Casing/ Cement Job

WELL: CJU #504 API#: 30-025-38189 LOC: LEA COUNTY, NM

1. Teaco Rig #1 spud 12 ¹/₄" hole @ 12:30 a.m. MST on 12-22-06. Drilled to 407', TD @ 8:30 a.m. MST on 12-22-06.

2. Ran 9 joints of 8 5/8" 24lb/ft, LS40 casing & set @ 402'.

3. Cement 8 5/8" casing with BJ Services. Cement with 250 sxs Class "C" + 2% CaCl2 (14.8 ppg/ 1.32 cf/sk). Plug down @ 5:46 p.m. on 12-22-06. Circulated 85 sxs, WOC 8 hours from 5:46 p.m. on 12-22-06 to 2:30 a.m. on 12-23-06.

4. Tested 8-5/8" casing to 1000psig @ 8:00-9:00 a.m. on 12-23-06. NU BOP & tested to 3000psig @ 1:30 p.m. on 12-23-06.

5. Drilled out cement in 8-5/8" casing from 347' to 407' @ 6:30 p.m. on 12-23-06. Drilling 7 7/8" hole in redbeds.

6. Drilled 7 7/8" hole to 3696'. TD @ 3:30 p.m. MST on 12-30-06.

7. Weatherford ran OH logs (GR-MSFL-DLL, GR-LDT-CNL) from 3702' to surface casing shoe @ 406' on 12-31-06.

8. Ran 92 joints of 5 1/2", 15.5 lb/ft, J55 LTC casing with 20 centralizers, set @ 3693' (3680' G.R.).

9. BJ Services cemented w/ 350 sx 35/65 Poz Class "H" + 5% salt, 0.25 #/sk CF + 6% Bentonite Lead Slurry (11.8 ppg, 2.45 cf/sk) & a Tail Slurry of 300 sx 50/50 Poz Class "H' w/ 5% salt, 0.25 #/sk CF, + 2% Bentonite (14.2 ppg, 1.3 cf/sk). Did not circulate. Plug down @ 2:16 a.m. MST on 1-1-07.

10. ND. Release rig @ 6:00 a.m. MST on 1-1-07.

11. Temperature survey run on 1-2-07 indicates TOC @1493'. PBTD is at 3627'.

12. Prep to complete