<u>ZINK STATE #1</u>-Northeast North Gladiola Lea County, New Mexico

- Activities on 7/31/79, reported at 9:00 AM CST on 8/1/79. Finished 8/1/79 pulling out of hole with packer and found collapsed joint of tubing. Picked up Halliburton retainer and set at 11,520', mixed and pumped 75 sx. class H with 0.5% "CFR2" and 0.8% Halide "22" per sack. Pumped 13.5 bbl. slurry into formation and pressure held at 3200 PSI. Reversed our 1 bbl. cement from tubing and started laying down 2-7/8" work tubing. Will finish laying down tubing, bolt tree back on to casing head and will release workover rig late in the afternoon of 8/1/79. Dean Wolf will supervise cleaning up and securing location and will return to Midland. Operator elected to squeeze Morrow perforations (squeezing was previously approved by the Hobbs, New Mexico Oil and Gas Division Office) in lieu of the setting of cast iron bridge plug and placing cement on top of such cast iron bridge plug. The additional cost difference for squeezing Morrow over setting bridge plug and cementing was approximately \$1,000.00 to \$1,200.00. This election was made for reasons of the possibility of further evaluating the underlying Mississippian by those W.I. owners who may possibly elect to further evaluate the Mississippian zone of interest. Dean Wolf was instructed to investigate the most advantageous means of salvaging casing and equipment from this test well. Costs for day of 7/31/79 \$6,287.00, cumulative costs through 7/31/79 \$68,742.00.
- 8/2/79 Activities on 8/1/79, reported at 9:45 AM CST on 8/2/79. Finished laying down tubing and rigged down blowout preventer. Put on well head and bolted to casing head. Rigged down unit. Loaded and hauled off water tank, tubing, blowout preventor and pipe racks. Some road damage was caused by move out due to heavy rains at location. Costs for day of 8/1/79 \$1,735.00, cumulative costs through 8/1/79 \$70,477.00.
- 8/21/79 Activities on 8/20/79, reported at 8:00 A.M. on 8/21/79. Set 500 barrel frac fluid tank for purposes of contemplated acid treatment possibly to be followed by frac treatment of Basal Mississippian Chert section through perforations 12,059' to 12,119'. This zone was previously acidized limitedly and swabbed 15 bbls. of 43° oil and 40 bbls. of load water. Above said task setting work was conducted by T & C Tank Rental and Anchor Service Corporation of Denver City, Texas, under the supervision of M. S. Graham of San Antonio, Texas.