DAILY OPERATING REPORT
PENROC "9" STATE NO. 1
LEA COUNTY, NEW MEXICO

February 18, 2000

AOL 7 a..m. Well on vac. RU Reeco swab unit. Fluid level 3100'. Made 15 swab runs to the pit. Swabbing 6-7 barrels of load water per run. By this fluid level 1000' above SN. SN at 8588'. Well gassing good. Oil cut about 10%. Plumbed to frac tank. Made four runs and swabbed 69 bbls. Well flowing some during swabs. SD swabbing at 5 p.m. RU to flow line and to the battery. Left well flowing ARO 200 mcfd at 180# on 14/64" choke. No liquids. From 5 until 6 p.m. press had dropped to 150#. MYM headed back to Hobbs. Will check a.m. and swab again if necessary. Total load left to recover: Est: 650 bbls. EDC: $1500 ECC: $345,500

February 19, 2000

AOL. Well dead. Did not make any liquids during the night. Sold 40 mcf. Started swabbing. FL: 3600'. Swabbed from 8 a.m. until 4:30 p.m. Left well flowing to the battery. 57 BO, 82 mcf, 51 BLW. 599 BLW to recover. Apparently well did not flow very long after MYM left at 8 p.m. EDC: $1200 ECC:$346,700

February 20, 2000 (Work done this day)

AOL at 6:30 a.m. Well dead. Called for swab crew. Crew arrived on location 9:30 a.m. Starting FL: 4500' (Had swabbed down to SN last night and started to flow). Made three runs. Well flowing part of the time. Oil cut varying between 10-70%. Swabbed 57 BO and water to the frac in two hours. Third hour swabbed and flowed 17 bo and water. Left well flowing for 45 minutes. Almost died going to battery. Opened wide to the frac tank. Started to flow at 80# and gradually died. Made swab run to SN. Had 3000' of scattered fluid. Shut well in for 20 minutes. TP 220#. Opened well to the battery on 14/64" choke. Gas flowing thru sales ARO 120 mcfd. Will check in the a.m.
EDC: $1500 ECC: $348,200

February 21, 2000
AOL 7 a..m. well flowing on 11/64" choke, FTP 160-240#. Produced 42 BO, 0 BW overnigt. 24 hrs: 126 BO, 18 BLW, 42 MCF. Swab crew late by three hours. RD swab unit. Put well head fence. Released frac tank. EDC: $1200 ECC:$349,400

February 22, 2000
24 hrs: 66 BO, 124 MCF, 0 BW, FTP: 200# on 11/64" choke.

February 23, 2000
24 hrs. Flowed 73 BO, 2 BLW, 125 MCF. FTP 160# on 14/64" choke. **FINAL REPORT**