

PRAIRIE SUN, INC.

**Laguna Grande Fed. #1
990' FEL & 1380' FSL
Sec. 28-T23S-R29E
Eddy County, New Mexico**

Chronological Well History

1. Administrative Order NSL-724 for non-standard location approved by Joe Ramey of the OCD on Sept.22,1975
2. Spud Well with 17.5" hole at 0230 am on 11-13-75. Set 13 3/8 at 343'. Circ. 25 sx. Cement 57
3. Drilled 12 1/4" hole to 2900' and set 2873' 10 3/4" csg. Circ. 198 sx to surface on 11/21/75. NU BOP and Test BOP & Csg. Drill out on 11/26/76.
4. Drilled 9.5" hole to 10,848. Run 10 3/4" csg to 10,848. Cement Did not circ. DV tool at 6784'. Plug down at 1930 hrs, 12-26-75.
5. Drill 6 1/4 hole to 13,700'. Run 5" liner from 10,343–13,695'. 18#/ft liner. Plug down on 3/4/76.
 - A. DST's
 1. Delaware
 2. Wolfcamp–11,209–432. GTS 15 min @ 300 mcf/d rate. Pressures: ISIP–5902, FSIP–6153.
 3. Strawn: 11,880–11,922' GTS–42 min. @ 256 mcf/ w/ H2O
 4. Morrow: 13,086–13,297 GTS-68 min. @ 250 mcf/d. Pressures: ISIP–5921, FSIP–5826
6. Start completion work and perforate Morrow 13,529–586' overall. Acidize with 5600 gal. + N2. Test non commercial. Squeeze perfs with 60 sx. Cmt.
7. Perforate Morrow 13,107–13,258 overall. Acidize w/ 6700 galls 7.5% acid. Frac w/ 44000 gal + 63,500# 20/40 sand. Flow back and potential well. Run 4 pt test on 3/27/76. C-122 AOF of 4105 mcf/d.
8. Well shut in until 3/28/77. Tied into El Paso Line after being shut in for one yr.
9. Production History: Approx. 4 months gas sales with cum of +_ 100,000 mcf..
10. Plug back from Morrow to Strawn. Set CIBP at 13000' Perf 11,888–900' & never treated. Produce Natural. Tested 1700 mcf/d on C122 Dated 5/22/79.

11. Well disconnected from El Paso on March 23, 1980. & TA the well.
12. Proposed application to complete in Wolfcamp, 11,182–11,364 Dated 11-10-81.
13. Worked over Bone Springs and attempted completion. Produced 4 BO/8BW/71 mcf/d.
14. Proposal to attempt Delaware Completion 5072–5114 on 11-22-82. Not done by Exxon.
15. Proposal to P&A well on 1/11/84.
16. Sold E/2 E/2 to Eastland Oil Co on 9/24/86.
17. Eastland Held acreage by occasional flow test. From Bone Springs.
18. Eastland proposal to P&A on 10/19/93
19. Bettis Boyle & Stoval took over well on 6/1/94.
20. Name change to drop unit designation since unit was dissolved on 9/94.
21. Bettis, Boyle & Stovall attempted Delaware completion 9/94.
22. Bettis, Boyle & Stovall proposed P&A procedure on 3/16/95.
23. Change of operator to Paloma Resources, Inc. on 9/1/95. Started attempting negotiating with Exxon for Farmout on additional acreage required for proration unit.
24. Exxon made Term Assignment with Penwell.
25. Term Assignment carried over to Concho.
26. Attempted further to obtain necessary acreage for proration unit.
27. Prairie Sun, Inc. purchased properties of Paloma Resources on 1/1/99.