DAILY WORKOVER REPORT

MIRU pulling unit. Pump KCL down 5 1/2" csg, csg wouldn't load. Had blow on

Threshold Development Company Conoco 10 State #1 Eddy County, NM

2/16/99

PBTD: 11,673' Objective: Open Morrow Pay

8 5/8" – 5 1/2 annulus while pumping (csg leak). Kill well. ND wellhead, NU BOP's. Work pkr loose, POOH w/25 jts 2 3/8" tbg. SDFN Fininsh POOH w/ tbg & pkr assembly, total of 353 jts 2 3/8" N80, a lot of tbg collars highly 2/17/99 corroded. PU Halliburton PLS pkr w/ ON-OFF tool & profile nipple & start RIH w/ tbg & pkr assembly, changing out collars & testing tbg to 7000#. SDFN 2/18/99 Continue to RIH w/tbg & pkr assembly testing to 7000#. Pkr hung up/tagged up @ 11,333'. Pulled pkr loose. Tag obstruction 3 more times, try to work thru. PUH 2 jts. SDFN Will run log thru tbg tommorrow a.m. 2/19/99 RU Halliburton log truck, RIH w/ 1 11/16" GR/CCL, tag PBTD @ 11,340'., POOH w/WL, RD Halliburton. POOH w/tbg & Pkr assembly. PU 4 3/4" bit, 6 DC & RIH w/tbg & drlg assembly. RU reverse unit, tag fill @ 11,331. Drill out frac sand from 11,331 to 11,599. Circ hole clean, PUH to above Atoka perfs. SDFN. 2/20/99 RIH to PBTD to 11,599', no fill. Circ hole clean w/ 2% KCl. POOH w/ tbg & drlg assembly. LD drlg assembly. PU pkr & On-Off tool & RIH to 11,347'. Set pkr. Press up on tbg to 4000# to test pkr. Held o.k. for 20 mins. Bleed off press. Off pkr @ On-Off tool, circ hole w/ pkr fluid, back on pkr & retest pkr to 4000# for 30 mins. O.K. SWIFN 2/21/99 ND BOP's, NU wellhead, test wellhead to 5000# O. K. RU swab, swb tbg down to 6700', approx 5000' water cusion. RU Halliburton WL, run correlation log. RIH w/ 1 11/16" tbg gun & perf Morrow A Sand 11,420-36', 11,440-98' & 11,454-56' w/ 4 JSPF. Tbg press 500# in 30 min. POOH w/ WL, RD WL Co. Tbg press 2100# 1 hr after shooting. Open well on 24/64" ck, unloading load water & gas. In 1 hr FTP = 1800# on 22/64" ck. Est rate 5.2 MMCFPD. Flow well on various ck sizes overnight, SWI @ 5:20 am due to frozen flare line. Final flow rate before SI - FTP 1800# on 17/64" ck making 3.1 MMCFPD 2/22/99 Well SI, SITP = 3050#. Install safety valves on wellhead, hook up well to sales line. Start selling gas @ 2:30 pm. 2/23/99 Well made 982 MCF + 38 BW in 16 1/2 hrs. 24 hr rate = 1482 MCFDP + 55 BW, on 14/64" ck w/1250# FTP. 2/24/99 Well made 1319 MCF + 56 BW + 12 BC in 24 hrs on 15/64" ck W/1000# FTP 2/25/99 Well made 1271 MCF + 52 BW + 9 BC in 24 hrs, on 15/64" ck w/900# FTP 2/26/99 Well made 941 MCF + 47 BW + 5 BC on 15/64" ck w/750# FTP Well made 975 MCF + 45 BW + 6 BC on 15/64" ck w/700# FTP 2/27/99 Well made 838 MCF + 44 BW + 5 BC on 15/64" ck w/600# FTP 2/28/99 Well made 749 MCF + 40 BW + 6 BC on 15/64" ck w/600# FTP 3/1/99 Well made 770 MCF + 57 BW + 2 BO on 15/64" ck w/500# FTP 3/2/99 Well made 616 MCF + 45 BW + 5 BO on 15/64" ck w/450# FTP 3/3/99 3/4/99 Well made 561 MCF + 52BW + 2 BO on 15/64" ck w/450# FTP. 3/5/99 Well made 524 MCF + 51 BW + 3 BO on 15/64" ck w/450# FTP. Well made 508 MCF + 42 BW + 13 BO on 16/64" ck w/400#FTP. 3/6/99 Well made 493 MCF + 52 BW + 1 BO on 15/64" ck w/400# FTP. 3/7/99 3/8/99 Well made 403 MCF + 51 BW + 3 BO on 15/64" ck w/375# FTP.

Final Report

DISTRIBUTION LIST: via facsimile

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