Norning Report

Background: The Dark Canyon is a severely depleted Morrow completion that was worked on by the previous operator and not returned to production. During the previous operations a significant amount of workover fluids and hold-up fluids were left in the reservoir. Because of the uncertain amount of fluid left in the well, swabbing was not able to re-establish continuous flow. However, during recent swabbing, sufficient casing pressure was established to suggest that gas production could be re-established.

The objective of this workover is to recover the fluids lost in the well by installing artificial lift. Although the sand does not appear to be damaged, clean-up on the well is expected to be slow.

- 3/29 MIRU. Lucky Services Inc. Nippled Down Tree, Nippled up BOP.
- Fri. Tried to release packer, worked it for 1.5 hrs but packer would not release. Closed well, SIFN.
- 3/30 Worked on releasing packer with Rico Packer service man. Sat. Released packer. Lwr down 38' and tagged btm. Ordered bailer to clean out well as contingency. Tallied out of the hole with packer. Tubing tally showed TD @ 10,340'. Bailer was not run. RIH w/ tubing as follows (Top to Bottom):
 - 308 2-7/8 tubing
 - 1 TAC
 - 20 2-7/8 tubing
 - 1 SN
 - 1 perf sub
 - 1 2-7/8" mud anchor

Set TAC w/25,000# ten. Flanged up wellhead. SIFN.

3/31 Opened well. Ran in hole with pump as follows:

Sun.

152 7/8" rods
234 3/4" rods
20 7/8" rods
1 1.25"x20' RHBC pump
1 12 ft gas anchor

for a total of 406 rods in hole. Seated pump, Spaced out Loaded tubing w/45bbls 2 % KCL. Stroked pump w/rig. Pressured up

Mineral Technologies, Inc. Engineering consultants Operator September 8, 1999