

Reef Exploration L.P.  
State 2 Well #3  
Unit G  
660 FNL & 1980 FEL  
Sec 2, T-23-S,R-31-E  
Eddy County, New Mexico

Drilling Report

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**Date:** 9-24-07

**Day:** 0

**Depth:**

**Present Operation:**

**Operations Last 24 Hours:** Waiting on trucks.

**Date:** 9-25-07

**Day:** 0

**Depth:**

**Present Operation:** MIRU Patterson Rig #512

**Operations Last 24 Hours:** Waiting on trucks.

**Date:** 9-26-07

**Day:** 1

**Depth:** 355

**Present Operation:** Repair Rotary Chain

**Operations Last 24 Hours:** Drilled 355' last 24 hours. MW 9, Vis 54, Ph 9. Surveys: 3/4° @ 256. Rotary 100 rpms, WOB All K, pump pressure 1350 psi. Finish rigging up. Spud 17 1/2" hole @ 3:15PM 9-25-07. Drl to 355. Repair Rotary Chain.

**Date:** 9-27-07

**Day:** 2

**Depth:** 715

**Present Operation:** CMT'G Surface Pipe

**Operations Last 24 Hours:** Drilled 360' last 24 hours. MW 9, Vis 54, Ph 9. Surveys: 1/4° @ 499, 1/4° @ 715. Rotary 95 rpms, WOB 50 K, pump pressure 1350 psi. TD 17 1/2" Hole @ 10:30PM 9-26-07. Circ hole clean. Run 13 3/8" csg. (csg detail on tomorrows report). RU Halliburton. Start cmt'g csg.

**Date:** 9-28-07

**Day:** 3

**Depth:** 1265

**Present Operation:** Drlg 11" hole @ 79 fph.

**Operations Last 24 Hours:** Drilled 550' last 24 hours. MW 10, Vis 28, Ph 9. Surveys: 1/2° @ 1166. Rotary 60 rpms, WOB 12 K, pump pressure 1150 psi. Ran 13 3/8" csg as follows:

1-13 3/8" Texas Pattern Guide Shoe

0.75

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1-13 3/8" 48# H-40 ST&C csg	41.07
1-13 3/8" float collar	1.50
16-13 3/8" 48# H-40 ST&C csg	<u>671.68</u>
Total Run	715.00

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Pipe set @ 715'. Ran 6 cent. Halliburton cmt'd as follows: 255 sxs Halliburton lite w/1% CaCl<sub>2</sub> and 0.125 #/sx PloyFlake and 300 sxs Prem Plus w/1% CaCl<sub>2</sub>. Plug down @ 6:00 am 9-27-07. Circ 150 sxs to surface. Cut off csg in stall head and test, OK. NU BOP & test, OK. TIH and tag cmt @ 672'. Drl out plug and part of shoe jt. Test csg, OK. Drl out cmt and shoe spud 11" hole @ 8:30 pm 9-27-087.

**Date:** 9-29-07

**Day:** 4

**Depth:** 2633

**Present Operation:** Drlg 11" hole @ 41 fph.

**Operations Last 24 Hours:** Drilled 1368' last 24 hours. MW 10, Vis 29, Ph 8.5. Surveys: 1° @ 1608, 1/2° @ 2072, 1/2° @ 2462. Rotary 60 rpms, WOB 12 K, pump pressure 1400 psi.

**Date:** 9-30-07

**Day:** 5

**Depth:** 3150

**Present Operation:** Drlg 11" hole @ 31 fph.

**Operations Last 24 Hours:** Drilled 517' last 24 hours. MW 10, Vis 29, Ph 10. Surveys: 1/2° @ 2905. Rotary 180 rpms, WOB 18 K, pump pressure 1400 psi. DRL to 2715'. Try to put 2 pumps on hole, pressure kills 2<sup>nd</sup> pump. TOH with 5 stands and circ @ 63 spm. Repair hydromatic and rotary chain guard. Resume drlg.

**Date:** 10-1-07

**Day:** 6

**Depth:** 4120

**Present Operation:** Drlg 11" hole @ 31 fph.

**Operations Last 24 Hours:** Drilled 970' last 24 hours. MW 10, Vis 29, Ph 10. Surveys: 1° @ 3348, 1/2° @ 3760. Rotary 181 rpms, WOB 18 K, pump pressure 1550 psi.

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**Date:** 10-2-07

**Day:** 7

**Depth:** 4370

**Present Operation:** Drlg 11" hole @ 16 fph.

**Operations Last 24 Hours:** Drilled 250' last 24 hours. MW 10, Vis 29, Ph 10. Surveys: 1° @ 4235. Rotary 75 rpms, WOB 24 K, pump pressure 1550 psi. Drl to 4351'. Lost 400 psi. Pmp soft line. POH and LD motor and teledrift. TIH. Wash to bottom. Resume drlg.

**Date:** 10-3-07

**Day:** 8

**Depth:** 4410

**Present Operation:** ND BOP.

**Operations Last 24 Hours:** Drilled 40' last 24 hours. MW 10, Vis 29, Ph 10. Surveys: 1° @ 4410. Rotary 75 rpms, WOB 24 K, pump pressure 1250 psi. TD 11" hole @ 4410' 9:45AM 10-1-07. Circ and Cond hole. POH and run 8 5/8" csg as follows:

1-8 5/8" Texas Pattern Guide Shoe	1.50
1-8 5/8" 32# J-55 ST&C csg	43.17
1-8 5/8" Float Collar	1.00
102-8 5/8" 32# J-55 ST&C csg	4362.33
Total Run	4410.00

Set pipe @ 4408'. Ran 20 cent. MIRU Halliburton. Halliburton cmt'd as follows: 1100 5x5 Prem Plus Interfill with 0.125 # Isx Polyflake and 400 5x5 prem plus with 1% CaCl2. Plug down at 2:00AM 10-2-07. Circ 290 5x5 to surface. Start ND BOP's

**Date:** 10-4-07

**Day:** 9

**Depth:** 4500

**Present Operation:** Drlg 7 7/8" hole @ 21 fph

**Operations Last 24 Hours:** Drilled 90' last 24 hours. MW 8.5, Vis 28, Ph 10. Rotary 70 rpms, WOB 15 K, pump pressure 800 psi. Finish ND BOP's. Set slips and cut off csg. NU Head & BOP's and test, ok. TIH and Drl out float collar and cmt. Test csg to 1000 psi, ok. Drl out cmt and shoe. Spud 7 7/8" hole @ 1:15 AM 10-4-07

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**Date:** 10-5-07

**Day:** 10

**Depth:** 5870

**Present Operation:** Drlg 7 7/8" hole @ 69 fph

**Operations Last 24 Hours:** Drilled 1370' last 24 hours. MW 8.6, Vis 29, Ph 10. Surveys: 1/2° @ 4591, 1° @ 5065, 1/2° @ 5508. Rotary 75 rpms, WOB 20 K, pump pressure 1300 psi. Wtr flow@ 5780' of 1 bpm.

**Date:** 10-6-07

**Day:** 11

**Depth:** 7248'

**Present Operation:** Drlg 7 7/8" hole @ 60 fph

**Operations Last 24 Hours:** Drilled 1378' last 24 hours. MW 8.6, Vis 29, Ph 10. Surveys: 1/2° @ 5950, 1/2° @ 6427, 1/2° @ 6838. Rotary 75 rpms, WOB 20 K, pump pressure 1350 psi.

**Date:** 10-7-07

**Day:** 12

**Depth:** 8248'

**Present Operation:** Drlg 7 7/8" hole @ 35 fph

**Operations Last 24 Hours:** Drilled 1000' last 24 hours. MW 8.9, Vis 29, Ph 10. Surveys: 1/2° @ 7312, 1/2° @ 7851. Rotary 75 rpms, WOB 20 K, pump pressure 1450 psi.

**Date:** 10-8-07

**Day:** 13

**Depth:** 8515

**Present Operation:** Logging

**Operations Last 24 Hours:** Drilled 267' last 24 hours. MW 8.9, Vis 29, Ph 10. Surveys: 1° @ 8249, 3/4° @ 8500. Rotary 75 rpms, WOB 22 K, pump pressure 1450 psi. TD 7 7/8" hole @ 8515' @ 2:00 PM 10/7/07. Circ and Coñd hole. Pump 80 bbl' sweep and spot 185 bbl pill on bottom. TOH F/Logs. MIRU Halliburton WL and start running open hole logs.

**Date:** 10-9-07

**Day:** 14

**Depth:** 8515

**Present Operation:** LDDP

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**Operations Last 24 Hours:** Drilled 0' last 24 hours. MW 9, Vis 29, Ph 10. Halliburton finished running open hole logs. TIH. Circ and Cond hole. Spot 200 bbl pill on bottom. Start POH LDDP.

**Date:** 10-11-07

**Day:** 16

**Depth:**

**Present Operation:**

**Operations Last 24 Hours:** Set 120k on slips. Install wellhead test to 2500 psi, ok. Released rig @ 10:00 AM 10-10-07

OPERATOR  
WELL/LEASE  
COUNTY

REEF EXPLORATION, LP  
STATE 2 #3  
EDDY

RIG: 512

STATE OF NEW MEXICO  
DEVIATION REPORT

254	0.75
499	0.25
1,118	0.50
1,573	1.00
2,037	0.50
2,447	0.50
2,870	0.50
3,713	0.50
4,200	1.50
4,410	1.50
5,082	1.00
5,475	0.50
6,001	0.50
6,433	0.50
6,843	0.50
7,325	0.50
7,857	0.50
8,309	1.00
8,515	1.00

STATE OF TEXAS

COUNTY OF MIDLAND

BY: 

The foregoing instrument was acknowledged before me on  
Moore on behalf of Patterson-UTL Drilling Company LLC.

October 23, 2007 , by Steve

  
Notary Public for Midland County, Texas  
My Commission Expires: 4/11/11

