TODD "2" STATE WELL NO. 1
EDDY COUNTY, NEW MEXICO

4. GIH w/2-7/8" tubing and 7-5/8" packer. Spot 415 gallons Acetic acid from 11,088' - 10,856'.

5. Circulate packer fluid. Set packer @ 10,800'. Swab fluid down to 6000'.

6. GIH w/1-9/16" gun and correlation tool. Perforate w/2 JSPF 11,028' - 11,033', 11,055', 57', 62', 64', 84', 85', 86'. Total 26 holes.

7. Flow/swab test well. Evaluate.

8. If necessary, acidize w/4000 gallons 15% acid. Maximum rate and pressure: 5 BPM, 6000 PSI.

9. Flow/swab test well. Evaluate.

10. If rate of 50 BOPD not established, perforate and treat according to Steps 11-14. If 11,028' - 11,086' zone produces excessive water, release packer, POH, set CIBP @ 11,000', cap w/35' cement, re-run packer and tubing, spot acid, circulate packer fluid and swab fluid level down.

11. GIH w/1-9/16" gun, perforate w/2 JSPI: 10,874', 76', 78', 85', 89', 92, 94', 97, 10,900', 02', 56', 57', 60', 62' AND 10,964'. (15 Intervals, 30 Holes).

12. Swab/flow test well.

13. Acidize w/5000 gallons 15% acid. If necessary, frac w/30,000 gallons gelled 2% KCL water and 57,600 Lbs. 20/40 mesh sand.

14. Swab/flow test well. Place on production.