PROCEDURE TO RECOMPLETE IN JELAWARE LOVING "36" STATE NO. 1 EDDY COUNTY, NEW MEXICO PAGE 2

5. RIH w/tubing and spot the following cement plugs* (all plugs are to be 50% above and below the specified depth):

25 sack plug in top of Strawn @ 11,172' 25 sack plug in liner top @ 10,242' 25 sack plug in top of Wolfcamp @ 9,213' 25 sack plug in top of 2nd Bone Spring sand @ 7,565'

*NOTE: This plugback procedure was confirmed 3/31/92 w/Darrell Moore w/OCD, Artesia, NM.

- 6. POH w/2-3/8" tubing, standing back approximately 7,000'.
- 7. Run free-point on 7" casing. Cut casing at freepoint, pull, and lay down.
- 8. RIH w/2-3/8" tubing and and spot the following plugs:

25 sack plug across 7" casing stub at cut-off point (WOC 6 hrs, then tag) 25 sack plug in top of Bone Springs @ 5,800' (if needed) Plug from 3,800'-4,000'.

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- 10. Pick up and RIH w/± 3,500' of 2-3/8" 4.7 lb./ft. J-55 EUE 8rd tubing open-ended. Hang off @ 3,500'.

11. ND BOP, install dual wellhead.

12. Open well to frac tank and flow test. Swab if necessary.

13. Return to sales.

14. After production has stabilized, run production log if desired.

Hal Crabb, III 6/2/92 M:\wpdocs\lovingde