

PETRO-TECH PERUANA S.A.

DAILY DRILLING REPORT

Date: 14 July 2009

Locate: LOBITOS			Well : LO6-25			Rig : PEPESA-48			JUL -				
Est.Max. Angle	Estimated Ditection	Estimated Cost(\$)	Daily Cost (\$	Cum. Cost(\$)	Estimated depth	2 ES	DE	PU	GE				
54	S-42-W	1,543,580	13,811	1,317,335	9,700								
DRILLING DATA													
Depth at 24:00		Footage 24:00		Days on Loc.									
Drlg. Days		Days on Well		Drig. AHD(BHD									
		21 1/2											
BIT DATA													
N°	Size	Type	Jets	WOB	RPM	Deph	Footage						
SURVEYS			MUD DATA										
M.D.	Angle	Direction	Cia	Type									
			WT	FVisc	PV	YP	PM	PF	Chlor	Calc	Filt	K	Solids
TIME BREAKDOWN													
Mov.Rig UpDown		Rotating	Down Time	Ass. Drlg. Oper.	Rep. & Maint.	Comp. & W.O.							
Daily				24.00									
Cumulative	153.50	302.00	271.50	777.00	36.50	79.00							
COMMENTS													
HLS RIH W/ FREE POINT TOOL, DETECTED AT 6156' (50% FREE); POOH; M/U													
TO BE CORRECTED AND TRVALVE AT 6170'; WORKED STRING ATTEMPTED CIRC. W/ 2000 PSI,													
NEGATIVE													
00:00 TO 06:00 : RIH STRING SHOT AT 6170'; FIRE WALL OF PONY MONEL 4 SHOTS;													
WORKING GW/ 4000 PSI, ATTEMPTING CIRC.													

DAILY DRILLING REPORT

Date: 13-JUL-2001

Locate: LOBITOS		Well: LO6-25		Rig: PEPESA-48		
Est. Max. Angle 54	Estimated Direction S-42-W	Estimated Cost(\$) 1,543,580	Daily Cost (\$) 15,509	Cum. Cost(\$) 1,303,524	Estimated depth 9,700	Estimated Days 32

DRILLING DATA

Depth at 24:00	Footage 24:00	Days on Loc.
Drig. Days	Days on Well 20 1/2	Drig. AHD(BHD)

BIT DATA

N°	Size	Type	Jets	WOB	RPM	Deph	Footage	Hrs.
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SURVEYS

M.D.	Angle	Direction
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MUD DATA

Cia	Type									
WT	FVisc	PV	YP	PM	PF	Chlor	Calc	Filt	K	Solids

MUD PUMP

GPM	PSI
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TIME BREAKDOWN

	Mov. Rig Up/Down	Rotating	Down Time	Ass. Drig. Oper.	Rep. & Maint.	Comp. & W.O.	Fishing
Daily				24.00			
Cumulative	153.50	302.00	271.50	705.00	36.50	79.00	

COMMENTS

REAMED FROM 6179' TO 6189' W/ DIFFICULTY; HIGH TORQUE WAS DETECTED AND THE PUMP PRESSURE INCREASED; WORKED STRING JARRING STUCK PIPE WITHOUT CIRCULATION, NEGATIVE

00:00 TO 06:00 : W.O. HLS TO TAKE FREE POINT

Last Modification: 13-JUL-01 08:17 AM

Daily Footage:

Monthly Cumul:

Yearly Cumul: 48,367

SDR009A1.RDF

DAILY DRILLING REPORT

Date: 12-JUL-2001

Locate: **LOBITOS** Well: **LO6-25** Rig: **PEPESA-48**

Est. Max. Angle 54	Estimated Direction S-42-W	Estimated Cost(\$) 1,543,580	Daily Cost (\$) 22,425	Cum. Cost(\$) 1,288,015	Estimated depth 9,700	Estimated Days 32
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DRILLING DATA

Depth at 24:00	Footage 24:00	Days on Loc.
		125
Drig. Days	Days on Well	Drig. AHD(BHD)
	19 1/2	

BIT DATA

N°	Size	Type	Jets	WOB	RPM	Deph	Footage	Hrs.
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SURVEYS

M.D.	Angle	Direction

MUD DATA

Cia	Type									
WT	FVisc	PV	YP	PM	PF	Chlor	Calc	Filt	K	Solids

MUD PUMP

GPM
PSI

TIME BREAKDOWN

	Mov. Rig Up/Down	Rotating	Down Time	Ass. Drig. Oper.	Rep. & Maint.	Comp. & W.O.	Fishing
Daily				24.00			
Cumulative	153.50	302.00	271.50	681.00	36.50	79.00	

COMMENTS

SET PLUG AT 6013' W/ 40 BBLs OF PILL (30 PPB OF LCM); POOH 2 STANDS (BIT AT 5825');
PREPARED AND MIXING MUD WEIGHT 12.2 PPG (W/ 15 PPB OF LCM); TRANSFERRED 450 BBLs OF MUD
FROM HIPPO TO SUSAN LYNN BARGE; RIH TO 5983'; CIRCULATED; CONTINUE RIH TAG AT 6018';
WASHED TO 6084'; L/D KELLY; POOH 54 JOINTS AND RIH 18 STANDS

00:00 TO 06:00 : REAMED FROM 6084' TO 6179'; CIRCULATED BY GAS; REAMING FROM 6179' TO
6189' W/ DIFFICULTY

Last Modification : 12-JUL-01 07:45 AM

Daily Footage :

Monthly Cumul :

Yearly Cumul : 48,367

SDR009A1.RDF

5580

9790

TO : MARIO CHAVEZ

PETRO-TECH PERUANA S.A.

DAILY DRILLING REPORT

Date: 11-JUL-2001

Locate: LOBITOS			Well: LO6-25			Rig: PEPESA-48							
Est. Max. Angle 54	Estimated Direction S-42-W	Estimated Cost(\$) 1,543,580	Daily Cost(\$) 24,415	Cum. Cost(\$) 1,265,590	Estimated depth 9,700	Estimated Days 32							
DRILLING DATA													
Depth at 24:00		Footage 24:00		Days on Loc.		124							
Drig. Days		Days on Well		18 1/2		Drig. AHD(BHD)							
BIT DATA													
N°	Size	Type	Jets	WOB	RPM	Deph	Footage	Hrs.					
SURVEYS			MUD DATA				MUD PUMP						
M.D.	Angle	Direction	Cia				Type	GPM					
								PSI					
			WT	FVisc	PV	YP	PM	PF	Chlor	Calc	Filt	K	Solids
TIME BREAKDOWN													
	Mov. Rig Up/Down	Rotating	Down Time	Ass. Drig. Oper.	Rep. & Maint.	Comp. & W.O.	Fishing						
Daily				24.00									
Cumulative	153.50	302.00	271.50	657.00	36.50	79.00							
COMMENTS													
BLED OFF W/ 100 PSI; PUMPED 24 BBLs 14.0 PPG OF MUD; BLED OFF ; L/D KELLY; RIH (STRIPPING) AT 5825'; CLOSED WELL W/ 350 PSI; PUMPED 67 BBLs 14.0 PPG OF MUD; CLOSED WELL; PUMPED 450 BBLs 14.0 PPG OF MUD W/ 280 PSI, 4 BPM, 9 5/8" CSG. PRES 360 PSI; CIRC.													
00:00 TO 06:00 : CONT. CIRC. W/ 14.0 PPG OF MUD, RETURN 6.8 - 9.1 PPG (MUD W/ CRUDE OIL AND CRUDE OIL W/ GAS); CIRC. W/ PUMP 14.0 PPG OF MUD W/ 68 SPM, 150 PSI, RETURN 9.2 - 9.5 PPG; PARTIAL LOST CIRCULATION AT 5825'; PREPARING MUD W/ LCM 13.0 PPG; L/D KELLY AND ADDED 2 STANDS, RIH AT 6013' (STRIPPING); PUMPED 40 BBLs OF PILL W/ LCM (FULL RETURN)													

Last Modification : 11-JUL-01 04:48 AM

Daily Footage :

Monthly Cumul :

Yearly Cumul : 48,367

SDR009A1.RDP

DAILY DRILLING REPORT

Date: 10-JUL-2001

Locate: LOBITOS		Well: LO6-25		Rig: PEPESA-48	
Est. Max. Angle 54	Estimated Direction S-42-W	Estimated Cost(\$) 1,543,580	Daily Cost (\$) 17,356	Cum. Cost(\$) 1,241,175	Estimated depth 9,700
					Estimated Days 32

DRILLING DATA					
Depth at 24:00		Footage 24:00		Days on Loc.	123
Drig. Days		Days on Well	17 1/2	Drig. AHD(BHD)	

BIT DATA					
N°	Size	Type	Jets	WOB	RPM

SURVEYS		MUD DATA										MUD PUMP	
M.D.	Angle	Direction	Cia	Type								GPM	
			WT	FVisc	PV	YP	PM	PF	Chlor	Calc	Filt	K	Solids

TIME BREAKDOWN							
	Mov. Rig Up/Down	Rotating	Down Time	Ass. Drig. Oper.	Rep. & Maint.	Comp. & W.O.	Fishing
Daily				24.00			
Cumulative	153.50	302.00	271.50	633.00	36.50	79.00	

COMMENTS

OBSERVE WELL, PRESS 190 PSI; BLED OFF, PRES DROP TO 50 PSI; PUMPED 21.5 BBLs 14.0 PPG OF MUD W/ 300 PSI; CLOSED WELL; OBSERVE WELL; PUMPED 30 BBLs 14.0 PPG OF MUD W/ 280 PSI; BLED OFF, PRES DROP TO ZERO; POOH STRING; CLOSED BOP's; CHANGED RAMS 5" D/P; CHANGED RING OF ANNULAR BOP's; M/U BELL NIPPLE AND FLOWLINE; PREPARING TO RIH STRING

00:00 TO 06:00 : BLED OFF AND OPEN WELL; RIH ASSY W/ BOP's OPEN TO 600'; CONTINUE RIH TO 1536' (WORK W/ ANNULAR BOP's); WELL CAME IN W/ GAS, MUD AND MEDIUM PARAFFIN; CLOSED WELL; PUT KELLY AND PUMPED 114 BBLs 14.0 PPG OF MUD (RETURN TO PC-110 BARGE); CLOSED WELL W/ 100 PSI; PRES INCREASED TO 220 PSI

PREPARED 180 BBLs 14.0 PPG OF MUD ON SUSAN LYNN BARGE AND TRANSFERRED TO PC-110 BARGE

Last Modification: 10-JUL-01 08:25 AM

Daily Footage:

Monthly Cumul:

Yearly Cumul: 48,367

SDR009A1.RDF

PETRO-TECH PERUANA S.A.

DAILY DRILLING REPORT

Date: 09-JUL-2001

Locate: LOBITOS		Well: LO6-25		Rig: PEPESA-48	
Est. Max. Angle 54	Estimated Ditection S-42-W	Estimated Cost(\$) 1,543,580	Daily Cost (\$) 17,899	Cum. Cost(\$) 1,223,819	Estimated depth 9,700
					Estimated Days 32

DRILLING DATA						
Depth at 24:00		Footage 24:00		Days on Loc.	122	
Drig. Days		Days on Well	16 1/2	Drig. AHD(BHD)		

BIT DATA						
N°	Size	Type	Jets	WOB	RPM	Deph Footage Hrs.

SURVEYS		MUD DATA										MUD PUMP		
M.D.	Angle Direction	Cia					Type					GPM		
		WT	FVisc	PV	YP	PM	PF	Chlor	Calc	Filt	K	Solids	PSI	

TIME BREAKDOWN							
	Mov. Rig Up/Down	Rotating	Down Time	Ass. Drig. Oper.	Rep. & Maint.	Comp. & W.O.	Fishing
Daily				24.00			
Cumulative	153.50	302.00	271.50	609.00	36.50	79.00	

COMMENTS
 FINISHED CONDITION MUD; LINE UP FROM BOP's TO CHOKE MANIFOLD; P/U "BJ" LINES; PUMPED 80 BBLs OF 13.5 PPG MUD; WELL PRESSURE DROP FROM 30 PSI TO "0" PSI; OBSERVE WELL AND PRESSURE RAISE TO 40 PSI; PUMPED 50 BBLs OF MUD, PRESSURE DROP TO "0"; WHILE UNSCREWED BOP's ANNULAR BOLT TO REPAIR LEAKAGE; PRESSURE RAISE TO 30 PSI AND DETECTED LEAK BY 5" BOP's RAMS; SHUT BOP's ANNULAR; PRESSURE UP TO 150 PSI; PUMPED 43 BBLs, MONITORING CSG. PRESSURE; CIRCULATED 4.5 BBLs OF CRUDE OIL AND MUD; CLOSE IN WELL W/ 100 PSI; PRESSURE UP TO 210 PSI; BLED OFF GAS; RAISING MUD WEIGHT TO 14.0 PPG TO CONTROL WELL; REPAIRING BOP's

00:00 TO 06:00 : RAISE MUD WT. FROM 13.0 TO 14.0 PPG ON PC-110 BARGE; PUMPED 30 BBLs 14.0 PPG OF MUD W/ 450 PSI; CLOSE WELL; PRESSURE UP TO 290 PSI; BLED OFF TO "0" PSI; CLOSE WELL W/ "0" PSI; PRESSURE UP TO 125 PSI; PUMPED 39 BBLs 14 PPG OF MUD W/ 400 PSI; CLOSE WELL, OBSERVE WELL

TOTAL MUD PUMPED : 242 BBLs

Last Modification : 09-JUL-01 08:51 AM

Daily Footage :

Monthly Cumul :

Yearly Cumul : 48,367

SDR009A1.RDF

TO: MARIO CITAUEZ.

PETRO-TECH PERUANA S.A.

DAILY DRILLING REPORT

Date: 08-JUL-2001

Locate: LOBITOS		Well: LO6-25		Rig: PEPESA-48	
Est. Max. Angle 54	Estimated Direction S-42-W	Estimated Cost(\$) 1,543,580	Daily Cost (\$) 28,592	Cum. Cost(\$) 1,205,920	Estimated depth 9,700
					Estimated Days 32

DRILLING DATA		
Depth at 24.00	Footage 24.00	Days on Loc. 121
Drig. Days	Days on Well 15 1/2	Drig. AHD(8HD)

BIT DATA								
N°	Size	Type	Jets	WOB	RPM	Deph	Footage	Hrs.

SURVEYS			MUD DATA										MUD PUMP	
M.D.	Angle	Direction	Cia	Type							GPM			
			WT	FVisc	PV	YP	PM	PF	Chlor	Calc	Filt	K	Solids	
													PSI	

TIME BREAKDOWN							
	Mov. Rig Up/Down	Rotating	Down Time	Ass. Drig. Oper.	Rep. & Maint.	Comp. & W.O.	Fishing
Daily				24.00			
Cumulative	153.50	302.00	271.50	585.00	36.50	79.00	

COMMENTS
M/U STANDS ON STACK BOARDS; TRANSFERRED 150 BBLs OF MUD FROM SUSAN LYNN BARGE TO PC-110 BARGE; MIXING MUD
00:00 TO 06:00 : REMOVED 2" LINE OF HEAVY WATE; PUT KELLY ON VALVE; M/U 4" LINE OF BOP's TO CHOKE MANIFOLD

Last Modification : 08-JUL-01 08:10 AM

Daily Footage :

Monthly Cumul :

Yearly Cumul : 48,367

SDR009A1.RDF

To: MARIO CHAVEZ

PETRO - TECH
PERUANA S.A.



LO6 -25 FINAL GEOLOGICAL REPORT

Date: April 18, 2001

RIG	Last Casing	FTD
P - 48	9 5/8" casing @ 5980'	9790'

24 hours summary: Laying down drill pipe.

PO: Production personnel monitoring well.

Remarks:

- Well will be left on production (Well has 3810 feet of open hole).
- IPR 1878 BOPD x 0% water cut, 1740 psi WHP on 3/8" choke & 929 GOR.

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	21,728
Cumulated (\$):	1'003,466

GEOSCIENCES
Central File
DATE

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Apr 18 (24) LO6-25.doc

CENTRAL FILE
GEOSCIENCES



LO6 -25 GEOLOGICAL REPORT

Date: April 17, 2001

RIG	Today Depth	Days	Last Casing	FTD
P - 48	9790' @ 00:00 hrs	34	9 5/8" casing @ 5980'	9790'

24 hours summary: Shut in well with 2000 psi on WHP.

PO: Production personnel monitoring well.

Remarks:

- Well produced 1512 barrels oil in 18.5 hours, 1775 psi WHP on 3/8" choke.
- This well has the 9 5/8" casing at 5980' and the TD for the open hole is 9790' (We have 3810 feet of open hole.)
- Will continue producing and evaluating the well.

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	25,050
Cumulated (\$):	981,738

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Apr 17 (23) LO6-25.doc

CENTRAL FILE
GEOSCIENCES

PETRO - TECH
PERUANA S.A.



LO6 -25 GEOLOGICAL REPORT

RIG	Today Depth	Progress	Days	Last Casing	Next Objective	Date: April 16, 2001 FTD
P - 48	9790' @ 00:00 hrs	487'	33	9 5/8" casing @ 5980'	Lower Basal Salina @ 9850' MD (-7835' VSS)	10200'

24 hours summary: Over the weekend drilled from 9303' to 9790' in Upper Basal Salina with several trips due to wash outs. Trip for new bit, while running in hole at 340', pressure increased to 1800 psi, bled off well and flowed to tank 140 barrels of crude oil. Shut in well with 2000 psi. WHP.

PO: Production personnel connecting surface lines.

Remarks: Based on ditch sample description, a total of approximately 270 ft. of net sand of Upper Basal Salina formation with fair to good oil shows and C1 through C5 have been drilled.

Next: Control the well to attempt electrical logs.

Lithology Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
9300'-9520'	40	40	--	20	30	Sd: Wh hy, tranl, 30%f, 30%m, 30%c, 10%vc, p sort, sb ang, sb rd, hky in pt. Sst: Wh gy, 30%vf, 70%f, sb ang, sb rd, w sort, non- calc, fri, fr vis por Fluor: Yel sl bri, fast & strong cut, mky wh fluor on cut, non-vis resid ring, fair oil show. Clyst: Gy- dk gy, blk, sb blk, sb plty, non- calc, frm, micr mic, micr carb, rough surface. TG: 903; C1: 394; C2: 34; C3: 31; C4: 49; C5: 39
9520'-9670'	60	10	--	30	50	Sd: Wh hy, tranl, 40%m, 30%c, 20%vc, 10%cgl, p sort, sb ang, sb rd, hky in pt. Sst: Lt gy, f- m, sb ang, sb rd, w- fr sort, fri, arg mtx, non-calc cem, dty ss, w/ dk gr incl, p vis por. Fluor: Wh- yel sl bri, slow cut, mky wh fluor on cut, lt yel resid ring, good oil show. Clyst: Same as above. TG: 50427; C1: 12718; C2: 4542; C3: 226; C4: 438; C5: 5239
9670'-9720'	--	10	20	70	NF	Sst & Clyst: Same as above. Slsts: Gysh, blk, micr mic, micr carb, sl calc, sft- mod frm. TG: 3129; C1: 839; C2: 16; C3: 5; C4: 2; C5: 467
9670'-9780'	30	20	10	40	NF	Sd: Wh hy, tranl, 30%m, 50%c, 20%vc, p sort, sb ang, sb rd, hky in pt. Sst: Lt gy, 90%vf, 10%f, sb ang, sb rd, w sort, calc cem, fri, arg mtx, dty ss, p vis por. Slsts & Clyst: Same as above. TG: 10850; C1: 6550; C2: 577; C3: 183; C4: 152; C5: 2665 @9790: 19361; C1: 4521; C2: 908; C3: 918; C4: 520; C5: 1630

Formation
Basal Salina Upper section

MD	TVD	VSS
9210'	7388'	-7338'

Mud weight: 11.9 ppg.

Viscosity: 53 sec

Filtrate: 4.8 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	20,589
Cumulated (\$):	956,688

CENTRAL FILE
GEOSCIENCES

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Apr 16 (22) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

RIG	Today Depth	Progress	Days	Last Casing	Next Objective	Date: April 11, 2001 FTD
P - 48	9303' @ 00:00 hrs	488'	28	9 5/8" casing @ 5980'	Lower Basal Salina @ 9740' MD (-7835' VSS)	10200'

24 hours summary: Drilled from 9025' to 9161'. Short trip. Drilled to 9303' in Basal Salina formation. Trip for bit.

PO: RIH with tri- cone bit.

Remarks: Based on ditch sample description, a total of 93 ft. of Upper Basal Salina sands with fair oil shows and C1 through C5 have been drilled so far.

Next: Continue drilling through Upper and Lower Basal Salina sands.

Lithology

Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
9070'-9210'	--	--	--	100		<i>Clyst:</i> Gy- dk gy, blkly, sb blkly, sb plty, non- calc, frm, micr mic, micr carb, rough surface. <i>TG:</i> 1124; <i>C1:</i> 865; <i>C2:</i> 61; <i>C3:</i> 22; <i>C4:</i> 11; <i>C5:</i> 7
9210'-9290'	--	20	10	70	NF	<i>Sst:</i> Lt gy, 80%vf, 10%f, 10%m, sb ang, sb rd, w- fr sort, fri, arg mtx, non- calc cem, dty ss, w/ dk gr incl, p vis por. <i>Slsts:</i> Gysh, blkly, micr mic, micr carb, sl calc, sft- mod frm. <i>Clyst:</i> Same as above. <i>TG:</i> 9019; <i>C1:</i> 3795; <i>C2:</i> 673; <i>C3:</i> 529; <i>C4:</i> 410; <i>C5:</i> 212
9290'-9300'	60	20	--	20	30	<i>Sd:</i> Wh hy, tranl, 10%f, 50%m, 40%c, p sort, sb ang, sb rd, hky in pt. <i>Sst:</i> Wh gy, f-m, sb ang, sb rd, w sort, non- calc, fri, fr vis por <i>Fluor:</i> Yel sl bri, fast & strong cut, mky wh fluor on cut, non-vis resid ring, fair oil show. <i>TG:</i> 3318; <i>C1:</i> 2384; <i>C2:</i> 170; <i>C3:</i> 83; <i>C4:</i> 57; <i>C5:</i> 31

Formation

Basal Salina Upper section

MD	TVD	VSS
9210'	7388'	-7338'

Mud weight: 11.4 ppg.

Viscosity: 55 sec

Filtrate: 5.0 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	25,849
Cumulated (\$):	854,398

MCh/PA

CENTRAL FILE
GEOSCIENCES

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Apr 11 (21) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

RIG	Today Depth	Progress	Days	Last Casing	Objective	Date: April 10, 2001
P - 48	8815' @ 00:00 hrs	515'	27	9 5/8" casing @ 5980'	Basal Salina Lower section @ 9350' MD (-7500' VSS)	FTD 9700'

24 hours summary: Drilled from 8300' to 8504' in San Cristobal formation. Short trip.

PO: Drilling at 9025' in Basal Salina formation.

Remarks: Based on ditch sample description, a total of 60 ft. of Upper Basal Salina sands with fair oil shows and C1 through C5 have been drilled.

Next: Continue drilling to investigate the Lower Basal Salina expected at 9350' MD.

Lithology

Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
8400'-8710'	--	--	10	90		<i>Slsts:</i> Gysh, blk, micr mic, micr carb, sl calc, sft- mod frm. <i>Clyst:</i> Gy- dk gy, blk, sb blk, sb plty, non- calc, mod frm, micr mic, micr carb, vmicr mic in pt. TG: 1111; C1: 829; C2: 66, C3: 23; C4: 11; C5: 9
8710'-8770'	20	30	--	50	15-30	<i>Sd:</i> Wh hy, tranl, 20%f, 50%m, 30%c, p sort, sb ang, sb rd, hky in pt. <i>Sst:</i> Wh gy, gysh, 70%vf, 20%f, 10%m, sb ang, sb rd, fr-p sort, mod fri- sl hd, arg mtx, calc cem, dty ss, w/ gn & dk gr incl, p vis por. <i>Fluor:</i> Yel sl bri, mod fast & strong cut, mky wh fluor on cut, non vis resid ring, fair oil show. <i>Clyst:</i> Same as above. TG: 59108; C1: 48556; C2: 3099 C3: 895; C4: 268; C5: 98
8770'-9070'	--	--	--	100		<i>Clyst:</i> Gy- dk gy, blk, sb blk, sb plty, non- calc, frm, micr mic, micr carb, rough surface. TG: 1140; C1: 980; C2: 76

Formation	MD	TVD	VSS
Basal Salina (Upper section)	8710'	6903'	-6853'

Mud weight: 11.0 ppg. **Viscosity:** 53 sec **Filtrate:** 5.0 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	24,333
Cumulated (\$):	828,549

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Apr 10 (20) LO6-25.doc

CENTRAL FILE
GEOSCIENCES



LO6 -25 GEOLOGICAL REPORT

RIG	Today Depth	Progress	Days	Last Casing	Objective	Date: April 10, 2001
P - 48	8815' @ 00:00 hrs	515'	27	9 5/8" casing @ 5980'	Basal Salina @ 9250' MD (-7365' VSS)	FTD 9700'

24 hours summary: Drilled from 8300' to 8504'. Short trip.

PO: Drilling at 9025' in San Cristobal formation.

Remarks: Based on ditch sample description, a total of 60 ft. of Salina Wedge sands with fair oil shows and C1 through C5 have been drilled.

Next: Continue drilling to Basal Salina expected at 9250' MD.

Lithology Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
8400'-8710'	--	--	10	90		Slsts: Gysh, blk, micr mic, micr carb, sl calc, sft- mod frm. Clyst: Gy- dk gy, blk, sb blk, sb pty, non- calc, mod frm, micr mic, micr carb, vmicr mic in pt. TG: 1111; C1: 829; C2: 66; C3: 23; C4: 11; C5: 9
8710'-8770'	20	30	--	50	15-30	Sd: Wh hy, tranl, 20%f, 50%m, 30%c, p sort, sb ang, sb rd, hky in pt. Sst: Wh gy, gysh, 70%vf, 20%f, 10%m, sb ang, sb rd, fr-p sort, mod fri- sl hd, arg mt, calc cem, dty ss, w/ gn & dk gr incl, p vis por. Fluor: Yel sl bri, mod fast & strong cut, mky wh fluor on cut, non-vis resid ring, fair oil show. Clyst: Same as above. TG: 59108; C1: 48556; C2: 3099 C3: 895; C4: 268; C5: 98
8770'-9070'	--	--	--	100		Clyst: Gy- dk gy, blk, sb blk, sb pty, non- calc, frm, micr mic, micr carb, rough surface. TG: 1140; C1: 980; C2: 76

Formation	MD	TVD	VSS
San Cristobal	7880'	6116'	-6066'

Mud weight: 11.0 ppg. **Viscosity:** 53 sec **Filtrate:** 5.0 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	24,333
Cumulated (\$):	828,549

MCH/PA
AP.

**CENTRAL FILE
GEOSCIENCES**



LO6 -25 GEOLOGICAL REPORT

RIG	Today Depth	Progress	Days	Last Casing	Objective	Date: April 9, 2001 FTD
P - 48	6787' @ 00:00 hrs	1503'	26	9 5/8" casing @ 5980'	Basal Salina @ 8700' MD (-6900' VSS)	9700'

Weekend summary: While drilling at 7572' in Mogollon formation, gas cut mud from 9.9 to 9.7 ppg, increased to 10.5 and then to 11.0 ppg.

PO: Drilling at 8394' in San Cristobal formation.

Remarks: Based on ditch sample description, a total of 310 ft. of Lower Basal Salina sands with fair to poor oil shows and C1 through C4 have been drilled.

Next: Continue drilling to total depth expected at 9700'

Lithology Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
6920'-7010'	--	--	--	100		Clyst: Gy, sb blkly, vmicr mic, micr carb, non- calc, mod sft. TG: 828; C1: 618; C2: 40; C3: 12; C4: 10; C5: 12
7010'-7380'	--	30	30	40	NF	Sst: Wh gy, whitish, 70%vf, 30%f, sb ang, sb rd, fr sort, mod frm, arg mtx, calc cem, dty ss, w/ gn & dk gr incl, p vis por. Slsts: Gysh, blkly, micr mic, micr carb, sl calc, sft- mod frm. Clyst: Same as above. TG: 1729; C1: 1384; C2: 90; C3: 27; C4: 10; C5: 9
7380'-7570'	20	60	--	20	10-30	Sd: Wh hy, tranl, f-m, w sort, sb ang- sb rd. Sst: Gysh, Wh gy, f, sb ang- sb rd, w sort, sl fri, arg mtx, calc cem, sl dty, fr- p vis por. Fluor: Wh yel sl bri, slow- mod cut, mky wh fluor on cut, non vis resid ring, fair- poor oil show. Clyst: Same as above. TG: 37438; C1: 29245; C2: 1174; C3: 686; C4: 523; C5: 345
7570'-7880'	--	30	20	50	NF	Sst, Slsts % Clyst: Same as above. TG: 2055; C1: 1262; C2: 105; C3: 67; C4: 57; C5: 41
7880'-8400'	--	--	--	100		Clyst: Gy- dk gy, blkly, sb blkly, sb plty, non- calc, mod frm, micr mic, micr carb, vmicr mic in pt. TG: 927; C1: 612; C2: 51; C3: 24; C4: 17; C5: 18

Formation	MD	TVD	VSS
Mogollon	7010'	5310'	-5260'
San Cristobal	7880'	6116'	-6066'

Surveys:	Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
	7843	21.0	211.7	6081	-6031	3241	3061

Mud weight: 11.0 ppg.

Viscosity: 53 sec

Filtrate: 4.8 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	22,409
Cumulated (\$):	804,216

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Apr 09 (19) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

Date: April 6, 2001

RIG	Today Depth	Progress	Days	Last Casing	Objective	FTD
P - 48	6797' @ 00:00 hrs	440'	23	9 5/8" casing @ 5980'	Basal Salina @ 8700' MD (-6900' VSS)	9700'

24 hours summary: While drilling at 6797' drop pressure due to wash out.

PO: Drilling at 6922' in Palegreda formation.

Next: Continue drilling to total depth expected at 9700'

Lithology Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
6350'-6800'	--	--	10	90		Slsts: Gysh, blkly, micr mic, micr carb, sl calc, sft- mod frm. Clyst: Gy, sb blkly, vmicr mic, micr carb, non- calc, mod sft. TG: 715; C1: 386; C2: 47; C3: 27; C4: 16; C5: 18
6800'-6920'	--	--	30	70		Slsts & Clyst: Same as above. TG: 704; C1: 443; C2: 36 C3: 21; C4: 14; C5: 14

Formation	MD	TVD	VSS
Palegreda	6230'	4617'	-4567'

Surveys:

Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
6842	25.8	218.8	5159	-5109	2924	2834

Mud weight: 9.6 ppg. **Viscosity:** 53 sec **Filtrate:** 5.0 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	24,801
Cumulated (\$):	732,184

MCh/PA

CENTRAL FILE
GEOSCIENCES

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Apr 06 (18) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

Date: April 5, 2001

RIG	Today Depth	Progress	Days	Last Casing	Objective	FTD
P - 48	6357' @ 00:00 hrs	362	22	9 5/8" casing @ 5980'	Mogollon @ 6500' MD (-4900' VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

24 hours summary: Drilled to 6357' in Palegreda formation. Attempted to take surveys at 6262', 6326' and 6357', Slim-1 did not work properly. POOH to check it. Change Slim-1.

PO: RIH.

Next: Continue drilling to total depth expected at 9700'

Lithology Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
5990'-6020'	60	10	10	20	5-15	Sd: Wh gy, 80% f, 20% f-m, sb ang, sb rd, w- fr sort. Sst: Wh gy, 90%vf, 10%f, sb ang- sb rd, w sort, arg mtx, calc cem, sl fri, p vis por. Fluor: Wh yel sl bri, slow strmg cut, mky wh fluor on cut, non-vis res ring, fair- poor oil show. Slsts: Gysh, blk, micr mic, micr carb, sl calc, sft- mod frm. Clyst: Gy, sb blk, sb ply, micr mic, micr carb, non- calc, mod frm TG: 1027; C1: 507; C2: 81, C3: 12; C4: 33; C5: 38
6020'-6100'	20	50	10	20	15-30	Sst: Wh gy, 60%vf, 40%f, sb ang, sb dr, fr sort, sl clean, arg mtx, calc cem, fri, fr- p vis por. Fluor: Wh yel sl bri, mod fast cut, strong mky wh fluor on cut, lt yel res ring, fair- good oil show. TG: 3421; C1: 2249; C2: 165, C3: 62; C4: 55; C5: 86
6100'-6230'	--	20	20	60	5	Sst, Slst, Clyst & Fluor: Same as above. TG: 15899; C1: 10671; C2: 1068; C3: 474; C4: 240; C5: 142
6230'-6350'	--	--	20	80		Clyst: Gy, sb blk, vmicr mic, micr carb, non- calc, mod sft. TG: 1652; C1: 871; C2: 65; C3: 60; C4: 54; C5: 51
Formation	MD		TVD	VSS		
Palegreda	6230'		4617'	-4567'		

Surveys:

Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
6277	27.6	222.5	4657	-4607	2728	266

Mud weight: 9.3 ppg.

Viscosity: 52 sec

Filtrate: 5.2 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	24,986
Cumulated (\$):	707,383

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Apr 05 (17) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

Date: April 4, 2001

RIG	Today Depth	Progress	Days	Last Casing	Objective	FTD
P - 48	5995' @ 00:00 hrs	15'	21	9 5/8" casing @ 5980'	Mogollon @ 6500' MD (-4900' VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

24 hours summary: Drill out cement and 15' of formation. Trip to change bit and bottom hole assembly.

PO: Drilling at 6000' in Rio Bravo formation.

Next: Continue drilling to total depth expected at 9700'

Lithology Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
5980'-5990'	70	20	--	10	5	Sd: Wh gy, 80% f, 20% f-m, sb ang, sb rd, w- fr sort. Sst: Wh gy, 90%vf, 10%f, sb ang- sb rd, w sort, arg mtx, calc cem, sl fri, p vis por. Fluor: Wh yel sl bri, slow strmg cut, mky wh fluor on cut, non-vis res ring. Clyst: Gy, sb blk, sb plty, micr mic, micr carb, non- calc, mod frm

Formation	MD	TVD	VSS
Rio Bravo	4550'	3302	-3252

Mud weight: 9.4 ppg. **Viscosity:** 52 sec **Filtrate:** 5.4 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	21,278
Cumulated (\$):	682,397

MCh/PA



LO6 -25 GEOLOGICAL REPORT

Date: April 3, 2001

RIG	Today Depth	Progress	Days	Last Casing	Objective	FTD
P - 48	5980' @ 00:00 hrs	---	20	9 5/8" casing @ 5980'	Mogollon @ 6500' MD (-4900' VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

24 hours summary: WOC. Testing BOP's. RIH.

PO: Testing pipe rams.

Next: Drill out cement and continue drilling to total depth expected at 9700'

Mud weight: 9.6 ppg. **Viscosity:** 55 sec **Filtrate:** 5.4 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	26,818
Cumulated (\$):	661,119

 MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Apr 03 (15) LO6-25.doc

CENTRAL FILE
GEOSCIENCES



LO6 -25 GEOLOGICAL REPORT

Date: April 2, 2001

RIG	Today Depth	Progress	Days	Last Casing	Objective	FTD
P - 48	5980' @ 00:00 hrs	551'	19	9 5/8" casing @ 5980'	Mogollon @ 6500' MD (-4900' VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

Weekend summary: Drilled to 5980' in Rio Bravo formation. Conditioned hole to run 9 5/8" casing. Set and cemented 9 5/8" casing at 5980'.

PO: WOC.

Next: Continue drilling to total depth expected at 9700'

Lithology

Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
5470'-5710'	--	40	30	30	5	Sst: Wh gy, 90%f, 10%m, sb ang- sb rd, w sort, arg mtx, calc cem, sl fri, fr- p vis por. Fluor: Wh yel sl bri, slow strmg cut, mky wh fluor on cut, non-vis res ring. Slsts: Gysh, blk, micr mic, micr carb, sl calc, sft. Clyst: Gy, sb blk, sb ply, micr mic, micr carb, non- calc, mod frm TG: 29850; C1: 16983; C2: 3849; C3: 2843; C4: 685; C5: 486
5710'-5980'	--	30	20	50	NF	Sst: Gysh, vf, arg mtx, calc cem dty sst, p vis por. Slsts & Clyst: Same as above TG: 7044; C1: 4830; C2: 291; C3: 231; C4: 168; C5: 192

Formation	MD	TVD	VSS
Rio Bravo	4550'	3302	-3252

Surveys:

Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
5696	34.5	224.4	4152	-4102	2521	2466
5979	27.4	222.3	4394	-4344	2626	2568

Mud weight: 9.7 ppg.

Viscosity: 53 sec

Filtrate: 5.0 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	18,955
Cumulated (\$):	634,301

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Apr 02 (14) LO6-25.doc

**CENTRAL FILE
GEOSCIENCES**



LO6 -25 GEOLOGICAL REPORT

Date: March 30, 2001

RIG	Today Depth	Progress	Days	Last Casing	Objective	FTD
P - 48	5429' @ 00' hrs	345'	16	13 3/8" casing @ 2201'	Mogollon @ 6500' MD (-4900' VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

24 hours summary: Drilled to 5429'. Trip to change bottom hole assembly.

PO: Drilling at 5472' in Rio Bravo formation.

Next: Continue drilling to set 9 5/8" casing expected at 6000'

Lithology

Interval	Sst	Sst	Slsts	Clyst	Fluor	Description
5290'-5470'		50	20	30	5-15	Sst: Wh gy, 90% f, 10% m, sb ang- sb rd, w sort, arg mtx, calc cem, sl fri, fr- p vis por. Fluor: Wh yel sl bri, mod strmg cut, mky wh fluor on cut, non vis res ring. Slsts: Gysh, blk, micr mic, micr carb, sl calc, sft. Clyst: Gy, sb blk, sb ply, micr mic, micr carb, non- calc, mod frm TG: 4849; C1: 3375; C2: 291; C3: 152; C4: 69; C5: 32 5430- 5490: TG: 20337; C1: 9320; C2: 1222; C3: 998; C4: 761; C5: 507

Formation	MD	TVD	VSS
Rio Bravo	4550'	3302	-3252

Surveys:

Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
5128	2.7	224.4	3719	-3669	2260	2269

Mud weight: 9.5 spg.

Viscosity: 52 sec

Filtrate: 4.6 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	32,877
Cumulated (\$):	565,696

MCh/PA

Cc/ WMK, FAT, LCh 3B, RS, AV, File.

MCH.....C:....Mar 30 (13) LO6-25.doc

CENTRAL FILE
GEOSCIENCES



LO6 -25 GEOLOGICAL REPORT

Date: March 29, 2001

RIG	Today Depth	Progress	Days	Last Casing	Objective	FTD
P - 48	5084' @ 00 hrs	567'	16	13 3/8" casing @ 2201'	Mogollon @ 6500' MD (-4900' VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

24 hours summary: Drilled to 5022'. Short trip.

PO: Drilling at 5270' in Rio Bravo formation.

Next: Continue drilling to set 9 5/8" casing expected at 6000'

Lithology

Interval	Sd	Sst	Slst	Clyst	Fluor	Description
4510'-4550'	--	--	50	50	NF	<i>Slst:</i> Brnsh gy, sb blk- blk, micr mic, w/ carb mat & occ glau incl, sl calc, sft. <i>Clyst:</i> Brnsh-gy, sb blk, micr mic, micr carb, non- calc, mod sft. 4517-4550: TG: 1104; C1: 684; C2: 50; C3: 45; C4: 20; C5: 21
4550'-4720'	--	20	20	60	5	<i>Sst:</i> Gysh, lt gy, vf- f, sb ang, sb rd, wsort, sl fri, calc cem, arg mtx, dty sst, p vis por. <i>Fluor:</i> Wh yel sl bri, mod cut, mky wh fluor on cut, non-vis res ring. <i>Slst:</i> Gysh, blk, micr mic, micr carb, w/ glau incl, sl calc, sft. <i>Clyst:</i> Gy, sb blk, sb plty, micr mic, micr carb, non- calc, mod frm 4550- 4708: TG: 2541; C1: 1308; C2: 149; C3: 99; C4: 87; C5: 58
4720'-5050'	--	40	20	40	5	<i>Sst, Slst & Clyst:</i> Same as above. 4708-5022: TG: 378; C1: 277; C2: 31; C3: 13
5050'-5290'	--	60	10	30	15-30	<i>Sst:</i> Wh gy, 90%f, 10%m, sb ang- sb rd, w sort, arg mtx, calc cem, sl fri, fr- p vis por. <i>Fluor:</i> Wh yel sl bri, mod fast & mky wh fluor on cut, non vis res ring <i>Slst & Clyst:</i> Same as above. 5022- 5296: TG: 7885; C1: 5802; C2: 474; C3: 171; C4: 93; C5: 50

Formation	MD	TVD	VSS
Rio Bravo	4550'	3302	-3252

Surveys:

Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
5128	42.7	224.4	3719	-3669	2260	2269

Mud weight: 9.5 ppg.

Viscosity: 53 sec

Filtrate: 4.8 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	29,968
Cumulated (\$):	532,819

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Mar 29 (12) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

Date: March 28, 2001

RIG	Today Depth	Progress	Days	Last Casing	Objective	FTD
P - 48	4517' @ 00 hrs	1005'	16	13 3/8" casing @ 2201'	Rio Bravo @ 4600' MD (-3290'VSS) Mogollon @ 6500' MD (-4900'VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

24 hours summary: Drilled to 4016'. Short trip. Drilled to 4517' in Chacra formation. Trip for bit and bottom hole assembly

PO: RIH

Next: Continue drilling to set 9 5/8" casing expected at 6000'

Lithology

Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
3820'-4090'	--	--	50	50	NF	<i>Slsts:</i> Brnsh gy, sb blk- blk, micr mic, w/ carb mat & occ glau incl, sl calc, sft. <i>Clyst:</i> Gy, sb blk- blk, calc, sft, micr mic, micr carb, occ w/ glau incl, slty cly. 3937-3990: TG: 861; C1: 761; C2: 47; C3: 2
4090'-4250'	--	10	20	70	NF	<i>Sst:</i> Gysh, lt gy, 80%vf, 20%f, sb ang, sb rd, wsort, sl fri, calc cem, w/ dk, gn min & glau incl, arg mtx, dty sst, p vis por. <i>Slsts & Clyst:</i> Same as above. 4165- 4218: TG: 2310; C1: 1932; C2: 81; C3: 17; C4: 25; C5: 13
4250'-4510'	--	--	10	90	NF	<i>Clyst:</i> Brnsh-gy, sb blk, micr mic, micr carb, w/ glau incl, non- calc, mod sft. <i>Slsts:</i> Same as above. 4368-4390: TG: 1684; C1: 1404; C2: 66; C3: 11; C4: 15; C5: 11

Formation

Formation	MD	TVD	VSS
Chacra	3190'	2400	-2350

Surveys:

Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
4436	45.6	225.8	3222	-3172	1923	1865

Mud weight: 9.6 ppg.

Viscosity: 54 sec

Filtrate: 5.6 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	36,437
Cumulated (\$):	502,851

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Mar 28 (11) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

Date: March 27, 2001

RIG	Today Depth	Progress	Days	Last Casing	Objective	FTD
P - 48	3512' @ 00 hrs	1072'	15	13 3/8" casing @ 565'	Rio Bravo @ 4415' MD (-3100'VSS) Mogollon @ 6500' MD (-4900'VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

24 hours summary: Drilled to 3512' in Chacra formation. Short trip.

PO: Drilling at 3827' in Chacra formation.

Next: Continue drilling to set 9 5/8" casing expected at 4800'

Lithology

Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
2440'-2530'	--	40	10	50	5	<i>Sst:</i> Wh gy, 90%vf, 10%f, sb ang, sb rd, wsort, sl fri, calc cem, w/ dk & gn min incl, arg mtx, p vis por. <i>Fluor:</i> Wh yel sl bri, mod fast mky wh fluor on cut, non-vis res ring. <i>Slsts:</i> Gy, sb blk, micr mic, w/ carb mat incl, sl calc, sft. <i>Clyst:</i> Brnsh-gy, sb blk, micr mic, micr carb, non- calc, mod sft. 2471- 2484: TG: 3149; C1: 2249; C2: 114; C3: 50; C4: 93; C5: 30
2530'-3190'	--	10	20	70	NF	<i>Sst, Slsts & Clyst:</i> Same as above. 2718- 2759: TG: 26721; C1: 19630; C2: 1143; C3: 367; C4: 581; C5: 276
3190'-3820'	--	--	10	90	NF	<i>Clyst:</i> Gy, sb blk- blk, non-calc, sft, micr mic, micr carb, slty cly. <i>Slsts:</i> Lt gy, sb blk, sft, micr carb, sl calc, w/ coal lam intbd. TG: 386; C1: 386

Formation

Formation	MD	TVD	VSS
Chacra	3190'	2400	-2350

Surveys:

Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
2898	53.9	225.1	2225	-2175	1095	1039
3683	49.3	225.1	2712	-2662	1530	1476

Mud weight: 9.5 ppg.

Viscosity: 52 sec

Filtrate: 5.8 ml

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	28,024
Cumulated (\$):	466,414

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Mar 27 (10) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

Date: March 26, 2001

RIG	Today Depth	Progress	Last Casing	Objective	FTD
P - 48	2440' @ 00 hrs	239'	18" cond. @ 565'	Rio Bravo @ 4415' MD (-3100'VSS) Mogollon @ 6500' MD (-4900'VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

Weekend summary: Set and cemented 13 3/8" casing. Drilled to 2440' in Talara Group. Trip for assembly.

PO: RIH.

Next: Continue drilling to set 9 5/8" casing expected at 4800'

Lithology

Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
2201'-2290'	--	--	--	100		Clyst: Brn, brnsh-gy, sb blk, micr mic, micr carb, non- calc, mod sft, smooth surf. TG: 570; C1: 570
2290'-2440'	20	20	10	50	NF	Sd: Wh hy, 30%f, 60%m, 10%c, sb ang, sb rd, fr sort. Sst: Wh gy, 70%vf, 30%f, sb ang, sb rd, fr sort, sl fri, calc cem, w/ dk & gn min incl, arg mtz, p vis por. Slsts: Gy, micr mic, w/ carb mat incl, sl calc, sft. Clyst: Gysh, sb blk, non-calc, micr mic, micr carb, sft. TG: 2856; C1: 2406; C2: 114; C3: 19; C4: 16 2383- 2396: TG: 4011; C1: 3612; C2: 120; C3: 20; C4: 20; C5: 10

Formation	MD	TVD	VSS
Talara Group	565'	565	-515 (First sample recovered)

Surveys:

Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
2373	54.8	225.1	1926	-1876	795	730

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	30,615
Cumulated (\$):	300,417

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Mar 26 (9) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

Date: March 23, 2001

RIG	Today Depth	Progress	Last Casing	Objective	FTD
P - 48	2201' @ 00 hrs	312'	18" cond. @ 565'	Rio Bravo @ 4415' MD (-3100'VSS) Mogollon @ 6500' MD (-4900'VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

24 hours summary: Drilled to 2201' in Talara Group. Conditioning hole to run 13 3/8" casing.

PO: POOH.

Next: Set and cement 13 3/8" casing.

Lithology

Interval	Sd	Sst	Slst	Clyst	Fluor	Description
2000'-2201'	--	10	10	80	NF	Sst: Lt gy, vf, sb rd, w sort, mod fri, calc cem, arg mtx, p vis por. Slst: Brnsh, micr mic, micr carb, calc, sft. Clyst: Brn, brnsh-gy, sb blk, micr mic, micr carb, non- calc, mod sft, smooth surf.

Formation	MD	TVD	VSS
Talara Group	565'	565	-515 (First sample recovered)

Surveys:

Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
2096	52.0	232.0	1757	-1707	633	581

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	30,615
Cumulated (\$):	300,417

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C.....Mar 23 (8) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

Date: March 22, 2001

RIG	Today Depth	Progress	Last Casing	Objective	FTD
P - 48	1889' @ 00 hrs	122'	18" cond. @ 565'	Rio Bravo @ 4415' MD (-3100'VSS) Mogollon @ 6500' MD (-4900'VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

24 hours summary: Repairing mud pumps. RIH

PO: Drilling at 2014' in Talara Group.

Next: Continue drilling to set 13 3/8" casing at 2500'.

Lithology	Sd	Sst	Slsts	Clyst	Fluor	Description
<i>Interval</i>						
1880'-2000'	--	10	10	80	NF	Sst: Lt gy, vf, sb rd, w sort, mod fri, calc cem, arg mtx, dty ss, p vis por. Slsts: Brnsh, w/ mic incl, mic carb, calc, sft. Clyst: Brn, brnsh-gy, sb blk, mic mic, mic carb, non- calc, mod sft.

Formation	MD	TVD	VSS
Talara Group	565'	565	-515 (First sample recovered)

Surveys:						
Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
1845	50.5	223.3	1600	-1550	496	442

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	22,467
Cumulated (\$):	269,802

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Mar 22 (7) LO6-25.doc

CENTRAL FILE
GEOSCIENCES



LO6 -25 GEOLOGICAL REPORT

Date: March 21, 2001

RIG	Today Depth	Progress	Last Casing	Objective	FTD
P - 48	1767' @ 00 hrs	346'	18" cond. @ 565'	Rio Bravo @ 4415' MD (-3100'VSS) Mogollon @ 6500' MD (-4900'VSS) Basal Salina @ 8700' MD (-6900' VSS)	9700'

24 hours summary: Drilled with mud motor to 1889' in Talara Group. POOH to repair mud pumps.

PO: POOH.

Next: Continue drilling to set 13 3/8" casing at 2500'.

Lithology

Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
1700'-1790'	--	10	--	90	NF	Sst: Wh hy, vf-f, sb ang- sb rd, w sort, fri, calc cem, p vis por. Clyst: Brnsh, sb blk, micr mic, micr carb, sl calc, mod sft. TG: 225; C1: 225
1790'-1880'	20	20	10	50	NF	Sd: Hy, wh hy, 60% f, 40% m, sb ang, sb rd, w/ dk & gn gr, fr sort. Sst: Wh gy, 70%vf, 30%f, fr sort, mod fri, calc cem, arg mtx, occ w/ dk & gn gr incl, p vis por. Slsts: Brnsh, w/ mic incl, calc, sft. Clyst: Brnsh, sb blk, rough surf, micr mic, sl micr carb, non-calc, mod frm. 1806'- 1823': TG: 8093; C1: 7607; C2: 183; C3: 24; C4: 12

Formation	MD	TVD	VSS
Talara Group	565'	565	-515 (First sample recovered)

Surveys:

Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
1604	51.8	220.4	1452	-1402	355	314

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	26,910
Cumulated (\$):	247,335

MCH/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Mar 21 (6) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

Date: March 20, 2001

RIG	Today Depth	Progress	Last Casing	Objective	FTD
P - 48	1421' @ 00 hrs	791'	18" cond. @ 565'	Basal Salina @ 8900' MD (-6900' VSS)	9900'

24 hours summary: Drilling and sliding to 1704' in Talara Group. Trip for assembly.

PO: POOH.

Next: Continue drilling to set 13 3/8" casing at 2500'.

Lithology

Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
700'-790'	20	60	--	20	NF	Sd: Hy, 50% f, 40% m, 10% c, sb ang, sb rd, fr-p sort. Sst: Wh hy, vf-f, sb ang- sb rd, w sort, fri, calc cem, p vis por. Clyst: Brnsh, sb blk, micr mic, micr carb, sl calc, mod sft.
790'-1430	--	10	10	80	NF	Sst: Wh, vf, w sort, sl fri, calc cem, occ w/ dk & gn gr incl, p vis por. Slsts: Brnsh, w/ mic incl, calc, sft. Clyst: Same as above.
1430'-1700'	--	--	--	100		Clyst: Brnsh, sb blk, micr mic, micr carb, non-calc, mod frm.

Formation	MD	TVD	VSS
Talara Group	565'	565	-515 (First sample recovered)

Surveys:

Depth (ft)	Incl (deg)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
820	15.5	217.4	817	-767	28	19
1133	33.1	222.8	1100	-1050	131	101
1573	49.8	220.9	1433	-1383	336	298

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	25,072
Cumulated (\$):	220,425

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Mar 20 (5) LO6-25.doc

CENTRAL FILE
GEOSCIENCES



LO6 -25 GEOLOGICAL REPORT

Date: March 19, 2001

RIG	Today Depth	Progress	Last Casing	Objective	FTD
P - 48	630' @ 00 hrs	65'	18" cond. @ 565'	Basal Salina @ 8900' MD (-6900' VSS)	9900'

Weekend summary: Set and cemented 18" conductor at 565'. WOC. Drilled to 571' and worked with junk basket. Trip for Magnet, recovered piece of iron. Trip for bit.

PO: Drilling at 763' in Talara group.

Remarks: In order to prepare an Anti collision program, surveys were taken with Gyro tool in wells LO6-19, LO6-13 & LO6-18

Next: Continue drilling to set 13 3/8" casing at 2500'.

Lithology

Interval	Sd	Sst	Slsts	Clyst	Fluor	Description
565'-590'	--	50	20	30	NF	Sst: Gysh, wh gnih, 80%f, 20%m, w sort, sb ang- sb rd, fri, arg mat, calc cem, w/ gn min & carb mat incl, p vis por. Slsts: Lt gy, sb blk, w/ carb mat incl, non-calc, sft. Clyst: Brnsh, sb blk, micr mic, micr carb, sl calc, mod sft.
590'-700	30	60	--	10	NF	Sd: Hy, 50% f, 40% m, 10%c, sb ang, sb rd, fr-p sort. Sst: Wh hy, vf-f, sb ang- sb rd, w sort, fri, calc cem, p vis por. Slsts & Clyst: Same as above.

Formation	MD	TVD	VSS
Talara Group	565'	565	-515 (First sample recovered)

Surveys:

Depth (ft)	Incl (degr)	Azimuth (deg)	TVD (ft)	VSS (ft)	South (ft)	West (ft)
540	1.1	145.7	540	-490	04	E: 03
694	6.9	226.8	694	-644	09	W: 04

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	26,562
Cumulated (\$):	195,353

 MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Mar 19 (4) LO6-25.doc

CENTRAL FILE
GEOSCIENCES



LO6 -25 GEOLOGICAL REPORT

Date: March 16, 2001

RIG	Today Depth	Progress	Last Casing	Objective	FTD
P - 48	565' @ 00 hrs	99'	—	Basal Salina @ 8900' MD (-6900' VSS)	9900'

24 hours summary: Worked with Magnet, recovered 8 Kg. of junk. Trip for bit. Drilled to 565' with high torque.

PO: Running 18" conductor.

Remarks: In order to prepare an Anti collision program, surveys were taken with Gyro tool in wells LO6-8, LO6-9 & LO6-22

Next: Set and cement 18" conductor at 565'.

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	18,240
Cumulated (\$):	125,776

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Mar 16 (3) LO6-25.doc



LO6 -25 GEOLOGICAL REPORT

Date: March 14, 2001

RIG	Today Depth	Progress	Last Casing	Objective	FTD
P - 48	466'	75'	-----	Basal Salina @ 8900' MD (-6900' VSS)	9900'

24 hours summary: Ran 18" conductor to 391'. Drill spud on March 14, 2001. Drilled to 466' with seawater, no sample returns. Trip for Magnet.

PO: Working with Magnet.

Next: Drill to 2000', set and cement 13 3/8" casing.

LO6- 25

Direction: S 42° W
Max. vertical angle: 54 degrees
Main Objective: Basal Salina (Upper and Lower sections)

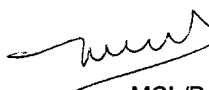
Geological Summary:

- This well has been recommended to continue with the development of the Basal Salina in a faulted block of approximately 630 acres.
- Estimated reserves for **LO6-25** are 300 MBO, and IPR is 300 BOPD.
- The Net pay estimated for Basal Salina is 380' (180' & 200' in the Upper and Lower sections respectively). The sand quality is expected to be similar to that encountered in surrounding wells.
- Expected formation tops are as follows:

	MD	TVD	VSS
Talara	From Sea level		
Chacra	3050'	2250'	-2200'
Rio Bravo	4550'	3150'	-3100'
Palegreda	6250'	4450'	-4400'
Mogollon	6850'	4950'	-4900'
San Cristobal	7800'	5850'	-5800'
Basal Salina	8900'	6950'	-6900'
Balcones	9700'	7650'	-7600'
Total Depth	9900'	7850'	-7800'

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	22,977
Cumulated (\$):	89,065


MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:.....Mar 14(1) LO6-25.doc

PETRO - TECH
PERUANA S.A.



LO6 -25 GEOLOGICAL REPORT

Date: March 14, 2001

RIG	Today Depth	Progress	Last Casing	Objective	FTD
P - 48	466' @ 00 hrs	--'	-----	<i>Basal Salina @ 8900' MD (-6900' VSS)</i>	9900'

24 hours summary: Worked with Magnet. Trip for Mill. Milling. Trip for Magnet.

PO: RIH with Magnet.

Next: Set and cement 18" conductor at 565'.

WELL COST:

AFE (\$):	1' 543,580
Daily (\$):	18,471
Cumulated (\$):	107,536

MCh/PA

Cc/ WMK, FAT, LCh, BB, RS, AV, File.

MCH.....C:....Mar 15 (2) LO6-25.doc