Threshold Development Company 777 Taylor Street, Suite II-D Fort Worth, Texas 76102

PLUGBACK PROPOSAL

DATE: May 2, 2000

RE: State 2M #1

AFE#:

PRESENT STATUS: Shut-in

LAST TEST: Morrow interval was determined to be limited reservoir **OBJECTIVES:** Plugback and test various Bone Springs intervals

CASING:5-1/2" 17# P-110 HC & N-80 set @ 13,370".

CURRENT PERFORATIONS: 12,897-12,911

PRESENT SETTINGS: PBTD 12,939', 417 jts 2-7/8" 6.5# CS Hydril N-80 tbg w/Halliburton PLS pkr w/On-Off tool & TCP shooting assembly. Pkr @ 12,782', see

attached wellbore diagram.

PROCEDURE:

- 1. MIRU pulling unit. RU pump truck and kill well. ND wellhead, NU BOP's
- 2. Release pkr. POOH w/tbg, pkr & TCP shooting assembly.
- 3. RU WL co. & set CIBP @ 12,800', dump 3 sx cmt on top.
- 4. RIH w/4" csg gun and perf for sqz from 10,950-52' w/4 JSPF. RD WL co.
- **5.** RU pump truck and attempt to establish circ down csg and up 5-1/2" x 9-5/8" annulus. If unsuccessful, alternate pumping down annulus and pumping down csg until circ is established.
- **6.** RIH w/tbg & cmt rtnr, set rtnr @ 10,900'. RU pump truck, test backside to 1000# for 10 min. Re-establish circ down tbg thru sqz perfs & up backside.
- 7. RU cmt company and cmt well w/300 sx Cl H w/additives per the attached recommendation. Displace cmt 1 bbl past rtnr, sting out of rtnr, POOH w/tbg. WOC.
- 8. RU wireline co, Run GR/CBL/CCL from top of rtnr to TOC est @ 9000'
- 9. RIH w/4" csg gun & perf 3rd Bone Springs from 10,708'-16' w/2 JSPF. RD WL co.
- 10. RIH w/tbg & pkr, set pkr @ 10650'. RU swab, swab well down, test for fluid entry.
- 11. RU stimulation co, press up backside to 500#, acidize perfs w/1000 gals 20% HCl + 35 ball sealers. RD stimulation co.
- **12.** RU swab, swab test well. If well productive proceed to Step 31, if wet or unproductive proceed to next step.
- 13. Release pkr, POOH w/tbg & pkr
- 14. RU WL co & set CIBP @ 10,650', dump 3 sx cmt on top.
- 15. RIH w/4" csg gun & perf 2nd Bone Spring from 9902'-12' w/2 JSPF. RD WL co.
- 16. RIH w/tbg & pkr, set pkr @ 9850' RU swab, swab well down, test for fluid entry

