Teledyne /20/ Gas Com Well No. 1 Letter C, Section 20, T-23-S, R-29-E Eddy Co., New Mexico

Subsequent Report of Operations, 7/29/98 – 8/15/98:

MI x RU pulling unit. Kill well. ND X-mas tree & NU BOPE. Unseat packer x POH with tbg. x pkr. Run gauge ring x junk basket and stop at 11,653'. POH with gauge ring x junk basket. RIH with open-ended tubing to 12,874'. Pull to 12,850' x spot 105 sx. balanced cement plug from 12,850' – 11,600'. Pull tbg. above cement plug x reverse circulate tbg. clean. WOC. RIH with tbg. x tag top of cement at 11,896'. POH with tbg. RIH with 5" CIBP x set at 11,300'. Cap CIBP with 35' cement with dump bailer. RU wireline and attempt to run CBL log but could not get inside 5" liner. POH with wireline. RIH with 4-1/8" bit x tubing and TIH to top of cement on CIBP. POH with tbg. x bit. RU wireline unit x run CBL correlation log. RIH with combination 2-7/8" & 2-3/8" tubing x 7-5/8" packer, and set pkr. at 9838' with 2-3/8" tbg. tail at 10,953'. ND BOPE x NU X-mas tree. RU wireline unit x perf 11,028' - 11,040' with thru-tubing Enerjet gun, 2 JSPF. Attempt to acidize formation with 2000 gal. 20% HCL, however could not bullhead into formation. Attempted to swab acid out of wellbore and lost sinker bar & swab mandrel in hole. ND X-mas tree x NU BOPE. Unseat packer, reverse circulate well, x POH with tbg. and pkr. RIH with tbg. x pkr. and spot acid across perfs. ND BOPE x NU X-mas tree. Pump x acidize perfs with 2000 gal. 20% HCL. RD pulling unit x turn well over to production on a 10/64" choke. Clean up well and monitor test results.