DMC-\$0	TMC-\$0.
DWC-\$0	CWC\$-315,015.

Page Seven Drilling and Operation Summary Sheep Draw Federal #28-2

- Day 39; Set & tested anchors, hauled in tbg & rods. (Note: Added \$11,500.00 to CWC for 04-09-96 actual Drilling Rig Costs). Waiting on completion. TMC-\$0. DMC-\$0 CWC\$-327,515. DWC-\$12,500. 04-10-96 thru Waiting on completion. 04-15-96 TMC-\$0. DMC-\$0 CWC\$-315,015. DWC-\$0 Day 46; MIRU L & R Well Service Unit. NU BOP PU 4-3/4" OD bit & 4-3-1/2" OD drill collars 04-16-96 (120.23') & 98 jts 2-7/8" tbg. Tagged DV tool @ 3,321'. Drilled on DV tool for 1-1/4 hr, drilled through. RIH w/tbg to PBTD @ 4,915' cicr well clean test csg to 2,000 psi. POOH w/bit/collars & tbg. Shut well in. SDON. TMC-\$5,539. DMC-\$0 CWC\$-331,140. DWC-\$3,625. Day 47; RIH w/BHA, 5-1/2" OD csg scraper 5.52' & 98 jts 2-7/8" tbg to DV tool @ 3,321' & 04-17-96 made several runs through DV tool. TIH to PBTD @ 4,915' circ well w/2% KCL. RU Haliburton & pickled tbg w/100 gals 15% HCL acid. POOH to 4,332' & spotted 250 gals 7-1/2% acid over Delaware @ 4,316-4,326'. POOH w/tbg, scraper & BHA. RU Haliburton Services Log Truck and ran Gamma Ray-CBL from TD to surface. RIH w/4" csg gun & attempted to perforate Brushy Canyon Delaware @ 4,316-4,326', but gun did not fire. POOH w/perf. gun. Shut well in. SDON. Dixie Electric installed powerline & electrical service to well. M & M Excavation dug 1600' of ditch for flowline. TMC-\$5,539. DMC-\$0 CWC\$-353,963. DWC-\$22,823. Day 48; RIH w/5-1/2" Model "R" Packer, 2-1/4" SN & 127 jts 2-7/8" tbg to bottom @ 4173.90'. 04-18-96 Reversed acid into tbg & set packer @ 4180.40'. RU Haliburton Acid Truck, acidized Brushy Canyon Delaware perfs @ 4316-4326' w/2000 gals 7-1/2% FER CHK II Acid & 40 ball sealers. Balled out w/26 balls gone. Formation broke @ 2735 psi, avg. press - 1280 psi, avg. rate 4 BPM. ISIP- 990, 5 min - 918 psi; 10 min - 904 psi; 15 min - 893 psi; 20 min - 884 psi; 25 min - 876 psi;
 - 30 min 871 psi. RD Haliburton. RU to swab well, fluid @ surface 1st run, made 8 runs, last fluid level @ SN. 35 bbls load revcovered. Total load to recover 100 bbls.

DMC-\$0 TMC-\$5,539. DWC-\$22,823. CWC\$-353,963.

04-19-96 Day 49; Made 13 swab runs, fluid @ 1400' first run. Fluid @ SN on last run. 21 bbls fluid recovered. Shut down 6 hrs. Made 2 swab runs, fluid @ 3100' on first run. Scattered fluid @ SN on second run. 3 bbls recovered. Last run showed a 20% oil cut. Left well open to tank. 24 bbls fluid load recovered 04-18-96, 35 bbls fluid recovered 04-17-96. Total load to recover 41 bbls. DMC-\$0 TMC-\$5,539. DWC-\$3,250. CWC\$-362,913.