

Submit 3 Copies To Appropriate District
Office
District I
1625 N. Franklin Ave., Hobbs, NM 87240
District II
1301 W. Grand Ave., Mesita, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
May 27, 2004

WELL API NO. 30-015-29376
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name: OXY Mustang State
8. Well Number 1
9. OGRID Number 192463
10. Pool name or Wildcat Empire Morrow, South

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator OXY USA WYP Limited Partnership
3. Address of Operator P.O. Box 50250 Midland, TX 79710-0250
4. Well Location Unit Letter <u>I</u> ; <u>1980</u> feet from the <u>south</u> line and <u>660</u> feet from the <u>east</u> line Section <u>16</u> Township <u>18S</u> Range <u>29E</u> NMPM County <u>Eddy</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) <u>3519'</u>
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPLETION ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☒ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☒
OTHER: Plugback & sidetrack to new BHL ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

See Attachment

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐ , a general permit ☐ or an (attached) alternative OCD-approved plan ☐

SIGNATURE David Stewart TITLE Sr. Regulatory Analyst DATE 12/12/06

Type or print name David Stewart

E-mail address: david_stewart@oxy.com
Telephone No. 432-685-5717

For State Use Only

FOR RECORDS ONLY

DEC 15 2006

APPROVED BY _____ TITLE _____ DATE _____

Conditions of Approval, if any:

OXY MUSTANG STATE COM NO. 1

Date: 11/03/2006

RU MCVAY RIG # 8 - SET GROUND RODS & ANCHORS FOR GAS LINE OFF MUD/GAS SEPARATOR
NU BOP & CHOKE MANIFOLD

Date: 11/04/2006

NU BOP & CHOKE MANIFOLD - PERFORM PRE-SPUD SAFETY INSPECTION - RU MUD/GAS SEPARATOR, POWER CHOKE & H2S SAFETY EQUIPMENT -
INSPECTING 4 1/2" DP

TEST BOP, CHOKE MANIFOLD & ASSOCIATED EQUIPMENT TO 5,000# W/ MAN WELDING TESTER

PU & TIH W/ BIT # 1, BIT SUB & 45 JTS. 4 1/2" HWDP

RU BULL ROGERS LAY DOWN MACHINE

PU & TIH W/ 4 1/2" DP - TAGGED UP AT 8,464' - RD LAY DOWN MACHINE - TIGHTEN BOLTS ON ROTATING HEAD FLANGE & FLOW LINE DRESSER
SLEEVE

ATTEMPT TO DRILL CEMENT AT 8,464' - NO CEMENT - ACTS LIKE WE ARE ON THE 4 1/2" CASING STUB - TORQUEING UP & WON'T DRILL OFF
CIRCULATE BOTTOMS UP

TRIP OUT OF HOLE

Date: 11/05/2006

TOH - BIT SHOWED EVIDENCE OF BEING ON THE 4 1/2" CASING STUB

PUT 45 JTS. 4 1/2" DP ON THE RACK & STRAP SAME

PU & TIH W/ 45 JTS. 4 1/2" OPEN ENDED DP & 74 STANDS 4 1/2" DP OUT OF DERRICK TO 8,464'

CIRCULATE BOTTOMS UP & CONDITION FLUID AT 8,464' - RU HALLIBURTON - SAFETY MEETING

HALLIBURTON MIXED & SPOTTED A KICK OFF PLUG CONSISTING OF 170 SX PREMIUM CEMENT + 0.75% CFR-3 (MIXED AT 17.5 #/GAL.) FROM 8,464'
TO 8,059'

TOH STANDING BACK 74 STANDS 4 1/2" DP & LD 45 JTS 4 1/2" DP

WOC-24hrs

Date: 11/06/2006

WOC

TIH W/ BIT # 1, BIT SUB, 4 1/2" HWDP & 4 1/2" DP - TAGGED UP ON CEMENT @ 8,046'

LD 13 JTS 4 1/2" DP OUT OF DERRICK

WOC & PU KELLY

DRESS OFF CEMENT KICK OFF PLUG FROM 8,046' TO 8,150' - CEMENT IS GOOD & HARD

TOH - LD BIT SUB & BIT # 1

PU & TIH W BIT # 2, MOTOR, FLOAT SUB, MWD, & 2 - 6 3/8" OD 4 1/2" MONEL HWDP

TIH W/ DIRECTIONAL DRILLING TOOLS ON 4 1/2" HWDP & 4 1/2" DP

Date: 11/07/2006

TIH TO 8,150' - INSTALL KELLY & ROTATING HEAD RUBBER

CIRCULATE & ORIENT MOTOR W/ MWD AT 8,150'

TIME DRILL 1" EVERY 10 MINS. FROM 8,150' TO 8,153'

TIME DRILL 1" EVERY 5 MINS. FROM 8,153' TO 8,165'

Date: 11/08/2006

TIME DRILL 1" EVERY 5 MINS. FROM 8,165' TO 8,168'

SERVICE RIG

TIME DRILL 1" EVERY 5 MINS. FROM 8,168' TO 8,181'

TOH TO CHANGE ANGLE ON MOTOR - DP COUNT WAS OFF ONE JOINT 209 JTS. INSTEAD OF 210 JTS.

CHECK BIT (OK) - RESET MOTOR ANGLE FROM 1.83 DEG. TO 2.12 DEG. - PU 2 RT TOOLS & TIH (SLM)

Date: 11/09/2006

TIH (SLM) - SLM = 8,143.56' VS. 8,181.00' (- 37.44' CORRECTION TO DEPTH)

PU KELLY, BREAK CIRCULATION & ORIENT MOTOR TO 177 TOOL FACE

DIR. DRILLED 7 7/8" PROD. HOLE - TIME DRILL 1" EVERY 5 MINS. FROM 8,143' (SLM CORRECTED DEPTH) TO 8,146' - 4K AV. WOB, 0 ROT. RPM + 89
MOTOR RPM = 89 TOTAL BIT RPM, 353 GPM @ 1,375# OFF BOTT. - 1,425# ON BOTTOM - 177 TOOL FACE

SERVICE RIG

DIR. DRILLED 7 7/8" PROD. HOLE - TIME DRILL 1" EVERY 5 MINS. FROM 8,146' TO 8,150' - 6K AV. WOB, 0 ROT. RPM + 89 MOTOR RPM = 89 TOTAL BIT
RPM, 353 GPM @ 1,375# OFF BOTT. - 1,425# ON BOTTOM - 177 TOOL FACE

STAND DOWN SAFETY MEETING W/ DAYLIGHT RELIEF CREW & EVENING TOWER CREW

TIME DRILL 1" EVERY 5 MINS. FROM 8,150' TO 8,164' - 10K AV. WOB, 0 ROT. RPM + 89 MOTOR RPM = 89 TOTAL BIT RPM, 353 GPM @ 1,375# OFF BOTT.
- 1,425# ON BOTTOM - 177 TOOL FACE

Date: 11/10/2006

OXY STAND DOWN SAFETY MEETING W/ MORNING TOWER & REGULAR DAY LIGHT TOWER CREWS + TOOLPUSHER

DIR. DRILL 7 7/8" PROD. HOLE - TIME DRILL 1" EVERY 5 MINS. FROM 8,164' TO 8,172' - 10K AV. WOB, 0 ROT. RPM + 89 MOTOR RPM = 89 TOTAL BIT
RPM, 353 GPM @ 1,375# OFF BOTTOM - 1,425# ON BOTTOM - 177 TOOL FACE

SERVICE RIG

DIR. DRILL 7 7/8" PROD. HOLE - TIME DRILL 1" EVERY 5 MINS. FROM 8,172' TO 8,185' - 12K AV. WOB, 0 ROT. RPM + 89 MOTOR RPM = 89 TOTAL BIT
RPM, 353 GPM @ 1,375# OFF BOTTOM - 1,425# ON BOTTOM - 177 TOOL FACE - SVY @ 8,135' = 0.09 DEG. 322.6 AZ

DIR. DRILL 7 7/8" PROD. HOLE - SLIDE FROM 8,185' TO 8,195' - 20K AV. WOB, 0 ROT. RPM + 89 MOTOR RPM = 89 TOTAL BIT RPM, 353 GPM @ 1,375#
OFF BOTTOM - 1,425# ON BOTTOM - 177 TOOL FACE
DIR. DRILL 7 7/8" PROD. HOLE - ROT. FROM 8,195' TO 8,206' - 15K AV. WOB, 43 ROT. RPM + 107 MOTOR RPM = 150 TOTAL BIT RPM, 399 GPM @ 1,950#
OFF BOTTOM - 2,050# ON BOTTOM - SVY @ 8,166' = 1.8 DEG. 176.7 AZ

Date: 11/11/2006

DIR. DRILL 7 7/8" PROD. HOLE - SLIDE FROM 8,206' TO 8,214' - 25K AV. WOB, 0 ROT. RPM + 108 MTR. RPM = 108 TOTAL BIT RPM, 390 GPM @ 1,900#
OFF BOTT. & 2,000# ON BOTT. - TOOL FACE 177
DIR. DRILL 7 7/8" PROD. HOLE - ROT. FROM 8,214' TO 8,237' - 15K AV. WOB, 35 ROT. RPM + 108 MTR. RPM = 143 TOTAL BIT RPM, 390 GPM @ 1,950#
OFF BOTT. & 2,050# ON BOTT.

SERVICE RIG

SVY @ 8,197' = 5.4 DEG. 162.2 AZ

DIR. DRILL 7 7/8" PROD. HOLE - SLIDE FROM 8,237' TO 8,245' - 25K AV. WOB, 0 ROT. RPM + 108 MTR. RPM = 108 TOTAL BIT RPM, 390 GPM @ 1,900#
OFF BOTT. & 2,000# ON BOTT. - TOOL FACE 177
DIR. DRILL 7 7/8" PROD. HOLE - ROT. FROM 8,245' TO 8,268' - 15K AV. WOB, 35 ROT. RPM + 108 MTR. RPM = 143 TOTAL BIT RPM, 390 GPM @ 1,950#
OFF BOTT. & 2,050# ON BOTT.

SVY @ 8,228' = 7.0 DEG 166.7 AZ

DIR. DRILL 7 7/8" PROD. HOLE - SLIDE FROM 8,268' TO 8,273' - 25K AV. WOB, 0 ROT. RPM + 108 MTR. RPM = 108 TOTAL BIT RPM, 390 GPM @ 1,900#
OFF BOTT. & 2,000# ON BOTT. - 177 TOOL FACE
DIR. DRILL 7 7/8" PROD. HOLE - ROT. FROM 8,273' TO 8,299' - 15K AV. WOB, 35 PRM + 108 MTR. RPM = 143 TOTAL BIT RPM, 390 GPM @ 1,950# OFF
BOTT. & 2,050# ON BOTT.

SVY @ 8,259' = 8.2 DEG. 168.7 AZ

DIR. DRILL 7 7/8" PROD. HOLE - ROT. FROM 8,299' TO 8,329' - 15K AV. WOB, 35 ROT. RPM + 108 MTR. RPM = 143 TOTAL BIT RPM @ 1,950# OFF BOTT. &
2,050# ON BOTT.

SVY @ 8,288' = 9.3 DEG. 171.2 AZ

RIG REPAIR - BLEW HEAD GASKET IN # 2 PUMP MOTOR - HAD PROBLEMS SWITCHING TO THE # 1 PUMP SINCE IT IS DIRECT DRIVE USING THE
FLOOR MOTORS

DIR. DRILL 7 7/8" PROD. HOLE - ROT. FROM 8,329' TO 8,358' - 15K AV. WOB, 35 ROT. RPM + 90 MTR. RPM = 125 TOTAL BIT RPM @ 1,550# OFF BOTT. &
1,600# ON BOTT.

SVY @ 8,319' = 9.1 DEG. 171.6 AZ

DIR. DRILL 7 7/8" PROD. HOLE FROM 8,358' TO 8,389' - 15K AV. WOB, 45 ROT. RPM + 90 MTR. RPM = 125 TOTAL BIT RPM @ 1,550# ON BOTT. & 1,600#
OFF BOTT.

Date: 11/12/2006

SVY @ 8,349' = 8.9 DEG. 171.1 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 8,389' TO 8,419' - 15 AV. WOB, 43 ROT. RPM + 90 MTR. RPM = 133 TOTAL BIT RPM,
335 GPM @ 1,550# PUMP PRESSURE OFF BOTTOM & 1,600# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 8,380' = 8.8 DEG. 172.0 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 8,419' TO 8,451' - 15 AV. WOB, 43 ROT. RPM + 90 MTR. RPM = 133 TOTAL BIT RPM,
335 GPM @ 1,550# PUMP PRESSURE OFF BOTTOM & 1,600# PUMP PRESSURE ON BOTTOM

SVY @ 8,410' = 8.7 DEG. 170.4 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - SLIDE FROM 8,451' TO 8,457' - 25 AV. WOB, 0 ROT. RPM + 92 MTR. RPM = 92 TOTAL BIT RPM, 335
GPM @ 1,400# PUMP PRESSURE OFF BOTTOM & 1,600# PUMP PRESSURE ON BOTTOM - TOOL FACE 177

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 8,457' TO 8,482' - 15 AV. WOB, 43 ROT. RPM + 108 MTR. RPM = 151 TOTAL BIT RPM,
390 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,441' = 8.7 DEG. 172.4 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 8,482' TO 8,512' - 15 AV. WOB, 43 ROT. RPM + 97 MTR. RPM = 140 TOTAL BIT RPM,
360 GPM @ 1,800# PUMP PRESSURE OFF BOTTOM & 1,900# PUMP PRESSURE ON BOTTOM

SVY @ 8,471' = 8.7 DEG. 178.5 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 8,512' TO 8,532' - 15 AV. WOB, 43 ROT. RPM + 90 MTR. RPM = 133 TOTAL BIT RPM,
360 GPM @ 1,800# PUMP PRESSURE OFF BOTTOM & 1,900# PUMP PRESSURE ON BOTTOM - MOTOR STALLED OUT TWICE

TOH FOR NEW BIT & MOTOR AT 8,532'

Date: 11/13/2006

TOH FOR NEW BIT & MOTOR

LD BIT# 2 & MOTOR - PU BIT # 3 & NEW BENT MOTOR (1.83 DEG) - CHANGE OUT MWD - TEST MOTOR & MWD

TIH W/ BIT # 3 TO 8,482'

WASH & REAM 50' FROM 8,482' TO 8,532'

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 8,532' TO 8,543' - 15K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM,
360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,502' = 8.5 DEG. 179.2 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 8,543' TO 8,575' - 15K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM,
360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,533' = 8.7 DEG. 179.6 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 8,575' TO 8,607' - 15K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM,
360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,565' = 8.3 DEG. 179.7 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- SLIDE FROM 8,607' TO 8,612' -- 20K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM -- TOOL FACE 177

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,612' TO 8,639' -- 20K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,596' = 8.4 DEG. 179.8 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,639' TO 8,669' -- 20K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,627' = 9.1 DEG. 178.3 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,669' TO 8,700' -- 20K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,668' = 9.3 DEG. 180.7 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,700' TO 8,704' -- 20K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

Date: 11/14/2006

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,704' TO 8,731' -- 20K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,688' = 9.1 DEG. 179.4 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,731' TO 8,762' -- 20K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 8,719' = 9.2 DEG. 179.8 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,762' TO 8,793' -- 20K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,750' = 8.8 DEG. 179.4 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,793' TO 8,824' -- 20K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,781' = 8.7 DEG. 179.6 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,824' TO 8,855' -- 20K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,812' = 8.3 DEG. 180.9 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,855' TO 8,885' -- 20K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM - LOST 100% RETURNS @ 8,878'

MIX & PUMP 4 - 180 BBL. PILLS OF 60 VIS. MUD & 8# TO 10# PER BBL. LCM (SALT GEL, STARCH, NUT PLUG, MICA & ULTRA SEAL) - REGAINED FULL RETURNS & RETURNED TO THE STEEL PITS & MUDDERED UP @ 8,885'

SVY @ 8,843' = 8.3 DEG. 180.7 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,885' TO 8,916' -- 15K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,874' = 8.4 DEG. 179.4 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,916' TO 8,947' -- 15K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,904' = 8.4 DEG. 180.3 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,947' TO 8,955' -- 25K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM - MOTOR STALLING OUT

TOH FOR BIT OR MOTOR - BIT LOOKED GOOD, BUT 1/16" OUT OF GAUGE & MOTOR DID NOT DRAIN, SO PROBABLY A BAD MOTOR

Date: 11/15/2006

LD BIT # 3 & MOTOR - PU BIT # 4 & NEW BENT MOTOR (1.83 DEG.) - CHANGE OUT MWD - TEST MOTOR & MWD

TIH W/ BIT # 4 TO 8,890'

WASH & REAM 65' TO BOTTOM FROM 8,890' TO 8,955'

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,955' TO 8,957' -- 15K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM - BRAKES DUMPING TO MUCH WT. ON BIT, THEN NOT

RIG REPAIR ON BRAKES - FIXED WATER LEAK ON BRAKES

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,957' TO 8,977' -- 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,935' = 8.5 DEG. 179.1 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- SLIDE FROM 8,977' TO 8,982' -- 35K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM -- TOOL FACE 177

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE -- ROTATE FROM 8,982' TO 9,009' -- 30K AV. WOB, 43 ROT. RPM + 145 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,967' = 8.7 DEG. 180 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,009' TO 9,016' – 35K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 177

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,016' TO 9,040' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 8,998' = 8.7 DEG. 177.7 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,040' TO 9,048' – 35K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 177

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,048' TO 9,071' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

Date: 11/16/2006

SVY @ 9,029' = 9.1 DEG. 178.1 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,071' TO 9,082' – 35K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,082' TO 9,102' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 9,060' = 9.2 DEG. 179.0 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,102' TO 9,114' – 35K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,114' TO 9,133' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,091' = 9.9 DEG. 180.3 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,133' TO 9,163' – 35K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

SVY @ 9,121' = 10.7 DEG. 178.4 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,163' TO 9,193' – 35K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

SVY @ 9,152' = 13.3 DEG. 176.1 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,193' TO 9,213' – 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,213' TO 9,225' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,183' = 16.1 DEG. 174.6 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,225' TO 9,256' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

Date: 11/17/2006

SVY @ 9,214' = 17.8 DEG. 173.7 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,256' TO 9,260' – 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,260' TO 9,287' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 9,245' = 18.1 DEG. 175.0 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,287' TO 9,318' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,277' = 17.9 DEG. 176.5 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,318' TO 9,325' – 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,325' TO 9,350' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,308' = 17.8 DEG. 176.3 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,350' TO 9,352' – 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

RIG REPAIR ON PUMP

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,352' TO 9,360' – 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,360' TO 9,381' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,339' = 17.5 DEG. 175.3 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - SLIDE FROM 9,381' TO 9,390' - 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM - TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,390' TO 9,411' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,369' = 17.8 DEG. 175.8 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - SLIDE FROM 9,411' TO 9,418' - 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM - TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,418' TO 9,442' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,401' = 18.5 DEG. 177.2 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,442' TO 9,450' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

Date: 11/18/2006

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,450' TO 9,474' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 9,432' = 18.4 DEG. 179.6 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,474' TO 9,505' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,463' = 17.8 DEG. 180.4 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - SLIDE FROM 9,505' TO 9,515' - 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM - TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,515' TO 9,536' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,494' = 17.5 DEG. 179.8 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - SLIDE FROM 9,536' TO 9,543' - 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM - TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,543' TO 9,552' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

RIG REPAIR ON PUMPS

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,552' TO 9,568' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,526' = 18.3 DEG. 177.0 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,568' TO 9,598' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,556' = 18.6 DEG. 177.2 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,598' TO 9,628' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,586' = 18.4 DEG. 177.9 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,628' TO 9,659' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

Date: 11/19/2006

SVY @ 9,617' = 17.7 DEG. 176.8 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - SLIDE FROM 9,659' TO 9,667' - 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM - TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,667' TO 9,689' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,647' = 17.1 DEG. 175.7 AZ

TOH FOR BIT

LD BIT # 4 & MOTOR - CHANGE OUT MWD - PU BIT # 5, NEW BENT MOTOR (1.83 DEG.) - TEST MOTOR & MWD - OK

TIH WITH 15 STANDS HWDP

CUT DRILLING LINE

RIG REPAIR - CHANGE OUT 4" 5M VALVE ON #2 PUMP

CONTINUE TIH TO 9,659'

WASH & REAM 30' TO BOTTOM FROM 9,640' TO 9,689'

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - SLIDE FROM 9,689' TO 9,703' - 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM - TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 9,703' TO 9,720' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,678' = 17.3 DEG. 174.3 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,720' TO 9,729' – 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,729' TO 9,750' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,708' = 17.4 DEG. 176.5 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,750' TO 9,762' – 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,762' TO 9,781' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

Date: 11/20/2006

SVY @ 9,739' = 18.6 DEG. 175.4 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,781' TO 9,812' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 9,771' = 18.9 DEG. 174.0 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,812' TO 9,843' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,802' = 18.7 DEG. 174.2 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,843' TO 9,874' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,832' = 17.7 DEG. 173.7 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,874' TO 9,882' – 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,882' TO 9,905' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,863' = 17.4 DEG. 173.1 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,905' TO 9,910' – 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,910' TO 9,937' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,895' = 17.5 DEG. 173.8 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 9,937' TO 9,946' – 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,946' TO 9,967' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,926' = 17.7 DEG. 171.1 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,967' TO 9,999' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,957' = 18.1 DEG. 171.6 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 9,999' TO 10,030' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 9,988' = 18.1 DEG. 171.4 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,030' TO 10,035' – 40K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

Date: 11/21/2006

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,035' TO 10,062' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 10,020' = 18.4 DEG. 171.9 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,062' TO 10,092' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 10,051' = 17.6 DEG. 173.3 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,092' TO 10,099' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 176

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,099' TO 10,124' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 10,082' = 17.2 DEG. 174.5 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE - ROTATE FROM 10,501' TO 10,527' - 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 200 GPM @ 1.550# PUMP PRESSURE OFF BOTTOM & 2.000# PUMP PRESSURE ON BOTTOM

RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 10,485' = 19.0 DEG. 177.1 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,527' TO 10,535' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

Date: 11/23/2006

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,535' TO 10,558' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 10,516' = 18.7 DEG. 174.5 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,558' TO 10,589' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 350 GPM @ 1,750# PUMP PRESSURE OFF BOTTOM & 1,950# PUMP PRESSURE ON BOTTOM

SVY @ 10,547' = 18.2 DEG. 173.2 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,589' TO 10,620' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 350 GPM @ 1,750# PUMP PRESSURE OFF BOTTOM & 1,950# PUMP PRESSURE ON BOTTOM

SVY @ 10,578' = 18.4 DEG. 173.8 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,620' TO 10,651' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 350 GPM @ 1,750# PUMP PRESSURE OFF BOTTOM & 1,950# PUMP PRESSURE ON BOTTOM

SVY @ 10,609' = 18.0 DEG. 174.7 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,651' TO 10,682' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 368 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 10,640' = 17.3 DEG. 174.9 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,682' TO 10,692' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,692' TO 10,713' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 10,671' = 16.9 DEG. 174.5 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,713' TO 10,722' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,722' TO 10,744' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SVY @ 10,702' = 17.0 DEG. 173.1 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,744' TO 10,748' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

Date: 11/24/2006

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,748' TO 10,752' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,752' TO 10,752' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM - NO PROGRESS - BIT STOPPED DRILLING

TOH FOR NEW BIT & MOTOR

LD BIT # 5 & MOTOR - PU BIT # 6 & NEW BENT MOTOR (1.50 DEG.) - CHANGE OUT MWD - TEST MOTOR & MWD - OK

TIH TO 10,692'

WASH & REAM 60' TO BOTTOM FROM 10,692' TO 10,752'

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,752' TO 10,772' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM - 1.5' PER HR. DRILLING RATE - (ORIGINAL HO

Date: 11/25/2006

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,772' TO 10,784' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 10,733' = 17.6 DEG. 171.5 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,784' TO 10,815' – 40K AV. WOB, 50 ROT. RPM + 102 MTR. RPM = 152 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 10,765' = 17.6 DEG. 170.5 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,815' TO 10,826' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,826' TO 10,846' – 40K AV. WOB, 50 ROT. RPM + 102 MTR. RPM = 152 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 10,795' = 17.8 170.8 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,846' TO 10,878' – 40K AV. WOB, 50 ROT. RPM + 102 MTR. RPM = 152 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 10,827' = 16.1 DEG. 171.7 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,878' TO 10,889' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,889' TO 10,910' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

Date: 11/26/2006

SVY @ 10,859' = 15.1 DEG. 172.7 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,910' TO 10,920' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,920' TO 10,942' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 10,891' = 13.8 DEG. 174.2 AZ

TOH CHAINING OUT - SUSPECT SOMETHING HAS COME LOOSE ON THE MOTOR DUE TO THE RAPID DROP IN ANGLE

LD BIT # 6, MOTOR (COULD NOT FIND ANYTHING WRONG WITH THE MOTOR) & UBHO SUB - PU BIT # 7, NEW BENT MOTOR (1.83 DEG.) & UBHO SUB - TESTED MOTOR & MWD - OK

TIH - DISCOVERED THAT THE DP SCREEN WAS MISSING

TOH TO RETRIEVE DP SCREEN THAT WAS LEFT IN THE TOP OF THE HWDP WHEN FILLING THE DP

TIH TO 10,882'

WASH & REAM 60' TO BOTTOM FROM 10,882' TO 10,942'

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,942' TO 10,944' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,850# PUMP PRESSURE OFF BOTTOM & 2,000# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

Date: 11/27/2006

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,944' TO 10,957' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,957' TO 10,972' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 10,923' = 12.0 DEG. 172.2 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 10,972' TO 10,987' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 10,987' TO 11,004' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 10,955' = 13.0 DEG. 172.5 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 11,004' TO 11,019' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,019' TO 11,035' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 10,986' = 14.7 DEG. 176.9 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 11,035' TO 11,044' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,044' TO 11,066' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 11,017' = 16.4 DEG. 179.2 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 11,066' TO 11,076' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,076' TO 11,097' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 11,049' = 16.7 DEG. 176.0 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 11,097' TO 11,111' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,111' TO 11,129' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 11,080' = 18.0 DEG. 174.3 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 11,129' TO 11,143' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,143' TO 11,161' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 11,112' = 19.4 DEG. 173.2 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 11,161' TO 11,171' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,171' TO 11,191' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

WORKING TO FREE UP STALLED MOTOR (3,000#)

TOH FOR MUD MOTOR FAILER

Date: 11/28/2006

TOH (WET STRING) DUE TO MOTOR FAILER

LD BIT # 7 (1/8" OUT OF GAUGE), MOTOR (WAS LOCKED UP) - PU BIT # 8 & NEW BENT MOTOR (1.83 DEG.) - CHANGED OUT MWD - TESTED MWD & MOTOR - OK

TIH WITH HWDP

SLIP ON NEW DRILLING LINE

TIH TO 11,101'

W&R 90' TO BOTTOM FROM 11,101' TO 11,191'

SVY @ 11,144' = 20.5 DEG. 175.0 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 11,191' TO 11,203' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,203' TO 11,227' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 11,176' = 21.9 DEG. 177.6 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 11,227' TO 11,235' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,235' TO 11,259' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 11,208' = 23.2 DEG. 177.2 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,259' TO 11,290' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 11,240' = 25.0 DEG. 178.0 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,290' TO 11,322' – 30K AV. WOB, 43 ROT. RPM + 102 MTR. RPM = 145 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 11,271' = 24.9 DEG. 178.8 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 11,322' TO 11,327' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

Date: 11/29/2006

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,327' TO 11,354' – 30K AV. WOB, 50 ROT. RPM + 102 MTR. RPM = 152 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 11,303' = 24.5 DEG. 178.8 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – SLIDE FROM 11,354' TO 11,361' – 45K AV. WOB, 0 ROT. RPM + 102 MTR. RPM = 102 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM – TOOL FACE 178

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,361' TO 11,386' – 30K AV. WOB, 50 ROT. RPM + 102 MTR. RPM = 152 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SERVICE RIG

SVY @ 11,335' = 24.0 DEG. 180.8 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,386' TO 11,416' – 30K AV. WOB, 50 ROT. RPM + 102 MTR. RPM = 152 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 11,365' = 22.5 DEG. 182.3 AZ

DIRECTIONAL DRILL 7 7/8" PRODUCTION HOLE – ROTATE FROM 11,416' TO 11,429' TD – 30K AV. WOB, 50 ROT. RPM + 102 MTR. RPM = 152 TOTAL BIT RPM, 360 GPM @ 1,900# PUMP PRESSURE OFF BOTTOM & 2,150# PUMP PRESSURE ON BOTTOM

SVY @ 11,378' = 22.2 DEG. 182.5 AZ - PROJECTED SVY @ BHL OF 11,429' = 22.2 DEG. 182.5 AZ

CIRCULATE & CONDITION MUD FOR OPEN HOLE LOGS

TOH (CHAIN OUT 1ST 35 STANDS TO KICK OFF POINT @ 8,150') SLM - (SLM = 11,435.22')

LD & LOAD OUT BLACK VIPER DIRECTIONAL TOOLS

RU BAKER ATLAS - PU & TIH WITH OPEN HOLE LOGGING TOOLS

Date: 11/30/2006

BAKER ATLAS RUN OPEN HOLE LOGS - LOGGER'S TD = 11,332' TAGGED UP - STICKY - PULLED REPEAT SECTION - STUCK LOGGING TOOLS (BOTTOM OF TOOLS @ 10808' - TOP OF TOOLS @ 10,698')

WORK STUCK LOGGING TOOLS (109.25' TOTAL TOOL LENGTH) - COMP. Z-DENSILOG - COMP NEU. - GR - MICRO LATEROLOG - DUAL LATEROLOG TOOLS TO 8,500# UP & 250# DOWN AT THE CABLE HEAD - NO MOVEMENT

WEATHERFORD FISHERMAN ARRIVED - SAID IT WOULD BE TOO DANGEROUS TO TRY TO TRIP IN HOLE WITH FISHING TOOLS DUE TO HIGH GUSTING WINDS - SWINGING THE BLOCKS COULD ACCIDENTALLY CUT THE LOGGING LINE - WILL WAIT UNTIL DAY LIGHT & SEE IF WINDS WILL DIE DOWN - WORK

Date: 12/01/2006

RD WIRELINE LUBRICATOR - CLAMP OFF & CUT WIRE LINE - INSTALL HEADS ON BOTH ENDS OF WIRE LINE - MOVE WIRE LINE SHEAVES - TEST WIRE LINE - OK - PU WIRE LINE FISHING TOOLS

SAFETY MEETING ON CUT & STRIP FISHING OPERATIONS

TIH W/ FISHING TOOLS

MOVE TOP SHEAVE - WAS NOT UP HIGH ENOUGH FOR SINKER BARS ON WIRE LINE

TIH W/ FISHING TOOLS - CUT & STRIP OVER WIRE LINE TO 10,698'

WORK OVER & LATCH ON TO STUCK LOGGING TOOLS - PU - TOOK 20,000# TO PULL FISH LOOSE - WEIGHT INDICATOR IN LOGGING TRUCKED SHOWS THAT WE HAVE THE FISH - PULLED OUT OF ROPE SOCKET

PULL OUT W/ 300' OF WIRE LINE - TAKE DOWN TOP SHEAVE - SPOOL UP ALL WIRE LINE ON LOGGING TRUCK

TOH (CHAINING OUT) WITH LOGGING TOOLS FISH

Date: 12/02/2006

TOH (CHAINING OUT) W/ LOGGING TOOL FISH - RECOVERED ENTIRE FISH - LEFT FACE PLATE OFF OF DENSITY PAD IN THE HOLE (26 1/2" LONG, 3 1/2" WIDE & 3/8" THICK - MADE FROM PH1025 STAINLESS STEEL)

LD LOGGING TOOL FISH & FISHING TOOLS

TIH W/ 7 7/8" BIT, BIT SUB, 45 JTS. 4 1/2" HWDP & 4 1/2" DP TO 11,337' - TAGGED UP ON JUNK FROM LOGGING TOOL

DRILL & WORK JUNK DOWN HOLE FROM 11,337' TO 11,429' TD

CIRCULATE BOTTOMS UP & RU BULL ROGERS LD MACHINE - SAFETY MEETING ON LD DRILL PIPE

TOH LD 4 1/2" DP - BREAK KELLY - REMOVE ROTATING HEAD - LD 4 1/2" HWDP, BIT SUB & BIT

RU CASING CREW TO RUN 5 1/2" PRODUCTION CASING

Date: 12/03/2006

RU CASING CREW & SAFETY MEETING

RAN A TOTAL OF 258 JTS. 5 1/2" 17# HCP-110 8RD LT&C NEW CASING (11,443.94') SET @ 11,429' - 5 1/2" WEATHERFORD P-110 DV TOOL @ 8,029' TO 8,031' - TOP OF 5 1/2" WEATHERFORD P-110 FLOAT COLLAR @ 11,381' - ALL CASING & FLOAT EQUIPMENT TORQUED TO OPTIMUM (4,620#). HALLIBURTON CEMENTED 5 1/2" PRODUCTION CASING: 1 ST STAGE - 1,000 GALS. SUPER FLUSH 102, 450 SX SUPER "H" + 0.5% HALAD-344 + 0.4% CFR-3 + 5# GILSONITE + 1# SALT + 0.2% HR-7 PER SX - PLUG DOWN & BUMPED W/ 1,377# @ 21:22 12/2/06 - HELD PRESSURE FOR 3 MIN. - BLED OFF 1.5 BBL. RETURNS - FLOATS HOLDING OK - DROP BOMB & OPEN DV TOOL W/ 803# @ 22:10 12/2/06 - CIRCULATED 4 HRS. - NO CEMENT CIRCULATED TO SURFACE FROM 1ST STAGE - SAW SUPER FLUSH & WATER SPACERS - CEMENT CALCULATED BY USING HOLE SIZE + 25% EXCESS - 2ND STAGE (LEAD) 345 SX INTERFILL "C" + 1/4# POLY-E-FLAKES PER SX; FOLLOWED BY (TAIL) 200 SX PREMIUM PLUS NEAT CEMENT - PLUG DOWN & CLOSED DV TOOL W/ 3,000# @ 03:17 12/3/06 - HELD PRESSURE FOR 4 MINS. - BLED OFF 2 BBL. RETURNS - DV TOOL HOLDING OK. NO CEMENT CIRCULATED TO SURFACE FROM 2ND STAGE - CEMENT CALCULATED TO COME TO 2,500' BY USING HOLE SIZE + 25% EXCESS.

ND & PU BOP - SET 5 1/2" CASING SLIPS (169,000#)

Date: 12/04/2006

CUT OFF 5 1/2" CASING - ND & LD BOP

CAMERON INSTALLED 7 1/16" 5M X 11" 5M TUBING HEAD & TESTED TO 4,000# - OK

JET & CLEAN STEEL PITS - LOAD OUT 45 JTS. 4 1/2" HWDP & SEND TO QUAIL OIL TOOLS IN ODESSA, TX - RELEASED MCVAY RIG # 8 AT 14:00 12/3/2006 TO GO TO THE OXY BIG SPENDER STATE # 1

RD MCVAY RIG # 8