(01-30-95 Thru 02-28-95) Continued

primary and secondary seals. Installed 11"-3M x 11"-3M National casing spool w/2-2" LPO and pressure tested seals and flanges. Test held. Installed 4-1/2" 9.5# casing stub. Speared and landed 4-1/2" casing in slips. Cut off 4-1/2" casing and installed primary and secondary seals. Installed 11"-3M x 7-1/16" ID-3M National DP-70 tubing spool and pressure tested seals and flanges. Test held. Installed 6" 900 BOP. TIH w/3-7/8" bit, P.U. 6 3-1/8" drill collars, and 106 jts. of 2-3/8" tubing. Tagged at 3,469'. TOH w/2jts. Bit at 3,428'. TIH w/2 jts. 2-3/8" tubing. P.U. power swivel and installed stripper head. Drilled cement from 3,469' to 3,472', cement retainer from 3,472' to 3,475, and cement from 3,475' to 3,614'. Circ. hole clean. L.D. swivel and TOH w/1 jt. 2-3/8" tubing. Bit at 3,583'. TIH w/1 jt. of 2-3/8" tubing and p.u. power swivel. Drilled cement from 3,614' to 3,688' and cement stringers to 3,703'. Ran bit to 3,708'. Circ. wellbore clean. L.D. swivel. Pressure tested casing to 580 psi. Lost 280 psi in 10 mins. Retested to 560 psi and bled to 420 psi in 5 mins. Bumped pressure to 580 psi and lost 300 psi in 15 mins. TOH w/113 jts. 2-3/8" tubing, 6 3-1/8" drill collars, and 3-7/8" bit. Closed in due to high winds. TIH w/4-1/2" fullbore packer, SN and 118 jts. of 2-3/8" tubing. Circ. wellbore. Set packer at 3,703'. Pressure tested 4-1/2" 10.50# casing and charted 30 min. casing integrity test to 600 psi. Lost 10 psi to 590 psi in 32 mins. Casing passed test. TOH w/118 jts. 2-3/8" tubing, SN and 4-1/2" fullbore packer. TIH w/3-7/8" bit, 6 3-1/8" drill collars, and 114 jts. 2-3/8" tubing. Tagged CIBP at 3,710'. P.U. power swivel and installed stripper head. Drilled out CIBP from 3,710' to 3,711'. Drilled remainder of CIBP at 3,715'. Drilled solid cement from 3,715' to 3,842' and cement stringers and fill from 3,842' to 3,871'. Note: cement squeeze communicated outside casing and filled 4-1/2" casing, below CIBP, through Grayburg San Andres perforations. Circulated well clean, L.D. swivel, and TOH w/8 jts. 2-7/8" tubing. Bit at 3,614'. TIH w/8 jts. 2-3/8" tubing. P.U. power swivel and broke circ. Drilled fill from 3,871' to 3,875', solid cement from 3,875' to 3,888', and formation to TD at 3,901'. Circ. hole clean. L.D. swivel and removed stripper head. TOH w/120 jts. 2-3/8" tubing, 6 3-1/8" drill collars and 3-7/8" bit. Schlumberger moved in and rigged up. Ran 3-3/8" OD casing gun and tagged at 3,869'. Worked perforating gun free and pulled out of hole. Ran 3-3/8" OD GR logging tool and set down at 3,869'. TOH w/logging tool. Schlumberger rigged down and moved out. TIH w/3-7/8" bit, 6 3-1/8" drill collars, and 120 jts. 2-3/8" tubing. Tagged TD at 3,900' for 1' of fill. Note: tagged ledge and fell through at 3,876'. TOH w/120 jts. 2-3/8" tubing, L.D. 6 3-1/8" drill collars, and 3-7/8" bit. Schlumberger moved in and rigged up. Ran 3-3/8" OD perforating gun and again tagged at 3,876'. Perforated 4-1/2" 10.5# casing from 3,772'-3,788'; 3,802'-3,831'; and 3,836'-3,861; w/2 JSPF using ultra-jet charges. Total of 142 holes. Schlumberger rigged down and moved out. TIH w/FTI's Sonic Hammer, SN and 120 jts. 2-3/8" tubing. Acidizing tool at 3,754'. Installed stripper head. Knox Services moved in and rigged up. Acidized O.H. from 3,866' to 3,901' and 4-1/2" 10.50# casing perf. from 3,772' to 3,861' w/4,000 gals. NEFE DI 15% HCL acid and 3% DP-77MX chemical mixed in 2 stages. Washed perforations and O.H. intervals with total of 80

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water at 4.6 BPM at 2,050# tubing pressure. Well broke circ. w/19 bbls. pumped. Closed casing valve. Stage 1: (3,772'-3,828') Pumped 1600 gals. acid at avg. .8 BPM, 410# tubing, 510# casing and max. 1.4 BPM, 780# tubing, 520# casing. Flushed w/15 bbls. fresh water.

Stage 2: (3,828'-3,861') O.H. (3,867'-3,901') Pumped 2400 gals. acid at avg. 1.2 BPM, 660# tubing, 510# casing and max. 1.8 BPM, 860# tubing, 530# casing. Flush w/15 bbls. fresh water. Dropped ball, during flush, and opened sleeve on aciding tool. Load to recover (144 bbls.) Knox Services rigged down and moved out. TIH w/1 jt. 2-3/8" tubing. SN at 3,855'. Rig up swabbing equipment. Made 26 swab runs and recovered 151 bbls. fluid. Initial fluid level at 800', final fluid level at 2,700'. Load status plus 7 bbls. Note: Last samples showing a skim of oil. 100# tubing and 155# casing pressure. Rig up swabbing equipment. Made 13 swab runs and recovered 66 bbls. total fluid. Initial fluid at 1,700'. Final fluid level at 2,800'. Note: samples appear to be less than 5% oil cut. Load status plus 73 bbls. Rig down swabbing equipment. TOH w/123 jts. 2-3/8" tubing, SN, and sonic hammer. TIH w/SN, 1 jt. 2-3/8" IPC tubing, 4 jts. 2-3/8" tubing, 4-1/2" x 2-3/8" TAC, and 119 jts. 2-3/8" tubing. Removed BOP, set TAC at 3,724' w/14,000# tension, and flanged up tubing hanger. TIH w/20-150 RWBC 12-3-HO (A-1043), P.U. 6 1-1/2" K-Bars, and 54-3/4" rods. Note: Replaced all 3/4" couplings on TIH. TIH w/remaining 94-3/4" rods changing out cplgs. on TIH. Seated pump. Loaded and tested tubing to 500#. Long stroked pump. Pressured tubing to 500#. X-Pert Well Service and Star Tool rigged down and moved out. Closed in. Build wellhead and set pumping unit. Hold open for stabilized test. Built wellhead and set pumping unit on 02-21-95. Well pumping. Waiting on stabilized test information.

Test Information: (24 hour test) 0 BO, 93 BW and 0 MCF.