

New Mexico  
Energy Minerals and Natural Resources Department

Form C-140  
Revised 06/99

District I - (505) 393-6161  
1625 N. French Dr, Hobbs, NM 88240  
District II - (505) 748-1283  
1301 W. Grand Avenue, Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV - (505) 476-3440  
1220 S. St. Francis Dr., Santa Fe, NM 87505

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, New Mexico 87505  
(505) 476-3440

**SUBMIT ORIGINAL  
PLUS 2 COPIES  
TO APPROPRIATE  
DISTRICT OFFICE**

**BURLINGTON RESOURCES**  
**ATTN**  
**APPLICATION FOR**  
**WELL WORKOVER PROJECT**

**I. Operator and Well**

|                              |                      |                         |                      |                                  |                                  |                                 |
|------------------------------|----------------------|-------------------------|----------------------|----------------------------------|----------------------------------|---------------------------------|
| Property Name<br><b>CAIN</b> |                      |                         |                      | Well Number<br><b>10E</b>        |                                  | API Number<br><b>3004524109</b> |
| UL<br><b>F</b>               | Section<br><b>15</b> | Township<br><b>28 N</b> | Range<br><b>10 W</b> | Feet From The<br><b>1665 FNL</b> | Feet From The<br><b>1820 FWL</b> | County<br><b>SAN JUAN</b>       |

**II. Workover**

|                                             |                                                                                                |
|---------------------------------------------|------------------------------------------------------------------------------------------------|
| Date Workover Commenced<br><b>01/10/02</b>  | Previous Producing Pool(s) (Prior to Workover):<br><b>OTERO CHACRA (GAS)      BASIN DAKOTA</b> |
| Date Workover Completed:<br><b>01/21/02</b> |                                                                                                |

- III. Attach a description of the Workover Procedures performed to increase production.  
IV. Attach a production decline curve or table showing at least twelve months of production prior to the workover and  
at least three months of production following the workover reflecting a positive production increase.  
V. AFFIDAVIT:

|                                                                                                                                                          |                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| State of <u>New Mexico</u> )                                                                                                                             |                                                            |
| County of <u>San Juan</u> ) ss.                                                                                                                          |                                                            |
| Peggy Cole, being first duly sworn, upon oath states:                                                                                                    |                                                            |
| 1. I am the Operator, or authorized representative of the Operator, of the above-referenced Well.                                                        |                                                            |
| 2. I have made, or caused to be made, a diligent search of the production records reasonably available for this Well.                                    |                                                            |
| 3. To the best of my knowledge, this application and the data used to prepare the production curve and/or table for this Well are complete and accurate. |                                                            |
| Signature <u>Peggy Cole</u>                                                                                                                              | Title <u>Regulatory Administrator</u> Date <u>12-16-02</u> |
| SUBSCRIBED AND SWORN TO before me this <u>16<sup>th</sup></u> day of <u>December</u> 2002                                                                |                                                            |
| My Commission expires: <u>September 15, 2004</u>                                                                                                         | Notary Public <u>Nancy Oltmanns</u>                        |

**FOR OIL CONSERVATION DIVISION USE ONLY:**

**IV. CERTIFICATION OF APPROVAL:**

This Application is hereby approved and the above-referenced well is designated a Well Workover Project and the Division hereby verifies the data shows a positive production increase. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project was completed 01-21, 2002.

|                                                      |                                  |                           |
|------------------------------------------------------|----------------------------------|---------------------------|
| Signature District Supervisor<br><u>Charles Herr</u> | OCD District<br><u>AZTEC III</u> | Date<br><u>12-19-2002</u> |
|------------------------------------------------------|----------------------------------|---------------------------|

**VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:**

| REG_DTL_D | OTERO CHACRA (GAS) | BASIN DAKOTA |
|-----------|--------------------|--------------|
| 1/1/2000  |                    | 2832         |
| 2/1/2000  |                    | 2865         |
| 3/1/2000  |                    | 2762         |
| 4/1/2000  |                    | 2494         |
| 5/1/2000  |                    | 2492         |
| 6/1/2000  |                    | 2097         |
| 7/1/2000  |                    | 1956         |
| 8/1/2000  |                    | 2329         |
| 9/1/2000  |                    | 2266         |
| 10/1/2000 |                    | 2297         |
| 11/1/2000 |                    | 2300         |
| 12/1/2000 |                    | 2100         |
| 1/1/2001  |                    | 2150         |
| 2/1/2001  |                    | 1671         |
| 3/1/2001  |                    | 1776         |
| 4/1/2001  |                    | 2294         |
| 5/1/2001  |                    | 2023         |
| 6/1/2001  |                    | 2153         |
| 7/1/2001  |                    | 2302         |
| 8/1/2001  |                    | 2532         |
| 9/1/2001  |                    | 1964         |
| 10/1/2001 |                    | 1669         |
| 11/1/2001 |                    | 1312         |
| 12/1/2001 |                    | 5            |
| 1/1/2002  | 2309               | 2309         |
| 2/1/2002  | 5359               | 5358         |
| 3/1/2002  | 4604               | 4604         |
| 4/1/2002  | 3874               | 3874         |

## Operations Summary Report

Legal Well Name: CAIN #10E

Common Well Name: CAIN #10E

Event Name: CAP WORKOVER

Start: 1/10/2002

Spud Date:

End: 1/21/2002

Contractor Name: AZTEC WELL SERVICE

Rig Release: 1/21/2002

Group:

Rig Name: AZTEC

Rig Number: 481

| Date      | From - To     | Hours | Code | Sub Code | Phase  | Description of Operations                                                                                                                                                                                                                                            |
|-----------|---------------|-------|------|----------|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1/11/2002 | 06:00 - 07:00 | 1.00  | MIMO | a        | PREWRK | CREW TRAVEL                                                                                                                                                                                                                                                          |
|           | 07:00 - 07:30 | 0.50  | SAFE | a        | PREWRK | SAFETY MEETING-RIGGING UP                                                                                                                                                                                                                                            |
|           | 07:30 - 10:30 | 3.00  | RURD | a        | OBJECT | R/U                                                                                                                                                                                                                                                                  |
|           | 10:30 - 11:00 | 0.50  | BLOW | a        | CLEAN  | BWD SICP-180 PSI , SITP- 120 PSI                                                                                                                                                                                                                                     |
|           | 11:00 - 12:00 | 1.00  | NUND | a        | OBJECT | ND/WH, NU/BOP AND BLOOE LINE                                                                                                                                                                                                                                         |
|           | 12:00 - 14:00 | 2.00  | TRIP | a        | OBJECT | TALLY/OOH W/TBG                                                                                                                                                                                                                                                      |
|           | 14:00 - 15:30 | 1.50  | TRIP | a        | OBJECT | TIH W/TBG AND 5 1/2" ARROW CIBP SA/6337                                                                                                                                                                                                                              |
|           | 15:30 - 16:15 | 0.75  | CIRC | a        | CLEAN  | LOAD HOLE                                                                                                                                                                                                                                                            |
|           | 16:15 - 17:30 | 1.25  | TRIP | a        | OBJECT | START TOOH W/TBG- 50 STANDS OUT                                                                                                                                                                                                                                      |
| 1/12/2002 | 06:00 - 07:10 | 1.17  | MIMO | a        | PREWRK | CREW TRAVEL                                                                                                                                                                                                                                                          |
|           | 07:10 - 07:30 | 0.33  | SAFE | a        | PREWRK | START RIG, CHANGE CLOTHES, SAFETY MEETING- FRAC SAFETY 15 HANDS PRESENT                                                                                                                                                                                              |
|           | 07:30 - 07:45 | 0.25  | RURD | a        | PREWRK | GET READY TO TOOH                                                                                                                                                                                                                                                    |
|           | 07:45 - 08:00 | 0.25  | TRIP | a        | OBJECT | START REST OF TOOH W/TBG-OUT 2 STANDS TONG HOSE BLEW OUT                                                                                                                                                                                                             |
|           | 08:00 - 10:30 | 2.50  | RRSR | a        | OBJECT | WAIT ON TONG HOSE AND PUSHER                                                                                                                                                                                                                                         |
|           | 10:30 - 11:00 | 0.50  | TRIP | a        | OBJECT | FINISH TOOH-49 STANDS                                                                                                                                                                                                                                                |
|           | 11:00 - 11:15 | 0.25  | PCKR | a        | OBJECT | TIH W/1 STAND AND 5 1/2" ARROW TENSION PKR AND SET                                                                                                                                                                                                                   |
|           | 11:15 - 12:00 | 0.75  | PRES | a        | OBJECT | R/U HALLIBURTON AND PRESS TEST CSG AND 5 1/2" CIBP TO 3850 PSI - HELD -RD HALLIBURTON                                                                                                                                                                                |
|           | 12:00 - 13:00 | 1.00  | PERF | a        | OBJECT | RU BASIN TO PERF 2 SQUEEZE HOLES AT 3212', MIS-RUN POOH, RIH AGAIN PERFORATE ALL SHOTS FIRED                                                                                                                                                                         |
|           | 13:00 - 14:15 | 1.25  | TRIP | a        | OBJECT | RABBIT/IH- FOUND 1 CRIMPED JT                                                                                                                                                                                                                                        |
|           | 14:15 - 14:30 | 0.25  | PCKR | a        | OBJECT | SET 5 1/2" ARROW CR AT 3152'                                                                                                                                                                                                                                         |
|           | 14:30 - 16:00 | 1.50  | CEMT | a        | OBJECT | SQUEEZE-W/150SX OF CLASS B CEMENT W/2% CaCL2, STAGED AT 800 PSI,STING OUT AND LEAVE APPROX 1/2 BBL OF SLURRY ON TOP OF CR, REVERSE OUT                                                                                                                               |
|           | 04:00 - 04:34 | 0.57  | TRIP | a        | OBJECT | TOOH W/TBG 51 STANDS                                                                                                                                                                                                                                                 |
|           | 16:34 - 17:00 | 0.43  | PERF | a        | OBJECT | BASIN -PERF 1 SQUEEZE HOLE AT 2530'                                                                                                                                                                                                                                  |
|           | 17:00 - 17:15 | 0.25  | TRIP | a        | OBJECT | START TIH W/TBG AND 5 1/2" ARROW TENSION PKR- 10 STANDS IN                                                                                                                                                                                                           |
|           | 17:15 - 17:30 | 0.25  | SHDN | a        | OBJECT | SECURE WELL SDFN                                                                                                                                                                                                                                                     |
|           | 06:00 - 06:40 | 0.67  | MIMO | a        | PREWRK | CREW TRAVEL- NEW OPERATOR-KENNETH WAS ON LOCATION AT 6:40 HAD PAPER WORK DONE , AND WAS READY TO START WORK AT 7:00                                                                                                                                                  |
|           | 06:40 - 07:00 | 0.33  | SAFE | a        | PREWRK | START RIG, CHANGE CLOTHES , FILL OUT PAPER WORK, SAFETY MEETING-WORKING W/NEW OPERATOR                                                                                                                                                                               |
|           | 07:00 - 07:30 | 0.50  | TRIP | a        | OBJECT | TIH W/TBG AND 5 1/2" ARROW TENSION PKR                                                                                                                                                                                                                               |
|           | 07:30 - 08:00 | 0.50  | PCKR | a        | OBJECT | SET PKR @ 2250'                                                                                                                                                                                                                                                      |
|           | 08:00 - 12:00 | 4.00  | CEMT | a        | OBJECT | RU/HALLIBURTON TO SQUEEZE PERF AT 2530' W/150 SX CLASS B CEMENT W/2% CACL2 - SQUEEZE WAS SUCCESSFUL, SQUEEZE LOCKED UP AFTER 3 STAGES, SQUEEZE PRESS- 2000 PSI, 2 BBLs CEMENT LEFT IN CSG EST- 134' BELOW PKR, LEFT WELL SHUT IN W/600 PSI ON TBG AND 300 PSI ON CSG |
|           | 12:00 - 13:30 | 1.50  | SHDN | a        | OBJECT | SECURE WELL ,SDF/WE-D/O MONDAY                                                                                                                                                                                                                                       |
|           | 06:00 - 07:00 | 1.00  | MIMO | a        | PREWRK | CREW TRAVEL1ST                                                                                                                                                                                                                                                       |
|           | 07:00 - 07:30 | 0.50  | SAFE | a        | PREWRK | START RIG , CHANGE CLOTHES, FILL OUT PAPER WORK,SAFETY MEETING-WORKING W/FROZEN EQUIPMENT                                                                                                                                                                            |
|           | 07:30 - 09:00 | 1.50  | RURD | a        | OBJECT | BWD- FROZE UP FROM SQUEEZE JOB                                                                                                                                                                                                                                       |
|           | 09:00 - 09:45 | 0.75  | TRIP | a        | OBJECT | TOOH W/ TBG AND 5 1/2" ARROW TENSION PKR                                                                                                                                                                                                                             |
|           | 09:45 - 11:00 | 1.25  | TRIP | a        | OBJECT | TIH W/ BAKER 4 3/4" JUNK MILL AND 6- 3 1/2" COLLARS AND X-OVERS - BHA-187.62' ( TAG CEMENT @ 2310' )                                                                                                                                                                 |
|           | 11:00 - 11:30 | 0.50  | RURD | a        | OBJECT | RU/SWIVEL                                                                                                                                                                                                                                                            |

## Operations Summary Report

Legal Well Name: CAIN #10E

Common Well Name: CAIN #10E

Event Name: CAP WORKOVER

Contractor Name: AZTEC WELL SERVICE

Rig Name: AZTEC

Spud Date:

Start: 1/10/2002

End: 1/21/2002

Rig Release: 1/21/2002

Group:

Rig Number: 481

| Date      | From - To     | Hours | Code | Sub Code | Phase  | Description of Operations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|-----------|---------------|-------|------|----------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1/15/2002 | 11:30 - 12:00 | 0.50  | RURD | a        | OBJECT | RU/PUMP AND BREAK CIRCULATION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|           | 12:00 - 16:30 | 4.50  | DRLG | a        | OBJECT | D/O 250' OF CEMENT ( FELL OUT OF CEMENT @ 2558')                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|           | 16:30 - 17:00 | 0.50  | RURD | a        | OBJECT | RD/SWIVEL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|           | 17:00 - 17:30 | 0.50  | TRIP | a        | OBJECT | PULL 10 STANDS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|           | 17:30 - 18:00 | 0.50  | RURD | a        | OBJECT | DRAIN EQUIP, SECURE WELL, SDFN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 1/16/2002 | 06:00 - 07:00 | 1.00  | MIMO | a        | PREWRK | CREW TRAVEL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|           | 07:00 - 07:30 | 0.50  | SAFE | a        | PREWRK | START RIG , CHANGE CLOTHES, DO PAPER WORK, SAFETY MEETING=FRAC SAFETY                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|           | 07:30 - 08:00 | 0.50  | TRIP | a        | OBJECT | TIH TO PBTD AT 3150'                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|           | 08:00 - 08:30 | 0.50  | CIRC | a        | CLEAN  | CIRC WELL CLEAN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|           | 08:30 - 09:30 | 1.00  | TRIP | a        | OBJECT | TOOH W/TBG AND STAND BACK COLLARS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|           | 09:30 - 12:00 | 2.50  | CASE | a        | OBJECT | RU/BASIN WIRE LINE AND RUN GR/CBL/CCL FROM PBTD TO SURFACE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|           | 12:00 - 15:00 | 3.00  | WAIT | a        | OBJECT | FAX LOG TO BR OFFICE AND WAIT FOR EVALUATION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|           | 15:00 - 16:00 | 1.00  | PERF | a        | OBJECT | PERF CHACRA AT FOLLOWING DEPTHS- 2752'-60', 2815'-23', 2970'- 78', 2990'-98', 3022'-30', 3085'- 93', 3124'-32' - 35 HOLES , ALL SHOTS FIRED                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|           | 16:00 - 16:15 | 0.25  | RURD | a        | OBJECT | CHANGE TO 2 7/8" HANDLING EQUIP                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|           | 16:15 - 16:30 | 0.25  | PCKR | a        | OBJECT | PUMU AND TIH W/2 JTS 2 7/8" N-80 TBG AND 5 1/2" ARROW TENSION PKR AND SET                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|           | 16:30 - 17:00 | 0.50  | RURD | a        | OBJECT | RU /DS AND TEST LINES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|           | 17:00 - 18:00 | 1.00  | FRAC | a        | OBJECT | DS/PUMPED FRAC AS FOLLOWS:<br>B/D CHACRA FORMATION W/1500 GALS OF 15% HCL @ 45 BPM AT 1456 PSI- INITIAL B/D W/WATER WAS 2.1 BPM AT 1300 PSI- UP TO 15 BPM<br>PUMPED 9000 GAL OF 75 QUALITY FOAM PAD AT 40 BPM @ 1456 PSI- 1781 PSI<br>PUMPED APPROX 175,000 # OF 20/40 ARIZONA SAND AT 1-3 PPG SAND CONC. 1781 PSI- 1900 PSI, 75 QUALITY FOAM AND 20# LINEAR GEL<br>DISPLACE W/16 FLUID BBLs AND 13,400 SCF N2<br>MAX RATE 45 BPM MAX PRESS 1909 PSI MAX N2 16,100 SCF<br>MIN RATE 40 BPM MIN PRESS 1456 PSI MIN N2 13,800 SCF<br>AVG RATE 43 BPM AVG PRESS 1800 PSI AVG N2 15,000 SCF<br>1. TRACER SB 124, 1 PPG, 6 MCI<br>2. TRACER IR 192, 2 PPG, 22 MCI<br>3. TRACER SC 46, 3 PPG, 35 MCI<br>ISIP 1323 PSI 543 FLUID BBLs TO RECOVER |
|           | 18:00 - 20:00 | 2.00  | RURD | a        | OBJECT | RD/DS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|           | 20:00 - 06:00 | 10.00 | FLOW | a        | CLEAN  | TURN WELL OVER TO TESTERS TO FLOW BACK<br>SIP- 1250 PSI OPEN WELL TO PIT<br>TIME PRESS CHOKE SAND WATER<br>20:00 1275 10 NS N- FOAM<br>22:00 1250 10 NS H-FOAM<br>24:00 1275 12 MS H-FOAM<br>02:00 1275 14 MS H-FOAM HAD BEEN UPTO 1325 PSI<br>04:00 1125 16 HS H-FOAM<br>05:00 1100 16 MS H-FOAM                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 1/17/2002 | 06:00 - 06:00 | 24.00 | FLOW | a        | CLEAN  | FLOWING WELL BACK W/KELCO HANDS<br>TIME PRESS CHOKE WATER SAND<br>06:00 925 18 HF NS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

## Operations Summary Report

Legal Well Name: CAIN #10E

Common Well Name: CAIN #10E

Event Name: CAP WORKOVER

Contractor Name: AZTEC WELL SERVICE

Rig Name: AZTEC

Start: 1/10/2002

Rig Release: 1/21/2002

Rig Number: 481

Spud Date:

End: 1/21/2002

Group:

| Date      | From - To     | Hours | Code | Sub Code | Phase  | Description of Operations                                                                             |     |     |    |          |
|-----------|---------------|-------|------|----------|--------|-------------------------------------------------------------------------------------------------------|-----|-----|----|----------|
| 1/17/2002 | 06:00 - 06:00 | 24.00 | FLOW | a        | CLEAN  | 08:00                                                                                                 | 750 | 20  | HF | NS       |
|           |               |       |      |          |        | 11:00                                                                                                 | 625 | 22  | HF | NS       |
|           |               |       |      |          |        | 14:00                                                                                                 | 520 | 24  | HM | NS       |
|           |               |       |      |          |        | 17:00                                                                                                 | 400 | 32  | HM | NS       |
|           |               |       |      |          |        | 18:00                                                                                                 | 340 | 32  | HM | NS       |
|           |               |       |      |          |        | 20:00                                                                                                 | 250 | 32  | HM | NS       |
|           |               |       |      |          |        | 22:00                                                                                                 | 225 | 32  | HM | NS       |
|           |               |       |      |          |        | 24:00                                                                                                 | 170 | 32  | MM | NS       |
|           |               |       |      |          |        | 02:00                                                                                                 | 100 | 48  | MM | NS       |
|           |               |       |      |          |        | 04:00                                                                                                 | 50  | 48  | MM | NS       |
|           |               |       |      |          |        | 05:00                                                                                                 |     | 2"  | MM | NS       |
| 1/18/2002 | 06:00 - 07:00 | 1.00  | MIMO | a        | PREWRK | CREW TRAVEL                                                                                           |     |     |    |          |
|           | 07:00 - 07:30 | 0.50  | SAFE | a        | PREWRK | START RIG, CHANGE CLOTHES, DO PAPERWORK, SAFETY MEETING-HANDLING DC'S, AND REVIEW BROG SAFETY MEETING |     |     |    |          |
|           | 07:30 - 08:00 | 0.50  | PUMP | a        | CLEAN  | PUMP 50 BBLS TO KILL WELL                                                                             |     |     |    |          |
|           | 08:00 - 08:30 | 0.50  | TRIP | a        | OBJECT | TOOH W, 2 STANDS 2 7/8" TBG AND L/D 5 1/2" ARROW PKR                                                  |     |     |    |          |
|           | 08:30 - 09:00 | 0.50  | RURD | a        | OBJECT | CHANGE OVER TO 2 3/8" HANDLING EQUIPMENT                                                              |     |     |    |          |
|           | 09:00 - 09:30 | 0.50  | PUMP | a        | CLEAN  | PUMP 50 BBLS TO KILL                                                                                  |     |     |    |          |
|           | 09:30 - 10:30 | 1.00  | TRIP | a        | OBJECT | TIH W/TBG 6 - 3 1/2" DC'S AND 4 3/4" BAKER JUNK MILL ( TAG UP AT 3130'-20' OF FILL                    |     |     |    |          |
|           | 10:30 - 10:45 | 0.25  | RURD | a        | OBJECT | R/U AIR AND START PUMPING TO UNLOAD WATER- LINE PLUGGED                                               |     |     |    |          |
|           | 10:45 - 11:45 | 1.00  | RURD | a        | OBJECT | SHUT DOWN AIR AND FOUND CEMENT PLUG IN RIG MANIFOLD-CLEAN OUT MANIFOLD                                |     |     |    |          |
|           | 11:45 - 12:00 | 0.25  | PUMP | a        | OBJECT | RESUME PUMPING AND FOUND TBG TO BE PLUGGED                                                            |     |     |    |          |
|           | 12:00 - 12:30 | 0.50  | RURD | a        | OBJECT | R/D SWIVEL                                                                                            |     |     |    |          |
|           | 12:30 - 13:30 | 1.00  | TRIP | a        | OBJECT | TOOH W/TBG AND COLLARS                                                                                |     |     |    |          |
|           | 13:30 - 14:00 | 0.50  | RURD | a        | OBJECT | CLEAN OUT TBG AND FLOAT                                                                               |     |     |    |          |
|           | 14:00 - 14:30 | 0.50  | PUMP | a        | OBJECT | PUMP 50 BBLS TO KILL WELL                                                                             |     |     |    |          |
|           | 14:30 - 15:30 | 1.00  | TRIP | a        | OBJECT | TIH W/TBG AND COLLARS TO 3130'                                                                        |     |     |    |          |
|           | 15:30 - 16:30 | 1.00  | CIRC | a        | CLEAN  | BREAK CIRC AND UNLOAD WELL                                                                            |     |     |    |          |
|           | 16:30 - 17:00 | 0.50  | COUT | a        | CLEAN  | C/O TO CR AT 3150'                                                                                    |     |     |    |          |
|           | 17:00 - 06:00 | 13.00 | BLOW | a        | CLEAN  | TWO TO TESTERS TO BLOW/FLOW TO PIT TO CLEAN UP TIME                                                   |     |     |    |          |
|           |               |       |      |          |        | 1700                                                                                                  | 1-1 | 340 | 6  | 8 1/2 HS |
|           |               |       |      |          |        | 1900                                                                                                  | 1-1 | 340 | 6  | 8 1/2 HS |
|           |               |       |      |          |        | 2100                                                                                                  | 1-1 | 340 | 6  | 8 MS     |
|           |               |       |      |          |        | 2300                                                                                                  | 1-1 | 340 | 6  | 8 MS     |
|           |               |       |      |          |        | 0100                                                                                                  | 1-1 | 340 | 6  | 7 1/2 LS |
|           |               |       |      |          |        | 0200                                                                                                  | 1-1 | 340 | 0  | 7 TS     |
|           |               |       |      |          |        | 0400                                                                                                  | 1-1 | 240 | 0  | 1.7 NS   |
|           |               |       |      |          |        | STOP COMP TAKE PITOT 58 OZ ON 2" - 1.191 MMCF                                                         |     |     |    |          |
|           |               |       |      |          |        | NATURAL FLOW MAKING 2.8 BPH WATER TRACE SAND                                                          |     |     |    |          |
|           |               |       |      |          |        | START COMP AND CONTINUE BLOW W/1-1 COM 6 BPH MIST                                                     |     |     |    |          |
| 1/19/2002 | 06:00 - 07:00 | 1.00  | MIMO | a        | PREWRK | CREW TRAVEL                                                                                           |     |     |    |          |
|           | 07:00 - 07:30 | 0.50  | SAFE | a        | PREWRK | START RIG, CHANGE CLOTHES, PAPERWORK, SAFETY MEETING-HAZZARDS OF BEING ON WORK FLOOR WHILE DRILLING   |     |     |    |          |
|           | 07:30 - 10:30 | 3.00  | MILL | a        | OBJECT | M/O 5 1/2" ARROW C/R, SA 3150' W/ 1175 CFM AIR AND 12BPH MIST                                         |     |     |    |          |
|           | 10:30 - 15:30 | 5.00  | MILL | a        | OBJECT | M/O 75' OF CEMENT W/BOTTOM OF C/R ON TOP( SPINNING)                                                   |     |     |    |          |
|           | 15:30 - 16:00 | 0.50  | RURD | a        | OBJECT | R/D SWIVEL                                                                                            |     |     |    |          |
|           | 16:00 - 16:30 | 0.50  | SHDN | a        | OBJECT | START TIH -WIND BLOWING TOO HARD- OPERATOR DIDN'T FEEL SAFE- SDF/WIND                                 |     |     |    |          |
|           | 16:30 - 17:00 | 0.50  | BLOW | a        | CLEAN  | R/U TO CIRCULATE, TWO TO TESTERS TO B/FLOW                                                            |     |     |    |          |

## Operations Summary Report

Legal Well Name: CAIN #10E

Common Well Name: CAIN #10E

Event Name: CAP WORKOVER

Contractor Name: AZTEC WELL SERVICE

Rig Name: AZTEC

Start: 1/10/2002

Rig Release: 1/21/2002

Rig Number: 481

Spud Date:

End: 1/21/2002

Group:

| Date      | From - To     | Hours | Code | Sub Code | Phase  | Description of Operations                                                                                             |
|-----------|---------------|-------|------|----------|--------|-----------------------------------------------------------------------------------------------------------------------|
| 1/19/2002 | 16:30 - 17:00 | 0.50  | BLOW | a        | CLEAN  | STABILIZED PITOT THIS AM ON CHACRA FORMATION WAS 55 OZ ON 2"- 1.150 MMCF                                              |
| 1/20/2002 | 06:00 - 07:00 | 1.00  | MIMO | a        | PREWRK | CREW TRAVEL                                                                                                           |
|           | 07:00 - 07:30 | 0.50  | SAFE | a        | PREWRK | START RIG ,CANGE CLOTHES, PAPERWORK,SAFETY MEETING-WORKING W/NEW OPERATOR                                             |
|           | 07:30 - 08:00 | 0.50  | TRIP | a        | OBJECT | TIH /42 STANDS TO 6337'                                                                                               |
|           | 08:00 - 08:30 | 0.50  | RURD | a        | OBJECT | RU/SWIVEL                                                                                                             |
|           | 08:30 - 09:00 | 0.50  | CIRC | a        | OBJECT | BREAK CIRCULATION W/AIR AND UNLOAD WELL                                                                               |
|           | 09:00 - 11:00 | 2.00  | MILL | a        | OBJECT | MO/CIBP                                                                                                               |
|           | 11:00 - 06:00 | 19.00 | BLOW | a        | CLEAN  | TWO/TESTERS TO B/FLOW WELL TO CLEAN UP                                                                                |
|           |               |       |      |          |        | TIME PRESS COMP FL-IN RETURN SAND                                                                                     |
|           |               |       |      |          |        | 1200 625 2-1 5BPH 5 BPH MS RUN 4 BBLS                                                                                 |
|           |               |       |      |          |        | SWEEP- MEDIUM SAND                                                                                                    |
| 1/21/2002 |               |       |      |          |        | 1400 450 2-1 5 4 LS                                                                                                   |
|           |               |       |      |          |        | 1600 440 1-1 5 3.5 LS                                                                                                 |
|           |               |       |      |          |        | 1800 400 1-1 5 2.5 TS RUN 4 BBLS                                                                                      |
|           |               |       |      |          |        | SWEEP- LIGHT SAND                                                                                                     |
|           |               |       |      |          |        | 2000 275 1-1 0 2.0 TS                                                                                                 |
|           |               |       |      |          |        | 2200 260 1-1 0 1.8 TS                                                                                                 |
|           |               |       |      |          |        | 2400 260 1-1 0 1.6 TS RUN 4 BBLS                                                                                      |
|           |               |       |      |          |        | SWEEP -TR-SAND                                                                                                        |
|           |               |       |      |          |        | 0200 260 1-1 0 1.8 TS                                                                                                 |
|           |               |       |      |          |        | 0400 250 1-1 0 1.5 TS                                                                                                 |
| 1/21/2002 | 06:00 - 06:00 | 24.00 | BLOW | a        | CLEAN  | 0600 250 1-1 0 1.4 TS RUN 4BBLs                                                                                       |
|           |               |       |      |          |        | SWEEP-TR-SAND                                                                                                         |
|           |               |       |      |          |        | B/FWB                                                                                                                 |
|           |               |       |      |          |        | TIME PRESS BBLS IN COMP RECOV SAND                                                                                    |
|           |               |       |      |          |        | 0600 250 0 1-1 1.4 TS                                                                                                 |
|           |               |       |      |          |        | 0800 260 0 1-1 2.0 TS                                                                                                 |
|           |               |       |      |          |        | 1000 250 0 1-1 1.7 TS                                                                                                 |
|           |               |       |      |          |        | 1200 250 0 1-1 1.5 TS                                                                                                 |
|           |               |       |      |          |        | 1400 240 0 1-1 1.4 TS                                                                                                 |
|           |               |       |      |          |        | 1600 240 0 1-1 1.3 NS 4 BBL SWEEP,1 CUP                                                                               |
| 1/22/2002 |               |       |      |          |        | SAND                                                                                                                  |
|           |               |       |      |          |        | 1800 250 0 1-1 1.4 NS                                                                                                 |
|           |               |       |      |          |        | 2000 240 0 1-1 1.2 NS 4 BBL SWEEP, 1                                                                                  |
|           |               |       |      |          |        | CUP SAND                                                                                                              |
|           |               |       |      |          |        | 2200 240 0 1-1 1.3 NS                                                                                                 |
|           |               |       |      |          |        | 2400 240 0 1-1 1.2 NS 4 BBL SW, 1/2 CUP                                                                               |
|           |               |       |      |          |        | SAND                                                                                                                  |
|           |               |       |      |          |        | 00200 240 0 1-1 1.3 NS                                                                                                |
|           |               |       |      |          |        | 0400 250 0 1-1 1.4 NS 4 BBL SW, 1/2 CUP                                                                               |
|           |               |       |      |          |        | SAND                                                                                                                  |
| 1/22/2002 | 06:00 - 07:00 | 1.00  | MIMO | a        | PREWRK | ROAD CREW T/LOC                                                                                                       |
|           | 07:00 - 07:30 | 0.50  | SAFE | a        | OBJECT | START & WARM UP RIG, SAFETY MEETING: TRIPPING PIPE SAFELY                                                             |
|           | 07:30 - 08:00 | 0.50  | TRIP | a        | OBJECT | TIH W/NO FILL ON BTM @ 6627' (PBDT)                                                                                   |
|           | 08:00 - 09:00 | 1.00  | BLOW | a        | OBJECT | BLOW WELL W/1500 CFM AIR & DRY UP WELL                                                                                |
|           | 09:00 - 12:00 | 3.00  | TRIP | a        | OBJECT | TOH, L/D 6-3.5" DC'S & 4.75" MILL                                                                                     |
|           | 12:00 - 16:00 | 4.00  | TRIP | a        | OBJECT | P/U & RIH W/2.375" EXP CK, 2.375" X 1.780" ID SEATING NIPPLE, 1-JT 2.375" TBG, 2.375" X 2.00' PUP JT & BROACH IN HOLE |
| 1/22/2002 |               |       |      |          |        | W/209-JTS 2.375"-4.7#-J55-8RD EUE PROD TBG W/NO FILL ON BTM                                                           |
|           | 16:00 - 17:00 | 1.00  | TRIP | a        | OBJECT | P/U & LAND 2.375" TBG @ 6486.32', TOP OF 2.375" X 1.7780" ID                                                          |

## Operations Summary Report

Legal Well Name: CAIN #10E  
 Common Well Name: CAIN #10E  
 Event Name: CAP WORKOVER  
 Contractor Name: AZTEC WELL SERVICE  
 Rig Name: AZTEC

Start: 1/10/2002  
 Rig Release: 1/21/2002  
 Rig Number: 481

Spud Date: 1/21/2002  
 End: 1/21/2002  
 Group:

| Date      | From - To     | Hours | Code | Sub Code | Phase  | Description of Operations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------|---------------|-------|------|----------|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1/22/2002 | 16:00 - 17:00 | 1.00  | TRIP | a        | OBJECT | SEATING NIPPLE @ 6484.67', TOP OF 2.375" X 2.00' PUP JT @ 6451.67'                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|           | 17:00 - 18:00 | 1.00  | NUND | a        | OBJECT | N/D BOP STACK, DIVERTER SPOOL & BLOOIE LINE, N/U SINGLE X-TREE, PMP 5 BBLS 2% KCL WTR & PMP OUT EXP CK W/1500 PSI AIR T/800 PSI & PRESS DROPPED T/325 PSI, BLOW WELL DRY & FLOW WELL T/PIT T/EVACUATE AIR OUT OF WELLBORE                                                                                                                                                                                                                                                                                                                                                                                                 |
|           | 18:00 - 19:00 | 1.00  | RURD | a        | OBJECT | RIG DN, REL RIG @ 19:00 HRS 1/21/2002<br><br>TOTAL 2.375" TBG ON LOC: 396-JTS<br>TOTAL 2.375" TBG RUN IN WELL: 210-JTS<br>TOTAL 2.375" BAD JTS TBG SENT T/MOI YARD: 3-JTS<br>TOTAL 2.375" WORKSTRING TBG TRANSFERED T/HUERFANO #258 S: 180-JTS VIA DAWN TRUCKING<br><br>WELL SUMMARY:<br>SQUEEZE 5.5" CSG, N2 FRAC CHACRA INTERVAL, FLOW BACK, CLEAN UP AFTER FRAC, DRL OUT CMT RETAINER, C/O T/BTM, PITOT TST: 3.0 PSI-1065 MCFD, COMPLETED WELL UNDER AFE'D COST, NO ACCIDENTS.<br><br>MCNEAL<br><br>FINAL PITOT TST UP ANNULUS: 3.0 PSI-1065 MCFD, UP 2.375" TBG: TSTM<br><br>P/U TRASH ON LOC & LOC ROAD, FENCED PITS |