THOMAS S. SCHALK 618 FIRST WICHITA NATIONAL BANK BLDG. WICHITA FALLS, TEXAS 76301

January 28, 1974

Drilling and Completion Record

Lone Star Industries - Schalk 49-3

Drilling Contractor - Arapahoe Drilling Company Rig 2 - Pusher Doyle Castle

Location: 1190 feet FNL 790 feet FEL Section 23 30 N 4 W

Elevation: 7102 Gr. 7114 K B

County: Rio Arriba, New Mexico

Production Formation - Pictured Cliffs

Casing: 8-5/8 Surface @ 180' Cemented 170 sx neat w/2% Ca Cl Cement Circulated 2-7/8 Production String @ 4450 cemented w/ 300 sx HOWCO light 12 # Gilsonite followed by 100 sx Class A

Hole Size: 7-7/8 to top of Pictured Cliffs and 6-3/4 to T. D.

Logs: Schlumberger Compensated Formation Density Log with Gamma Ray Schlumberger Compensated Neutron-Formation Density Log with Gamma Ray

Completion: Go International ran correlation log and perforated, l hole per foot, 4055-95, 3881-90, 3867-75, 3835-63 Frac: 500 gallons of 15% HCL followed by 750 sx sand in 90,000 gallons w/WG-6 gelling agent Formation broke down @ 3400#, treated 1# per gallon 3400# increasing to 3700#, back to 3500#, shut in @ 1100# 5 min 800#. Dropped 20 balls @ 50,000 gallons, no action, 15 balls @ 58,000 gallons, very little action, 15 balls @ 65,000 gallons 150# increase. Left well shut in. After about 18 hrs, opened up, well unloaded w/gas right away.