MAYO MARRS CASING PULLING INC. BOX 863 KERMIT, TEXAS 79745

NEW MEXICO OCD HOBBS BID ID # 40-521-07-00223 CONTRACT # 04-521-0750-0116

OPERATOR: SIERRA BLANCA OPERATING CO. Lease: NORTHEAST CAPROCK QUEEN UNIT # 23

Project: P & A – CEMENTING REPORT

08-04-04 - SQUEEZE 30 SXS @ 2900'-2600' & TAG

08-05-04 - SET CIBP @ 2595' - SPOT 25 SXS ON TOP - 2560'

08-05-04 - PERFORATE @ 1500'

08-05-04 - SQUEEZE 35 SXS @ 1500'-1400' & TAG

08-06-04 - PERFORATE @ 350'

08-06-04 - SQUEEZE 95 SXS @ 350' TO SURFACE

INSTALL DRY HOLE MARKER CIRCULATE 10# MUD

MAYO MARRS CASING PULLING INC. BOX 863 KERMIT, TEXAS 79745

NEW MEXICO OCD

SUPERVISOR-FRANK RIVAS

Lease:

NORTHEAST CAPROCK QUEEN UNIT

Well:

23

Operator:

SIERRA BLANCA OPERATING CO.

Project:

P & A -

Contract: IFB # 04-521-0750-0116

40-521-07-00223

BID = \$13,573.00

8-04-04 (11)

MIRU – WELL FLOWING OUT TUBING – FLOW 160 BBLS TO PIT – SQUEEZE 30 SXS – DISPLACE TO 2600' – SHUT IN WELL

1 HRS RIG TIME TO BLEED DOWN WELL (4 HRS TO BLEED DOWN WELL)

..... \$ 170.00

8-05-04 (12)

RIH & TAG @ 2600' – JET CUT TUBING @ 2600' – POOH WITH 84 JOINTS TUBING – RIH WITH GAUGE RING TO 2600' – SET CIBP @ 2595' – CAP WITH 5 SXS (35') – RIH TO 2500' - CIR. 10# MUD – TEST CASING TO 1000# - POOH – PERFORATE @ 1500' – RIH & SQUEEZE 35 SXS – CLOSE IN WELL

1 JET CUTTER

..... \$ 1,400.00

8-06-04 (7)

RIH & TAG @ 1400' – POOH – RIH & PERFORATE @ 350' – NIPPLE UP WELLHEAD – SQUEEZE 95 SXS TO SURFACE LEWAVING CASING FULL - RIG DOWN- CUT OFF WELLHEAD & ANCHORS – INSTALL DRY HOLE MARKER – COVER PIT & CELLAR – MOVE OUT

69 SXS CEMENT @ 10.00/SACK (BID 96 USED 135 SXS)

.. \$ 690.00

CREDIT:

1 WELLHEAD 2600' OF 2 3/8" TUBING @ \$.20/FT

- 50.00

. - 520.00

COST = \$15,263.00