

THRESHOLD DEVELOPMENT COMPANY  
Conoco 10 State #1  
Section 10-T19S-R29E  
Eddy County, New Mexico

SUNDRY NOTICE CONTINUED:

4-19-2001 - RIH with packer and tubing and set packer at 10740'. Pumped into Atoka perforations 10766-10790'. Broke down at 3070#; 1 BPM at 3200#; 5 BPM at 3700#. POOH with packer. RIH with cement retainer to 2900' and left hanging. Shut well in for night.

4-20-2001 - Finished RIH with cement retainer to 10740' and left hanging. Shut well in for night.

4-21-2001 - Pulled cement retainer to 8000' and ran back in hole to 10740'. Waiting on cement equipment.

4-22-2001 - Waiting on cement equipment.

4-23-2001 - Set cement retainer at 10740'. Sting out of retainer. Spotted acid at bottom of tubing with 25 bbls fresh water pad. Sting into retainer and put acid away. Squeezed perforations 10776-10790' (Atoka) with 9 bbls cement in formation at 5000#. Sting out of retainer. Circulate cement out of tubing. POOH with tubing. RIH with bridge plug and packer. Set bridge plug at 3200' and tested to 1500 psi. Dropped 200# of sand on top of RBP. Pulled up and set packer at 2886'. Established rate of 3 BPM at 300#. Circulated until 8-5/8" cleaned up. POOH with packer. RIH with cement retainer and set retainer at 2886'. Mixed and pumped 250 sacks Class C Lite (12.7#). 8-5/8" is circulating but cement did not circulate to surface. Mixed and pumped 250 sacks Class C Neat (14.83#). Pressure went to 0# with approximately 100 sacks in. Slowed down pressure and rate--taking cement at 1-1/2 BPM on vacuum. Shut down for 30 minutes. Tried squeeze again -- 220# at 1/4 BPM. Shut down 1 hour -- 350# at 1/4 BPM. Pressure bled off to 100#. Shut down 1 hour. 450# at 1/4 BPM. Pressure holding with 3 bbls cement left in tubing. Sting out of retainer and leave 1 barrel of cement on retainer. Picked up 2 joints. Circulated cement out of tubing. Backside is holding - no vacuum, no blow. POOH with tubing. Shut well in. WOC.

4-24-2001 - Shut in - WOC.

4-25-2001 - Rigged up reverse unit. RIH with bit, drill collars and tubing. Tagged hard cement at 2874'. Drilled out cement and cement retainer. Had 6' of hard cement under retainer then cement was green. Drilled to 2919'. Shut down. WOC.

4-26-2001 - Shut in.

4-27-2001 - Drilled out cement and tested to 1000#. Circulated cement off bridge plug. POOH with bit, drill collars and tubing. RIH with retrieving tool and latched onto RBP and POOH. RIH with bit, drill collars and 2-7/8" tubing and tagged cement. Shut down for night.

4-28-2001 - Drilled out cement retainer at 10723' and cement from Atoka perforations 10766-10790'. Circulated sand off blanking plug in profile nipple at 11346'. Tagged up 34' high. Found cement on top of sand. Drilled out cement and circulated sand out. Plug is leaking. Circulated to 2' above plug. Pulled 12 stands. Shut down for night.

4-29-2001 - RIH with bit to 2' above plug. Circulated hole clean. Circulated sand down to top of plug. Rigged down reverse unit. POOH. Shut down for night.

4-30-2001 - TIH with on/off tool and 2-3/8" tubing. Stung on packer and off of packer. Picked up 2' and circulated 2% KCL with packer fluid. Circulated packed fluid. Displaced tubing with produced water. Stung back on packer. Set packer with 18 points compression and tested. Nippled down BOP and nipped up wellhead. Shut well in for night.

5-1-2001 - Hooked up wellhead and tubing. Swabbed well down to 8000'. Rigged up wireline. RIH with prong and equalized pressure. POOH with prong. RIH with fishing tool. Could not catch plug. RIH with bailer and tagged up at 11275'. Stroked bailer and it went on down. POOH with bailer - bailer was full of rubber, sand and cement. Shut well in. Rigged down pulling unit.

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