

**Gandy Corporation  
Proposed SWD Well – Albacore 25 COM #1**

**Area of Review**

The wellbore conditions of all five (5) wells inside the 0.5-mile radius review area are shown in the attached table. An extensive review of the wellbore mechanics of these wells that penetrate the proposed injection interval shows that they are completed and/or plugged to effectively contain the disposed fluid within the targeted zone and prevent fluid migration and/or injection into useable sources of water or freshwater strata. All active wells isolate any freshwater safely behind two strings of steel casing that were successfully cemented to surface. Furthermore, in each active well, the proposed SWD interval is protected by steel production casing and cement to cover the interval as verified by cement bond logs or the equivalent.

The lone plugged and abandoned well, located on the boundary of the area of review, was drilled and abandoned in 1954. While no production casing was run into the hole at 12615' TD the open hole section was isolated from the intermediate casing with cement across the shoe. The two re-entries were both plugged in a manner to maintain the integrity of the intermediate and surface casing that were initially protected with cement that was circulated to surface thereby protecting all useable sources of water or freshwater strata.

Certified:

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Terry M. Duffey  
Agent for Gandy Corporation

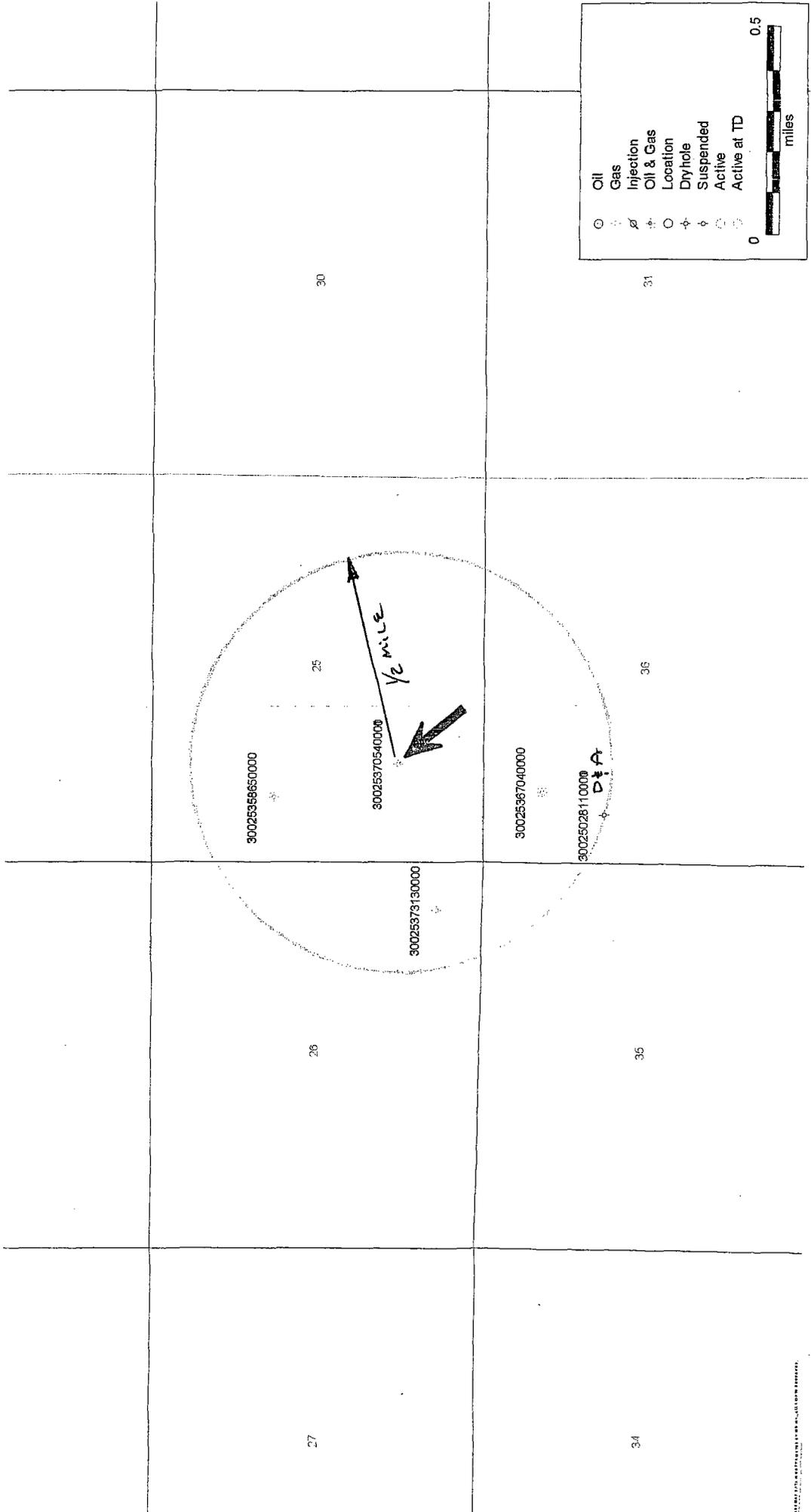
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# PI/Dwights PLUS on CD Map Report

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Gandy C...ation  
 Albacore 25 CUM #1  
 SWD Permit - Area of Review Wells

Lease	Well	Operator	API#	Location T-R-S	Completion Date	TD	Well Status	Perfs	Status Of Perfs	P&A Date	Surface Csg			Intermed Csg			Prod Csg						
											Size	Depth	Sacks/ TOC	Size	Depth	Sacks/ TOC	Size	Depth	Sacks/ TOC				
Foster-Stiele aka Gladson State	1	El Paso Natural Gas	025-02811	16s-35e-36	Sep-53	12615	D&A	4149-170	Tested wet	Jan-54	13.375	308	400	9.625	4958	3200	None-filled and abandoned						
					Aug-57	4250 PB	Re-entry	Open hole test	Unsuccessful	Aug-57													
					Oct-62	10746' PB	Re-entry			Mar-65													
P&A detail: No casing recovered Plugs in openhole 25 sx 12510'; Plugs across 9.625" csg shoe: 4900-5000'; surf:25 sx No casing recovered Sqzd perfs 4149-70' w/ 50 sx, 10 sx at surface After second re-entry where openhole straddle test above 10746' was a failure Set 25 sx plug in/out of casing seat at 4958', set 25 sx plug at 300', 15 sx surface plug																							
Double Hackle Drake 36 State	1	Arrington Oil & Gas	025-35645	16s-36e-36	Never drilled		Cancelled																
Blue Fin 25	1	V-F Petroleum	025-35885	16s-35e-25	May-02	13200	Act	12429-486	Active		13.375	495	600	9.625	4957	1870	5.500	13200	2560				
surf DV Tool 6808' Sig1: 1485 sx, circ 68 sx Sig2: 1075 sx, TOC CBL 3430'																							
Double Hackle Drake 36 State	1	Arrington Oil & Gas	025-36704	16s-35e-36	May-04	12586	Act	11894-916	Active		13.375	508	515	8.625	4929	1385	5.500	12553	480				
11664-670' Active Calle surf 8950 CBL																							
Skip-Jack 26	1	Chesapeake	025-37313	16s-35e-26	Sep-05	12250	Act	12094-114 11802-823	Isol w/ BP 12060' Active		13.375	400	350	8.625	4598	1210	5.500	12250	1220				
top w/ 10 bbl surf DV Tool Sig1: 565 sx, circ cmt to surf Sig 2: 635 sx, TOC CBL 4362'																							