Pearson SWD #1 11/9/2015

1980' FNL & 660' FEL Sec 33, T21S, R33E

Lea County, New Mexico

API: 30-025-24438

GL: 3647.1'

Convert P&A Wellbore to Commercial Disposal Drill out plugs, Set new casing, Cement new casing

Well Data

Tubing: Reports show tubing was pulled

Casing: 13-3/8" 64# K-55 0'-390"

9-5/8" 36.75#,40#, 43.5# 0'-5,035'

7-5/8" 33# 0'-11,098'

TD: 14.983' PBTD: CIBP @ 615'(75sx cement on top) @3,500' (50sx) @3,900'

(50sx)@ 5,100'(50sx) @8,550'(50sx) @9,578'(50sx) @13,500'(3sx)

Procedure

- 1. Comply with all company and governmental safety regulations.
- Dig csg and find abandoned well bore. 2.
- 3. Install all wellheads
- 4. RU pulling unit. R/U pump truck- Test all wellheads to 500 PSI, N/D wellhead N/U BOP.
- Pull tbg (If any). RIH with bit & collars 2-7/8" BC work string. Drill out plugs down to 5. 8,299'+-.
- 1st plug should be roughly @615' with cement up to 247' (Test Casing to 500psi for 30 6. minutes after each plug)
- 7.
- 2nd plug is @ 3500' with cement up to 3255'
 3rd plug is @ 3900' with cement up to approximately 3655' 8.
- 4th Plug is @ 5100' with cement to approximately 4732' 9.
- At the very last plug test casing to 500psi, have it charted for 30 mins and sent to BC 10. Operating, Inc. Pstevens@bcoperating.com
- TOH then lay down D.C.'s. & Bit 11.
- MIRU Wireline RIH w/ Gauge rig down and tag bottom around 8299' +-. 12.
- Wireline run CBL/CCL/Gamma ray log from 8299' to 3900' 13.
- MORD Wireline, MIRU Pulling unit. 14.
- Run new 5-1/2" J-55 15.5# Casing from 7200' to surface, cement in place. 15. Circulate Cement to surface. Cement job will be pumped as follows. 175 Sacks of class 'C' cement as a tail, 200 Sacks of Halliburton lite as the lead, MIRU **WIRELINE**
- 16. R/D wireline. Use pulling unit POH work string laying down on racks. N/D

Exhibit 25

- BOP, N/U wellhead. RDWOR 1st job is complete
- 17. Proposed avg daily rate of 4500 BBL/D and a maximum of 7500 BBL/D Based off of Erosional Velocity of Steel.
- 18. Any systems used will be Closed Loop
- 19. Proposed avg daily pressure is not available (but a Step rate test will be ran to determine what the avg should be.) The maximum injection pressure will be 1158 Psi. The step rate test will be ran as shown at the end of the next future job

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Future Job once this process is complete.	

Procedure

- 1. Comply with all company and governmental safety regulations.
- 2. MIRU pulling unit and pump truck. ND Wellhead, NU BOP.
- 3. Pressure up on 5-1/2" casing to 500 psig with pump truck for 30 min and run chart.
- 4. TOOH with Tubing if there is any (Last report shows tubing was pulled)

Perforate Cherry Canyon:

5. Rig up wireline lubricator. Perforate Cherry Canyon (**Correlate to log dated 02-23-2003**) using 3-1/8" HP slick guns with 60 degree phasing & Titan 23 gram charges 4 spf. Perf Sheet attached and helow

	Pearson SWD			A Paris and the state of the st
	3-1/8" HP Slick guns	w/ 60 degree phasing) & Titan 23 gram Charg	ges (<i>EH-0.43, Pen-</i> 37)
	Stage #1		Cherry Canyon	
	Top Perf	Bottom Perf	SPF	# of Holes
1	6,950	6,970	4	80
2	6,615	6,635	4	80
3	6,515	6,535	4	80
4	6,050	6,070	4	80
5	5,865	5,885	4	80
6	5,790	5,810	4	80
	Plug	None	Net H	160
	#Prop/Gross H		Total Holes	480
	Total Prop	1	Gross H	1,180
	Acid Program	Depths		
1st Job	6000 Gals	6515'-6970'		
2nd Job	6000 Gals	5790'-6070'		
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6. RDMO wireline.

Run Injection Equipment and Acidize Cherry Canyon:

- 8. TIH w/ RBP and packer on 2-7/8" Work string
- 9. MIRU acid trucks. Acidize the Cherry Canyon formation:
 - 1^{st} Job- from 6515' 6970' with an RBP at 7000' and PKR at 6490', acidize with 6000 Gals of 15% HCL at 3BPM with Rock Salt as Diverter, Over flush with 100 bbl of fresh water.
 - 2^{nd} Job- from 5790' 6070' with an RBP at 6100' and PKR at 5750', acidize with 6000 Gals of 15% HCL at 3BPM with Rock Salt as Diverter, Over flush with 100 bbl of fresh water (2,000 psi max treating pressure).
- 10. TOH w/ RBP and Packer, laying down work string
- 11. TIH with 3-1/2" 9.3# J-55 EUE T&C W/SCC and BBE Fiberglass lined and 5-1/2" Arrowset Nickel Plated injection packer. Circulate corrosion inhibited packer fluid down annulus. Set packer at 5,740'.
- 12. Perform MIT/Step rate test.

Step rate test

- 13. Establish injection rate at 2 bpm with acid pump truck, document pressure when stable. Increase rate by 1 bpm and wait for pressure to stabilize, 3-5 minutes. Continue increasing by 1 bpm until reaching 2800 psi.
- 14. Increase rate by 0.5 bpm until reaching 3000 psi, document rate when pressure is stabilized for 3-5 minutes.
- 15. ND BOP and NU wellhead. RDMO pulling unit.
- 16. Lay injection lines.

Contacts

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Changes to original procedure:

- 1. Step 15 is now installation of the new 5-1/2" casing from 7,200 to surface. This should give adequate isolation of the Capitan reef that is located from 4,105 to 5,030.
- 2. Step 15 is also now changed to show the cement job that will go behind the 5-1/2" casing all the way to surface. The cement job will be 175 sacks of class 'C' cement tail and 200 sacks of Halliburton Lite lead.
- 3. Step 17 has a change from 20,000 BBL/D max to 7,500 BBL/D max due to the fact of this is the max to stay under the erosional velocity of steel inside a 3-1/2" Fiberglass lined tubing.
- 4. Step 3 of future job is changed to the new 5-1/2" casing
- 5. Step 11 of running the injection equipment shows the new dimensions of the tubing to be used. And also the new size of the Arrowset Nickel Plated injection packer. Also included is the new setting depth of 5,740' which is 50' above the top perf to leave room incase BC has to set the packer up to 10'-20' in the future