DAILY DRILLING REPORT

CAIN #2

LOCATION:	SEC 14, T19S, R38E LEA COUNTY, NM
2/15/99	SET PULLING UNIT ANCHORS
2/16/99	MI BACKHOE & DIG UP DRY HOLE MARKER; FOUND 44" DRY HOLE MARKER CMTD INSIDE 7 5/8" CSG; USE CHISEL & HAMMER TO CLEAR CMT TO 16"; UNABLE TO GET MARKER LOOSE; TO AVOID DROPPING DN HOLE TIE MARKER TO WINCH LINE; DIG HOLE 10' & CUT OFF 7 5/8" CSG; MARKER & CSG REMOVED FROM HOLE; WELD ON BN; ATTEMPT TO LOCATE 7' JT OF 7 5/8" CSG TO INSTALL BACK TO SURFACE; SDFN; PRESENT OPERATIONS-RE-ENTRY; WAITING ON PERMIT APPROVALS FROM NMOCD.
D.C. \$700	
2/17/99	WAITING ON PERMIT APPROVAL
2/18/99	47 JTS 2 3/8" TBG MOVED TO LOC; ORDERED 3500' YELLOW BAND 2 3/8" TBG + 4000' 4 2" 11.6# YELLOW BAND CSG + BOWEN LEAD SEAF CSG PATCH; BEGIN OPERATIONS IN AM
D.C. 24,2	መ <i>የተ ብ ሲያለ</i> በበ በ በበ
2/19/99	MIRU PULLING UNIT; INSTALL BOP; RIH W/64" BIT; CSG COLLAPSED OR DENTED @ 12'; CHNG BIT TO 64"; TAG CMT PLUG @ 14' & DRILL CMT TO 22'; HIT CMT STRINGERS @ 37', 50', 89', 177', 299' & 377'; WASH TO 843' & BEGIN RECOVERING PEA GRAVEL; WASH GRAVEL TO 903' & FELL THRU BRIDGE; TAG CALICHE ROCK @ 1240' & WASH TO 1642'; TAG CMT PLUG & BEGIN DRLG CMT; DRILL TO 1683'; SD DUE TO DARKNESS; CIRC HOLE CLEAN. T.W.C. \$34,350.00
D.C. \$94	30.00
2/20/99	DRIG CMT TO 1737'; PIPE FELL FREE UNTIL TAGGED UP @ 3158'; BEGIN DRIG PLUG #4 W/STRINGERS DN TO 4½" CSG TOP @ 3546'; RECOVERING METAL SLIVERS; POH W/6½" DRILL BIT & TBG; LAY DN 4½" DRILL COLLARS; PU 3 7/8" DRILL BIT & RIH W/TBG & 3½" DRILL COLLARS; FIND TOP OF LINER & ATTEMPT TO GO INSIDE; GO INSIDE W/BIT & TAG @ 4296'; BEGIN DRIG & WASH TBG TO 4681' CIRC HOLE CLEAN; POH W/34 JTS TBG; SD DUE TO DARKNESS; PRESENT OPERATIONS-RUN DRESS-OFF TOOL 750.00
D.C. \$9,	750.00
2/21/99	SDFWE
2/22/99	RIH W/BIT & 34 JTS TBG + 11 JTS ADDN'L TBG TD 5025'; CIRC MU OTH; POH W/BIT & TBG; RIH W/DRESS-OFF MILL & TAG CSG TOP @3546'; MILL 2 HRS & CUT 20" OF METAL (CSG COLLAR ONLY 7"); RIH W/4½" WIRE OVERSHOT + 6 DC's; SD DUE TO SEVERE WINDS; US VAC TRUCK TO CLEAN REVERSE PIT OF DRLG FLD; FILL W/CLEAN WTR FOR HOLE DISPLACEMENT IN AM; PRESENT OPERATIONS-WIRE OVERSHO TO CHECK FOR BURRS. 500.00 T.W.C. \$53,600.00
D.C. \$9,	
2/23/99	FIH W/CUT-LIP SHOE & TAG CSG STUB @ 3548'; WORK/ROTATE SHOE OVER STUB; CLEAN OFF BURRS; CIRC DRLG MUD OUT OF CSG &

REPLACE W/CLEAN FRESH WTR; POH W/SHOE & TBG; INSTALL CATWALK & PIPE RACKS; USE FORKLIFT TO LOAD 42" CSG ON RACKS; RIH W/LEAD SEAL CSG PATCH + 92 JTS 42" 11.6# J55 CSG; TOTAL FOOTAGE=3572'; SET PATCH @ 3548'; PULL 66,000# OVER CSG WT TO ENGAGE LEAD SEAL; CSG TIED BACK TO SURFACE; SET SLIPS & CUT OFF CSG; WELD BN & INSTALL TBG HEAD; WELL READY FOR COMPLETION ATTEMPT.

D.C. \$11,150.00

T.W.C. \$64,750.00