Coleman Oil & Gas, Inc.

<u>Proposed Completion Procedure</u> <u>SWD; Entrada</u>

Tuesday, January 22, 2008

Well:

Monument #1

Field:

Location:

1650' FNL & 990' FEL (SENE)

Elevation: 6776' RKB

Sec 17, T24N, R10W, NMPM

6764' GL

San Juan County, New Mexico

NINANINA AC

By:

Michael T. Hanson

Lease:

NMNM - 104606

Procedure:

(Note: This procedure will be adjusted on site based upon actual conditions)

MIRU Completion Rig

- 1. MIRU Completion Rig. Nipple up BOP Equipment and hold Safety Meeting.
- 2. Pressure Test Casing to 3000 psig.
- 3. RIH with 2 7/8" tubing and clean out to top of Stage Collar at ± 4060 Feet KB.
- 4. Drill out Stage Collar and TIH and clean out to PBTD.
- 5. POOH With Tubing.

Perforate Entrada

- 6. MIRU Wireline Truck. Run GR-CL-Correlation log from PBTD to <u>+</u> 1000 ft or above short joint.
- 7. Perforate Entrada with 4" HEG casing gun, 60 120 degree phasing.

7110' – 7285' ft

175 ft 2spf 350 holes

0.42" diameter

Completion Rig

8. RIH with 2 7/8" tubing and Swab Test Entrada Formation (Minimum of 100 barrels, sample and take to lab).

Acid Stimulation

9. Order in two frac tanks with 4" riser, working external gage. Fill tanks with ± 380 barrels of 2% KCL water. If needed heat water to 80 degrees.

- 10. Rig up Stimulation Equipment and Pressure Test and hold Safety Meeting. Spearhead 15% HCL ACID, 25-100 gallons per foot of perforations with ball sealers spaced evenly throughout acid. 15% HCl Acid with inhibitor and additives.
- 11. Record ISIP, 5 minute, 10 minute and 15 minute pressures.
- 12. Rig down Stimulation Equipment and release.
- 13. Flow/Swab back well.

NOTE: Maximum treating pressure 3000 psig.

Completion Rig

- 14. POOH lay down 2 7/8" work string.
- 15. IF needed re-perforate Entrada 4 SPF.

Install PVC Lined Tubing

- 15. RIH with PVC Lined 2 7/8" tubing and PVC Lined Packer. Set Packer @ ± 7020 Feet KB, (Packer must be less than 100 feet from top perforation).
- 16. Circulate packer fluid.
- 17. Seat packer and pressure test Tubing Casing annulus to 500 psig.
- 18. Rig down completion unit and rig up disposal equipment.

Disposal

- 19. Run Braden Head and Pressure Integrity Test with OCD and BLM Witness.
- 20. Put well on disposal with regulatory approvals.

NOTE: Interval may change depending on open hole logs.