August 10, 1987 Unseated tubing anchor. Came out of hole. Bluejet perforated Select Fire 3-1/8" Tolson DP squeeze holes at 4718' and 4660' in the Gallup and at 2870' and 2830' in the Menefee. Put on sub, bull plug, packer, perforated sub and seat nipple. Tested each zone with packer and swab. Set packer at 4021'. August 12, 1987 Notified Mark of the BLM at 11:15 a.m. that intended to cement. Tripped packer in hole. Packer left hanging at 4975'. Spotted 22 bbls 60# gel at 4975'. Left packer at 3715'. Cemented Gallup with 60 sacks of Class H with 6/10 of 1% Halad-9 mixed at 15.6 lbs with a yield of 1.18 cubic feet per sack or 71 cubic feet of cement (about 13 bbls slurry Spotted at 4920'. Squeezed 4 bbls at 200 lbs. Shut down. Tubing went on vacuum. August 13, 1987 Tagged cement at 4901'. Tripped out of hole with tubing and packer.	sent to this work.)		ations and measured and true ver	ites, including estimated date of starting any rtical depths for all markers and sones perti-
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•	August 13, 1987	Tagged cement at 4901'.	Tripped out of hole	with tubing and packer.
August 17, 1987 Notified Earle Beecher at BLM at 9:45 a.m. intended to re-cement. Bluejet used a wireline to set Halliburton $4\frac{1}{2}$ " EZ drill cement retainer at 4740'. Tripped in hole with RTTS packer. Set at 3890' with 850' of (Continued)		Bluejet used a wireline at 4740'. Tripped in ho	to set Halliburton 4 ¹	'2" EZ drill cement retainer Set at 3890' with 850' of
18. I hereby certify that the foregoing is true and correct SIGNED SUPPLY BY KIESLAW TITLE Vice President DATE November 3, 1987		going is true and correct	ice President	November 3, 1987
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Operator: BCO, Inc.

135 Grant Ave.

Santa Fe, N.M.87501

SUNDRY NOTICES AND REPORTS ON WELLS

Lease No: NM-048989-A Federal G-1 Alamito Gallup Page Two

August 17, 1987

tail pipe below. Stung into cement retainer and established rate of 4 bbls a minute at 1200 lbs. Skelly broke at 850 lbs. Closed by-pass and stung into retainer. Cemented with 70 sacks of Class B neat cement mixed at 15.6 lbs with a yield of 1.18 cubic feet per sack or 83 cubic feet (about 15 bbls slurry). Pumped 13 bbls cement. Started displacement. Took 6 bbls to catch cement. Stung out. Pumped 8 bbls and pulled out to 3890' (packer at 3040'). Set RTTS packer at 3040'. Squeezed Skelly perforations with 2-1/8 bbls at 3000 lbs. Waited 4 hours. Pulled 13 stands. Set packer at 2850', end of tubing at 3700'. Spotted cement across Menefee perforations from 2830' to 2870'. Cemented with 40 sacks of Class B neat cement mixed at 15.6 lbs with a yield of 1.18 cubic feet per sack or 47 cubic feet (about 8 bbls slurry). Bridged off and lost circulation. Pressured up to 1000 lbs and finished pumping cement. Had 8.8 bbls displacement. Pulled 10 stands and a single. Reversed out 20 gallons of cement. Tripped out of hole with tubing and RTTS packer.

August 18, 1987

Tripped in hole with tubing with bit and sub. Tagged cement at 2655'. Drilled cement to 2775'. When hit soft cement, circulated hole clean and shut down for day.

August 19, 1987

Determined cement still too soft to drill.

August 21, 1987

Drilled out Menefee cement to 2895'. Drilled out Skelly cement from 4071' to 4730', which is new PBTD. Circulated hole. Tripped out of hole with tubing bit and sub.

August 24, 1987

Bluejet ran Cement Bond Log and Simultaneous Depth Control from 4300'-4730'; 3300'-3500'; 2500'-3000'; 1200'-1400'; 600'-900'. Bluejet perforated with .32" Select Fire 3-1/8" Tolson DP with one hole at 4690', 4685', 4680', 2852', 2850', 2849', 2848'. Tripped in hole with tubing and production packer. Set packer at 2961'. Broke down Menefee down backside with 2400 lbs, which broke to 2000. Pumped 3.3 bbls at 1800 lbs. Released packer. Went down to 4473'. Swabbed well down. Reset packer at 2961'. Made 1 swab run.

August 25, 1987

Swabbed well down. Released packer. Tripped in hole with rods. Laid down rods. Pulled up packer. Set packer at 2833'. Tested squeeze hole at 2000 lbs for 5 minutes. Squeeze hole held pressure. Tripped out of hole with tubing and packer.

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SUNDRY NOTICES AND REPORTS ON WELLS

Lease No: NM-048989-A Federal G-1 Alamito Gallup Page Three

August 26, 1987

Started in hole with tubing, bridge plug and packer. Tested tools. Did not hold. Came out of hole and changed tools. Tripped in hole with tools. Set bridge plug at 2866'. Tested tools to 1000 lbs. Tools held. Pulled up and set packer at 2834'. Spotted 300 gallons FE-HCL from 2848' to 2852'. Broke down perforations. Released packer. Pulled up and set packer at 2695'. Treated 16,000 gallons of water with 35 gallons TRI-S, 32 gallons of 3N, 2800 lbs of KCL, 15 gallons of LP55 scalecheck, 350 lbs WG-11, 40 lbs HYG-3, 40 lbs K-34, and 5 lbs GBW-30. Sand water foam fracked 2848'-2852' with 21,500 gallons of 70% foam, 15,000 lbs of 20-40 sand, 320,000 standard cubic feet of nitrogen. Average treating pressure was 3000 lbs at 6 foam bbls per minute, ISIP 2130 lbs, 5 min 2000 lbs, 10 min 1950 lbs, 15 min 1920 lbs. Shut well in for 3 hours. Flowed well to tank.

August 27, 1987

Tripped out of hole to remove packer. Tripped in hole to swab. Cleaned out sand from 2810'-2825'. Kicked off well with 23,000 standard cubic feet of nitrogen. Brought well around with 11,400 standard cubic feet of nitrogen.

August 28, 1987

Pumped 24,000 standard cubic feet of nitrogen to bring well around. Made 44 swab runs and recovered 102 bbls water.

August 29, 1987

Made 42 swab runs recovering 72 bbls water.

August 31, 1987

Received verbal permission from Bill Blachard of BLM to squeeze Menefee. Testing August 27th to 29th determined that Menefee was water. Received verbal permission from Errol Beacher of BLM to abandon Gallup formation below 4732' (depth to which cement had been drilled out August 21, 1987). Current PBTD is 4732'. Moved bridge plug to 3036'. Spotted 5 gallons sand above plug. Set packer at 2470'. Squeezed perforations from 2848'-2853' with 200 sacks of Premium cement: 100 sacks with 2% CaCl mixed at 15.6 lbs with a yield of 1.18 cubic feet per sack or 118 cubic feet (about 21 bbls slurry); 100 sacks with 2% CaCl mixed at 16.4 lbs with a yield of 1.06 cubic feet per sack or 106 cubic feet (about 19 bbls slurry). Pumped into perforations at 2½ bbls per minute with 850 PSI. Displaced 14 bbls with 1900 lbs average pressure. Released packer. Pulled two stands and reset packer. Reversed out 15 bbls. Pressured tubing to 1000 lbs and shut in on tubing.

September 1, 1987

Released pressure off well. Picked up and released packer. Tripped out of hole with packer. Put on bit and sub. Tripped in hole. Tagged cement at 2589'. Drilled through good cement to 2831'. Pressure tested well to 600 lbs. Pressure held. Tripped out of hole and removed bit. Tripped in hole and set packer at 2829'. Swabbed well dry.

(Continued)

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SUNDRY NOTICES AND REPORTS ON WELLS

NM-048989-A Lease No: Federal G-1 Alamito Gallup Page Four

September 2, 1987

Bluejet ran Cement Bond Log from 2500' to 2970'. Determined have effectively squeezed perforations from 2848' to 2852'. Tripped in hole with retrieving lead. Circulated cement and sand off bridge plug. Moved plug to 4710' and set. Tripped out of hole. Went in hole with packer. Set packer at 4668'. Circulated hole with KCL water. Broke with water from 2900 lbs to 700 lbs with 2-3/4 bbls a minute at 1100 lbs. Spotted 300 gallons 15% double inhibited HCL over perforations from 4680'-4690'. Displaced 7 bbls acid with 2950 lbs pressure. Unset packer. Reversed hole with KCL water. Set packer at 4012'. Swabbed well dry.

September 3, 1987

Swabbed well down. Treated 14,700 gallons of water with 65 gallons TRI-S, 30 gallons of 3N, 2800 lbs of KCL, 15 gallons LP55 scalecheck, 350 lbs WG-11, 50 lbs HYG-3, 50 lbs K-34 and 10 lbs GBW-30. Sand water foam fracked 4680'-4690' with 35,130 gallons of 70% quqlity foam, 32,100 lbs of 20-40 sand, 533,730 standard cubic feet of mitrogen. Average treating pressure 3700 lbs, 5 min 3330 lbs, 10 min 3160 lbs, 15 min 3040 lbs. Started well flowing to pit. Changed choke. Left well flowing to frac tank.

September 4, 1987

Blew well down. Released packer. Tagged sand at 4660°. Came out of hole and removed packer. Went in hole with retrieving head. Cleaned out sand with 59,500 standard cubic feet of nitrogen. Retrieved bridge plug. Came out of the hole. Put on sawtooth collar and seat nipple and landed tubing at 4684'. Used 24,000 standard cubic feet of nitrogen to kick well off.

September 5, 1987 Made one swab run. Kicked off well. Dropped piston stop and spring. Placed well back in production.