1500'. RD Slickline. RU kill truck. Reverse circulate 280 bbls 10#, returns - gas cut fluid. SWIFN.
This AM 1000 psi TP; 50 psi CP; bled to 0 psi in 2 mins. Well dead.
DC: \$5,696; CUM: \$801,269

MID-CONTINENT DIVISION
DAILY DRILLING/WORKOVER REPORT

PRESIDIO OIL COMPANY
3131 TURTLE CREEK BLVD., STE. 400
DALLAS, TEXAS 75219

SUPERIOR FEDERAL NO. 9

East Burton Flat

Eddy Co., NM

Operator: The Petroleum Corporation

WI: 39.89%

NRI: 31.84%

S1-T20-R29E

TD: 12,100'

Formation: Atoka/Strawn

AFE No.: MC-90D-136

AFE Amt.: \$776,000

02/28/91 7:00 AM SITP 1000#. RU kill truck. SICP - 50#; bled TP 0# in 2 min. Gravity feed 10# brine dwn backside. ND tree. Release pkr and POH w/fish and pkr. PU Model 14 compression treating pkr w/1.812 SN and GIH to 7469. Well started blowing out casing. Closed BOP's and SWI. Pumped 40 bbl 10# brine down tbg to work gas out. Tbg went on vacuum and gas cut brine coming out csg. Pumped 40 bbl down csg at 500#; well would not die. Reverse circulate 160 bbl to kill well, gas cut increasing. SWI. Pumped 156 bbl down csg, set pkr at 7469, csg on vacuum, pumped 15 bbl down tubing and pressure increased from 1400# to 4800#. SWIFN.

DC: \$4,278; CUM: \$805,547

03/01/91 PO: Prepare to RIH w/treating pkr to test Atoka.

Last 24 hrs: SITP 2850, SICP 2000. RU Halliburton, open tbg & TIW valve leaking, TIW valve failed in closed position. RU Halliburton on csg. Release pkr at 7469. Pumped 15 bbl 10# brine down casing, TP built to 5000. TIW valve hydrated up, removed pressure gauge & bull plug. Install TIW on top of failed TIW. Open csg to pit, RU Halliburton on tbg and pumped 30 bbl 10# brine while flwg csg. TP went on vacuum, remove failed TIW valve. Install new TIW valve. Set pkr at 7469. Bled off csg. Tst pkr to 2000, OK. Pumped 126 bbl 10# brine down tbg: AIR 1.2 BPM, ATP 4550#, Max TP 6580#, ISDP 5700#, 5 min SIP 5500#, 10 min SIP 5380#, 15 min SIP 5290#. Flw tbg to pit, TP 0# in 3 min. SWIFN.

DC: \$5,873; CUM: \$811,420

03/02/91 PO: TIH w/treating pkr, tst Atoka pkr

Last 24 hrs: SITP - 2500, SICP 150#. Blow down casing in 2 min. RU Kill truck & LD csg until full. Flw tbg to pit 30 min, 0# - TP. ND surface valves, release pkr & RIH to 8501. Reset pkr, tst pkr to 1000#, Held OK. SWIFN due to high winds.

DC: \$2,515; CUM: \$813,935

03/03/91 Last 24 hrs: SITP - 2200, SICP 1700. Bled casing to 0# in 2 min. RU kill truck and fill up casing. SWI due to high winds.

DC: \$800; CUM: \$814,735

03/04/91 PO: Circulate 11.5# Brine wtr w/calcium chloride and test Atoka plug.

Last 24 hrs: This AM SITP - 1700#, SICP 0#. WSI for Sunday.

DC: \$0, CUM: \$814,735

03/05/91 SITP 1700; SICP 0#; Bled tbg to pit 5 min, well dead. Release pkr & RIH w/tbg & pkr to 10851'. RU Hall, displace tbg - csg annulus w/193 bbls of 11.5# Calcium Carbonate - brine wtr @ 2 BPM. Set pkr at 10851. RU swab, Initial FL - surface, swb down to 2600' in 3 runs. On 4th swab, tag FL at 1000'. RD swb, fluid to surface in 1 min. SWI for 30 min, SITP - 3200#. SICP 0#. Release pkr. Reverse circulate 63 bbls kill fluid. POH w/tbg & pkr. NU Hydril. PU on/off retrieving tool & RIH to 10680. SWIFN. Prepare to test plug in Lok-Set at 10891.

DC: \$16,935; CUM: \$831,670

03/06/91 SITP-0, SICP- 0. FTIH w/on-off tool. Tag sand at 10,880. RU reverse unit, circulate sand to 10,891, circulate BIM's up. Latch in on-off tool. RU SWB, SWB TEG Dwn to 2500', SWI for 30 min, RIH w/SWB and found fluid level at 2500'. RD SWB. RU Slickline. RIH w/overshot to fish equalizer bar, could

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not latch. POH & RD slickline. Release on-off tool, reverse circulate 55 BBLs kill fluid, circulate up rubber junk. RU slickline, WIH & retrieved equalizer bar. RIH w/overshot to retrieve plug, could not jar plug free. SWIFN.

DC: \$3,915; CUM: \$835,585

03/07/91 SITP-900, SICP- 0. Bled off tbg in 1.5 min. RU slickline. RIH w/ overshot & latch plug, could not jar free. RD slickline. Attempt to release PKR, attempt to release on-off tool, both stuck. RU wireline, RIH w/free point, tbg free at 10890. POH, RIH w/chemical cutter, tag top of blanking plug, PU 3.5' and cut tbg. POH, RD wireline circulate gas to surface w/220 bbls kill fluid. POH w/tbg. PU 4 3/4 WO shoe w/basket grapple, 4'-4 3/4" WP extension, BLS, jars, 4-3 1/2 DC, XO & 2 3/8 tbg. RIH to 10,881' circulate 2 hrs.

PO: Latch in fish.

DC: \$10,823; CUM: \$846,408

03/08/91 Circulate dwn to 10,890'. Milling on junk, torqueing to 1500#, pull 20,000#. Attempt to release on-off tool to left. POH w/tbg, DC & O/S w/no recovery. PU - 3/4 cutrite shoe, 18" to top of grapple, 4' extension & RIH w/B/S, jars, 4-3/4" DC, XO & tbg to 10,800'. SWI. WO reconditioned kill fluid.

PO: Prepare to replace kill fluid & fish on-off tool at 10,891'.

DC: \$5,562; CUM: \$851,970

NOTE: 480 Bbls kill fluid started out rec'd 260 bbls, lost 220 bbls.

03/09/91 SITP 650, SICP 0. Bled TP to pit 1 min. WO reconditioned mud 6 hrs. Displace gas cut mud w/240 bbls 11.5# kill fluid. RIH & mill to 10,890'. PU to 65,000#, release on/off tool POH to 10,500, pulling wet string. SWIFN for Rig repair.

PO: Prepare to TOH w/fish.

DC: \$8,090; CUM: \$860,060

NOTE: Correction-lost 70 bbls kill fluid, rec'd 410 bbls.

3/10/91 SITP 0, SICP 0, RU slickline RIH w/1.84" gauge ring to 9530. Tag junk POH. RIH w/1.88" tbg perforator to 9518. Perforate & POH, RD slickline. POH w/tbg, DC, jars, B/S, O/S, 2 3/8 tbg stub and on-off tool. RIH w/224 jts 2 3/8 tbg for kill string. SWIFN.

PO: Prepare to run on-off tool.

DC: \$4,865; CUM: \$864,925

3/11/91 SITP 0#, SICP 0#. POH w/tbg. PU 4 1/2 OD on-off O/S w/J-latch studs machined out. RIH on tbg to 10,888. Wash fill to 10,891. Circulate hole clean (3 BPM for 40 min) set 10,000# dwn on seals and on-off tool. RU swb, swb dwn 2000'. RU slickline. RIH w/ O/S for plug. Latch on could not release plug or shear off overshot. Jarred 5 hrs. Drop line cutter. POH w/slickline. SWIFN. SITP-3850.

PO: Prepare to fish line cutter and slickline tools.

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Formation: Atoka/Strawn

AFE No.: MC-90D-136

AFE Amt.: \$776,000

Note:

Slickline tools: Line cutter-1 3/16"	3'
Rode Socket-1 3/8" OD w/1 1/2" OD body	2-1'
Sinker Bars	5'
Jars	5'
Over shot w/RB pulling tool-1 3/4" OD	1'
	<hr/>
	2-15' Long

DC: \$6,290; CUM: \$871,215

03/12/91 SITP 4200, SICP-0. Bled dwn tbq to pit to 500# in 60 min. RU slickline. RIH w/1 3/16" OS to fish line cutter. Rec'd linecutter. RIH w/1 3/8" OS for fishing neck on snd line tools. Found fish at 10,857'. Jar fish to surface in 8 hrs. Rec'd slickline tools & plug. Rd slickline. PU to release on-off tool. Pull to 67000#, 25000# over string wt, came free. Circulate hole clean. POH to 10,861. SWIFN.

DC: \$6,090; CUM: \$877,305

PO: Prepare to POH w/on-off tool & run pkr.

03/13/91 SITP 450, SICP-0. Bled tbq to pit in 1 min. POH w/tbg & 4 1/2" on-off os. PU & RIH w/2 3/8 w/1 entry guide, 1.78" F nipple, 6'-2 3/8 sub, 1.81" F nipple, 6'-2 3/8 sub, 5 1/2" lok-set pkr, 1.81" seal nipple, on-off os w/seals & 10,551' of 2 3/8 tbq. SWIFN.

DC: \$4,589; CUM: \$881,894

03/14/91 SITP 0, SICP-0. FRIH w/pkr. Pkr set at 10,859, middle "F" nipple at 10,871, btm "F" nipple 10,878. Set pkr w/6 PIS tension. RU slickline, RIH w/1.78 S-lok blanking plug & set in btm "F" nipple at 10,878. POH & RD slickline. Pressure TS, plug dwn tbq to 1000#. Held ok 30 min. RU swb. Swab dwn to 5000'. SWI for 30 min. RIH w/swb. Tag fluid at 5000', RD swb. Ld tbq w/15 bbls kill fluid. Release on-off tool. POH to 7800', SWIFN to repair Rig. (Repair clutches).

DC: \$4,990; CUM: \$886,884

PO: FTOH & GIH w/Model "R" to test lok set w/plug.

03/15/91 PO: POH w/Model "R". PU & GIH w/bridge plug, to be run in tandem w/ Model "R" pkr. SITP 0#, SICP 0#. FPOH w/tbg & on-off tool. PU & RIH w/5 1/2" Model "R" pkr & tbq. Set pkr at 10,843. TST lok-set at 10,859 by FMPG dwn tbq to 1000#. Held ok 30 min. Bled dwn. RU swb. Swb to 5000', SWL 30 min, RIH w/swb, tag fluid at 5000. Ld tbq w/15 bbls kill fluid. Release Model "R". Circulate csg-tbg annulus w/250 bbl 2% KCL wtr, displace kill fluid to frac tank. SWIFN.

DC: \$6,140; CUM: \$902,434

03/16/91 SITP 0#, SICP 0#. POH w/2 3/8" tbq & 5 1/2" Model "R" pkr. PU 5 1/2" pkr style RBP, 8'-2 3/8 sub, 5 1/2 Model "R", 1.785 SN & RIH on tbq. RBP set at 10,840, POH & set pkr at 10,726. NU tree. Pressure TST pkr to 1000#, held ok. RU sub, swb 3 hrs, rec'd 32 bbls ld wtr. Final fluid level 8000'. SWI for 30 min, tag fluid at 8000. SWIFN.

DC: \$7,790; CUM: \$910,494

03/17/91 SITP 100#, SICP 0#. Bled tbq dwn to 0# in 1 min. Install tree saver. RU Western. Broke dwn formation w/21 bbls 2% at 6400#, 1 BFM. Held 3000# on csg. FMP 45 bbls 15% acid at 2 BFM & 7000#. Csg built to 4600# bled csg dwn to 3000#, had a rate thru leak. After 45 bbls acid FMPD switched to flush, flush tbq to top perf. ISDP-5200# bled tbq-csg dwn to pit. RD Western. ND tree saver. Drop standing valve. RU kill truck. TST tbq to 2500#. Held

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AFE Amt.: \$776,000

ok. Release pressure. RIH w/overshot on snd line & fish standing valve.
Release pkr. POH w/1-stand tbg. SWIFN.
DC: \$8,423; CUM: \$918,917

03/18/91 PO: POH w/Model "R" pkr and replace. Last 24 hrs: No activity. Shut dwn for Sunday.

DC: \$0; CUM: \$928,917

03/19/91 PO: Acidize lwr Strawn. SITP-50#, SICP-0#. Bled off to pit. POH w/tbg & Model "R" pkr, seals on by-pass gone. PU RTTS (Hall) treating pkr & RIH on tbg. Set pkr at 10,696. Open by-pass, reverse circulate 50 bbls 2% Kcl water. Closed by-pass. NU tree. RU swb, swb to 6900'. Rcvd 20 bbls load water. On last run 600' fluid entry, SWIFN.

DC: \$4,990; CUM: \$933,907

03/20/91 This A.M.: FTP-250# on 20/64" choke estimated rate 606 MCFPD. Flwg steady stream of gas cut spent acid, still cleaning up. Rec'd 122 1/2 bbls load. Will continue to clean well up today and prepare frac stimulation.

Last 24 hrs: SITP-300#, SICP-0#. Flw tbg to pit to 0# in 1 min. RU swb. Initial fluid level at 6000', swb to SN at 10,696. NU tree saver. RU western. Pressure csg to 2500# and monitor. Acidize dwn tbg w/3000 gal 15% HCL at 3 BPM, 150 ball sealers, ATP-6700#, max TP-6900#, min TP-6600#. Flush w/44 bbls 2% Kcl wtr. ISIP-5900#, 5 min SITP-5600#, 10 min SITP-5400#, 15 min SITP-5300#. RD Western. ND tree saver. Flw back to TST tank for 5 min. RU swb. Initial fluid level at surface. Made 5 swb runs, well started flwg. Total load FMPD-116 bbls. Load to Rec:

70 bbl 11.5 Kill fluid
98 bbl To recover 1st acid job
-48 bbl Recovered
118 bbl To recover 2'nd acid job
238 bbl Load to recover

DC: \$7,595; CUM: \$941,502

03/21/91 This A.M. 14 hr SIPT-2800#. Will acid frac lwr Strawn this A.M. Last 24 hrs: F 757 MCFD to vent.

03/20/91

7:30 A.M. 20/64 ck-250#-606 MCFPD, OBF, change to 24/64 ck.
10:45 A.M. 24/64 ck-200#-608 MCFPD, OBF, change to 32/64 ck.
12:00 P.M. 32/64 ck-150#-939 MCFPD, OBF, change to 24/64 ck.
12:50 P.M. 24/64 ck-100#-340 MCFPD, OBF, change to open choke.
2:50 P.M. Open ck-75#-? MCFPD, ?BF.
4:45 P.M. Open ck-50#-? MCFPD, ?BF.
5:00 P.M. Open ck-50#-? MCFPD, ?BF.
Shut well in for build up.
From 12:50 P.M. to 5:00 P.M. recovered additional
4 barrels of fluid.

Total load to recover 238 bbls. Load recovered 75 bbls. Remaining load to recover 163 bbls. Correction on 3-20-91 report on load recovered.

DC: \$1,840; CUM: \$943,342

03/22/91 PO: This 7 A.M., Well flowing on 32/64" ck at 200# FTP, estimated rate 1.252 MMCFPD w/1 BFPH. Load recovered since acid-frac 143 bbls, load remaining from acid-frac 138 bbls. Continue to flw TST well today.

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AFE No.: MC-90D-136

AFE Amt.: \$776,000

SITP-2800#, SICP-300#. Flw dwn to TST tank 35 min, dry gas. NU tree saver. RU Howco, held 3000# on csg. Frac dwn tbq w/10,000 gal gelled 20% Nefe acid w/33 tons CO₂ at 8 BPM. ATP-7856#, Max TP-8200#, Min TP-7200#, ISDP-6093#. 5 Min 5896#, 10 min 5854#, 15 min 5751#. SWI for 1 hr. RD dwn Hall. ND tree saver. Flw back to TST tank on 15/64" ck. Load to recover 281. Well stabilized on 21/64" ck at 400# FTP for 6 hrs, estimated rate 1.040 MMCFPD w/1 BFPH.

DC: \$1,840; CUM: \$943,342

03/23/91 Flw TST lwr Strawn after acid-frac flwg on full choke (1.5" orifice plate) at 190# FTP, sep. Press 40#, 776 MCFPD, 1.5 BFPH. Load rec'd since acid-frac - 125 bbls.

DC: \$2,294; CUM: \$945,636

03/24/91 Flw TST lwr Strawn after acid-frac flwg on full choke (1.5" orifice plate) at 200# FTP, sep. Press 40#, 845 MCFPD, 1.5 BFPD (40% cond). RIH w/BHP bombs. Pressure gradient stops at 2000', 4000', 6000', 8000' and 10,000'. Set bombs at 10,648 at 2:45 P.M. 3/23/91. SWI at 5:45 P.M. 3/23/91. SWI for build-up TST. Total fluid recovered - 202 bbls.

DC: \$2,294; CUM: \$947,930

03/25/91 PO: POH w/pressure bombs. SITP-3700#. Total fluid rec'd-202 bbls (60BC, 142BW). Last 24 hrs - WSI for pressure build-up.

DC: \$0; CUM: \$947,930

03/26/91 SITP 3700 psi; SICP 500 psi; Bled down csg; RU slickline; RIH & latch BHP; POOH making 5 min gradient stops @ 10,000', 8000', 6000', 4000' & 2000'; RIH - Fish slickline stop hanger; RD slickline; flow well to test tank; ND tree; release RTTS; Rev circ 150 bbls 2% Kcl; could not kill well; pump 230 bbls 9 PPG brine; well dead; RIH to 10,840'; Retrieve RBP; POOH to 7800'; SDFN.

DC: \$4,885; CUM: \$952,815

03/27/91 PO: FPOH to run csg inspection log from 10,762' - 7026'. Last 24 hrs SITP-100#, SICP-0#. Bled to pit. FPOH w/RTTS pkr & RBP (left 1 rubber in hole off pkr). RIH w/RBP w/ball catcher on tbq. Set RBP at 10,726'. Circulate gas bubble to surface. POH to 10,672'. TST RBP to 2000#, held OK. Spot 300 gal 10% acetic acid over upr Strawn interval to be perfed. POH w/480' tbq. SWIFN.

DC: \$6,105; CUM: \$958,920

03/28/91 PO: Prepare to perf Upstr Strawn. Last 24 hrs: SIPT = 0#; SICP = 0#. FPOH w/tbq. Lay dwn 45 jts bad tbq. RU wedge WL. RIH w/csg inspection log. SWIFN.

DC: \$4,915; CUM: \$963,835

03/29/91 PO: FTIH w/RTTS pkr. Last 24 hrs: SITP-0#, SICP-0#. RU Wedge. Perf Upstr Strawn 10,624-10,672', 2 SPF (96 holes) w/3 1/8" csg gun. RD wedge. PU RTTS pkr and GIH w/17 Std's tbq, high winds. SWIFN.

DC: \$5,035; CUM: \$968,870

03/30/91 SITP-0, SICP-0. FTIH w/RTTS to 10,508; PMPD 40 Bbls dwn csg to ld & PMPD additional 30 Bbls. Set pkr. Pressure csg to 1500#, held OK. RU to swb.

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1st swb-700' FL PF 2700'. On 2nd FL-2400' PF 4400', 3rd run FL 4000', PF 6000' GC. Swb total 41 Bbls 9# brine w/trace oil, gas cut. RU Tree saver. RU Hall. PMPD 4000 gal NEFE acid w/150 ball sealers; Max TP-5600#, min TP-4600#, ATP-4800#, MBPM 4.4 BPM, ATR-3.6. Total 137 Bbls (93 Bbls acid flushed w/44 Bbl 2% = 137 Bbls). ISDP-3350#, 5 min-3030#, 10 min-2590#, 15 min-2550#. RD Hall. & Tree saver. Flwd well back-total 10 Bbls rcv'd, well dead in 10 min. RU swb. Could not GIH, lost some rubber off tree saver. RD swb/ Release pkr. PMPD 28 B to ld csg, PMPD 90 more Bbls. Set pkr, TST to 1500#, held OK. PMPD 5 Bbls dwn tbq. SWIFN.

DC: \$13,554; CUM: \$982,424

03/31/91 SITP-1350#. Open well on 22/64" choke to flow tst Upr Strawn. 8 PM flwg 825# FTP, 22/64" choke, flowing LW and gas, swi at 8 PM to repair valve on TST unit.

DC: \$1,200; CUM: \$983,624

04/01/91 Repaired valve on TST unit. 12:30 AM 4.5 hr SITP-2790#, open well to TST unit. Flwg 1820# FTP, 10/64" choke, 1.176 MMCFPD, 1 to 2 BFPH, no cut.

This AM FTP-1875#, 10/64" choke, 1.2 MMCFPD. Rcv'd total 56 Bbl load and 112 BC. Load to rec-112 Bbls.

DC: \$900; CUM: \$984,524

04/02/91 Last 24 hrs, flw TST well. Well stabilized on 16/64" choke, FTP-1060, 4BCPH, 1BWPB, 1531 MCFPD. Rcv'd 109 Bbls load wtr and 162 BC. Load to rec - 59 Bbls.

DC: \$1,800; CUM: \$986,324

04/03/91 PO: WSI for 48 hr build-up on Upr Strawn. Last 24 hrs: Flw TST Upr Strawn. 825# FTP, 20/64" choke, 3 BCPH, 1 BWPB, 1692 MCFPD. RU Bennett and Cathy and RIH w/pressure bombs. Make flwg gradient stops, hung bombs at mid-perf of Upr Strawn. SWI for 48 hr build up. Rcv'd 216 BC, 120 Blw. Load to Rec -48 Bbls.

DC: \$1,800; CUM: \$989,924

04/04/91 WSI for 48 hr build up.

DC: \$900; CUM: \$990,824

04/05/91 Fin. 48 hr build up, pulled BHP gauge at 5:00 P.M. 4-4-91, SION. SITP 2800. Prepare to flow test again while evaluating PBU data. Will start laying gas line and building tank battery tomorrow.

DC: \$1,800; CUM: \$992,624

04/06/91 SITP 2750#. At 6PM, open well for flw tst.

DC: \$1,800; CUM: \$994,424

04/07/91 Flw tst well. Well stabilized on 20/64" choke at 925# FTP, 1.785 MMCFPD, 96 BCPD, trace wtr. At 6PM, SWI and release tst equipment.

DC: \$1800; CUM: \$996,224

04/08/91 PO: POH w/RTTS and RBP. Last 24 hrs WSI.

DC: \$900; CUM: \$997,124

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3131 TURTLE CREEK BLVD., STE. 400
DALLAS, TEXAS 75219

SUPERIOR FEDERAL NO. 9

East Burton Flat

Eddy Co., NM

Operator: The Petroleum Corporation

WI: 39.89%

NRI: 31.84%

S1-T20-R29E

TD: 12,100'

Formation: Atoka/Strawn

AFE No.: MC-90D-136

AFE Amt.: \$776,000

04/09/91 PO: TIH w/globe basket and extension to retrieve springs. SITP-2650#, SICP-0#. RU kill truck, pmp 45 Bbls 10# Brine RD kill truck, unset pkr TIH & latch on BP. POH w/pkr & BP. Left 2 drag springs in hole. TIH w/40 stds. 2 3/8" tbg. SWIFN.

DC: \$2,014; CUM: \$999,138

04/10/91 PO: FPOH w/Globe basket & extension. Last 24 hrs SITP-1000#, SICP-1000#. RU kill truck, pumped 100 bbl brine wtr dwn tubing. TOH w/kill string. FU Globe basket w/extension, total length 8.46', and TIH to tubing seal divider mandrel. Reverse circulate 280 bbl brine wtr. TOH w/tbg, tongs broke w/53 stds remaining in hole. SWIFN.

DC: \$4,421; CUM: \$1,003,559

04/11/91 PO: This AM SICP - 750#. Preparing to open sliding sleeve and swab Strawn perfs. Tbg and tbg-ann capacity - 235 bbls.

Last 24 hrs: FPOH w/Globe basket w/extension. Recovered 1 piece rubber and a piece of wood, Inkanal steel springs ± 4" in length in flat position) remaining in hole. TIH w/production assembly: On-off Tool

10' Sub

Sliding Sleeve

8' Sub

6' Sub

4' Sub

3 Blast jts - 59.'

3 jts 2 3/8 tbg - 94.22'

3 blast jts - 59.55'

2 3/8 tbg spaced out w/4' Sub

Latched into nipple on lok-set pkr at 10,859'. ND BOP. Install tree. Tst seal assembly to 2000#, held ok. SWIFN.

DC: \$4,245; CUM: \$1,007,804

04/12/91 PO: SICP-500#, FTP-0#. Rcv'd 170 bbl load intr, 65 bbl to rcv. Will swb tbg this AM to kick well off. Last 24 hrs: SITP-0#, SICP-750#. Bled csg to pit 15 min. RU WL. TIH and open sliding sleeve. POH & RD WL. RU swb line. Made 2 swb runs. SWI and RU hard line to TST tank. Made 2 more swb runs and well kicked off. Flw tbg to TST tank on 26/64" choke w/200# TP. Flw to TST tank overnight.

DC: \$1,680; CUM: \$1,009,484

04/13/91 PO: Strawn flwg 26/64" choke w/200# FTP, gas rate 700 MCFPD, rcv'd 7 Bbl fluid overnight. Rcv'd total 324 Bbl fluid (5% condensate). Dropped 3 soap sticks to help unload tbg.

NOTE: Lost 240 bbl 10# brine in Strawn perfs when operations started to return to lok-set pkr at 10,859'. **Last 24 hours:** Flwg Strawn to clean up.

DC: \$2,000; CUM: \$1,011,484

04/14/91 Last 24 hrs: Strawn flwg 26/64" choke w/200# FTP, gas rate 700 MCFPD. SWI. Dropped 3 soap sticks to help unload tbg. SWI for 3 hrs, SITP-1350#. Open & flwd 1 hr on 28/64 thru tbg. TP-850#, SWI w/TP-1000#, CP-1000#, RU pro WL & TIH to close sliding sleeve, closed sliding sleeve. POH. RU kill truck & pressure up on tbg to 2000#, held OK for 5 min. GIH w/bailer, tag fill at 10,861'. (Blanking plug at 10,878, top of lok-set at 10,859) POH

MID-CONTINENT DIVISION
DAILY DRILLING/WORKOVER REPORT

PRESIDIO OIL COMPANY
3131 TURTLE CREEK BLVD., STE. 400
DALLAS, TEXAS 75219

SUPERIOR FEDERAL NO. 9
East Burton Flat
Eddy Co., NM
Operator: The Petroleum Corporation
WI: 39.89%
NRI: 31.84%

S1-T20-R29E
TD: 12,100'
Formation: Atoka/Strawn
AFE No.: MC-90D-136
AFE Amt.: \$776,000

w/bailer, full of barite. SWIFN.
DC: \$2,773; CUM: 1,014,257

04/15/91 PO: SICP-2850# SITP -2000#. Open tbg on 20/64 and bled dwn to 200#, well started unloading brine wtr and pressure has built to 1400# and still climbing. Last 24 hrs: SITP-0#, SICP-2850#. Open csg on 22/64 & flw 2 hrs, rcv'd 6 bbls fluid (90% condensate). SIC and gauge at 2500# SICP. GIH w/bailer and clean out to blanking plug at 10,878. Attempt to pull plug and could not. GIH and cut tbg 18" above plug at 10,876.5'. SWIFN.
NOTE: Daily cost includes cost of blast joints, sliding sleeve and transportation of \$11,615.

DC: \$20,259; CUM: \$1,034,516

04/16/91 PO: SITP-2900#. Building Battery. Preparing to turn to sales Wednesday AM 4-17-91. SITP-2000#, SICP-2850#. Open tbg (Atoka) on 20/64" choke, flwd 60 Bbl fluid first 3 hrs, flwd total 8 hrs, stabilized at 850# FTP last 3 hrs on 20/64" choke, 2061 MCFPD. SICP-2600#. SWI. RD and RELEASE COMPLETION RIG 4-15-91.

DC: \$885; CUM: \$1,035,401

Presidio Oil Company

OIL CONSERVATION DIVISION
RECEIVED

3131 Turtle Creek Blvd • Suite 400 • Dallas, Texas 75219-5415 • (214) 528-5898 • Facsimile (214) 528-2260

1991 JUL 27 AM 10 18

SUBSIDIARIES

Peake Operating Company
Presidio Energy, Inc.
Presidio Exploration, Inc.
The Desana Corporation
The Petroleum Corp. of Delaware

July 17, 1991

New Mexico Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87504

Re: OCD Case No. 10209
OCD Order No. R-9413
Superior Federal No. 9 Well
N/2 Section 1, T-20-S, R-29-E
Eddy County, New Mexico

Gentlemen:

By letter dated June 27, 1991, Presidio Exploration, Inc. (PEI) furnished certain information to both the Oil Conservation Division (OCD) and The Estate of E. J. Rousuck, Deceased (Estate), concerning the actual costs of drilling and completing the referenced well.

For your information, attached is a copy of a letter from NCNB-Texas National Bank, Agent for the Estate stating that it has no objection to these costs being deemed "reasonable well costs" as provided in paragraph (6) of OCD Order No. R-9413.

If no objections are raised by the OCD within 45 days following receipt of our June 27, 1991 letter, we understand that the numbers contained therein will be considered "reasonable well costs".

If we can be of further assistance, please so advise.

Very truly yours,

PRESIDIO EXPLORATION, INC.

Mike H. Murphy

Mike H. Murphy
District Land Manager

MHM:ap

Attachment

MHM-183

NCNB Texas
901 Main Street
P.O. Box 830308
Dallas, Texas 75283-0308

Trust Oil and Gas
(214) 508-2310



PRESIDIO OIL DALLAS

JUL 15 1991

July 11, 1991

Mr. Mike Murphy
Presidio Exploration, Inc.
3131 Turtle Creek Blvd. Suite 400
Dallas, TX 75219-5415

RE: Rousuck Agency #099600
Superior Federal No. 9 Well
N/2 Sec 1, T205-R29E
Eddy County, New Mexico

Dear Mike:

Thank you for the copy of your letter dated June 27, 1991 to the New Mexico Conservation Division describing the drilling and the status of the No. 9 well. We have reviewed the schedule showing the actual costs attributed to this well and have no objection to these costs being deemed "reasonable well costs".

Sincerely,

A handwritten signature in cursive script, appearing to read "James W. Coburn".

James W. Coburn
Vice President

JWC/rmw