I. W. Lovelady State No. 1 Well Lea County, New Mexico Page 3

2/22/75 PBTD 10,485'. Waiting on pulling unit.

2/23/75 Waiting on pulling unit.

2/24/75 Waiting on pulling unit.

2/25/75 Waiting on pulling unit.

2/26/75 Waiting on pulling unit.

2/27/75 Waiting on pulling unit.

2/28/75 Waiting on pulling unit.

3/1/75 Location graded. Waiting on pulling unit.

3/2/75 Waiting on pulling unit.

3/3/75 MI&RU pulling unit. Prep to RIH w/2-3/8" tubing.

3/4/75 MI&RU pulling unit. Installed BOP. RIH w/3-3/4" cone bit, bit sub, 33 joints 2-3/8", N-80 tubing (1030'). 289 joints 2-3/8", J-55. Shut down @ 6:30 P.M.

3/5/75 RIH w/2-3/8" tubing. Tagged cement @ 10,520'. Drilled cement & plug to 10,528', circulated hole clean. POOH w/bit, bit sub and 2-3/8" tubing. Rigged up Welex - ran 500' of Gamma Ray Correlation log from 10,520 to 10,000'. Log checks O.K. RIH w/3-1/8" casing gun. PERFORATED w/2 shots per foot @ 10,448', 10,450', 10,452', 10,454', 10,456', 10,458' and 10,460'. Completed @ 6:00 P.M. RIH w/2"x5" RTTS packer, seating nipple & 2-3/8" tubing. Ran to approximately 1400'. Shut well in for night. Prep to swab.

3/6/75 PBTD 10,520'. SITP 0 psi, SICP 0 psi. Unseated RTTS. RIH to 5300' w/packer. Found tight spot @ 5323'. POOH w/tubing & packer. RIH w/4-1/8" OD Cutright to mill. Milled out tight spot 5323' to 5325'. RIH to 10,520' w/mill. No more tight spot. POOH w/tapered mill. RIH w/RTTS packer. Went to 5323'. Packer would not pass. Prep to run mill and get another packer. Packer caliper 4-1/8" OD - should be 4" OD.

3/7/75 PBTD 10,520'. 7:00 A.M. TP 0#, CP 0#. POOH w/tubing and packer. Ran 4-1/4" mill to 1300'. After milling through tight spots from 0'-1300', ran 3-7/8" OD packer to accommodate 5", 18# casing. RIH w/3-7/8" packer to 10,460'. SPOTTED ACID across perfs. Set packer @ 10,409'. Treated casing PERFS 10,448-10,460' w/3000 gallons MON-202 Acid and 13 - 7/8" ball sealers. Maximum injection pressure 4800#. Min. 3600# - Averaged 4400#. Maximum injection rate 2-1/2 BPM. Minimum 1 BPM. Ball action was apparent. ISIP 1000#, 5 min. on vacuum. Total acid to recover 71 barrels. Total fluid to recover 153 barrels. SION.

3/8/75 PBTD 10,520'. TP 0#, CP 0#. RU swab line, RIH w/same, fluid level @ 1500' from surface, swabbed 41 barrels flush & 56 barrels acid water, swabbing from 4000'. Fluid level @ 2500'. 56 barrels load water to recover. Shut in overnight.

2000

3/9/75 No report.