

Gandy Corporation
Proposed SWD Well – Albacore 25 COM #1

Geological

The objective disposal zone is the Abo and Permo-Penn formations. These formations are very thick deposits that have sporadic porosity development. Lateral porosity continuity is also limited and leads to compartmentalization. Oil/Water contacts are typically not uniform. Both have proven to be good reservoirs for SWD.

Abo Reef

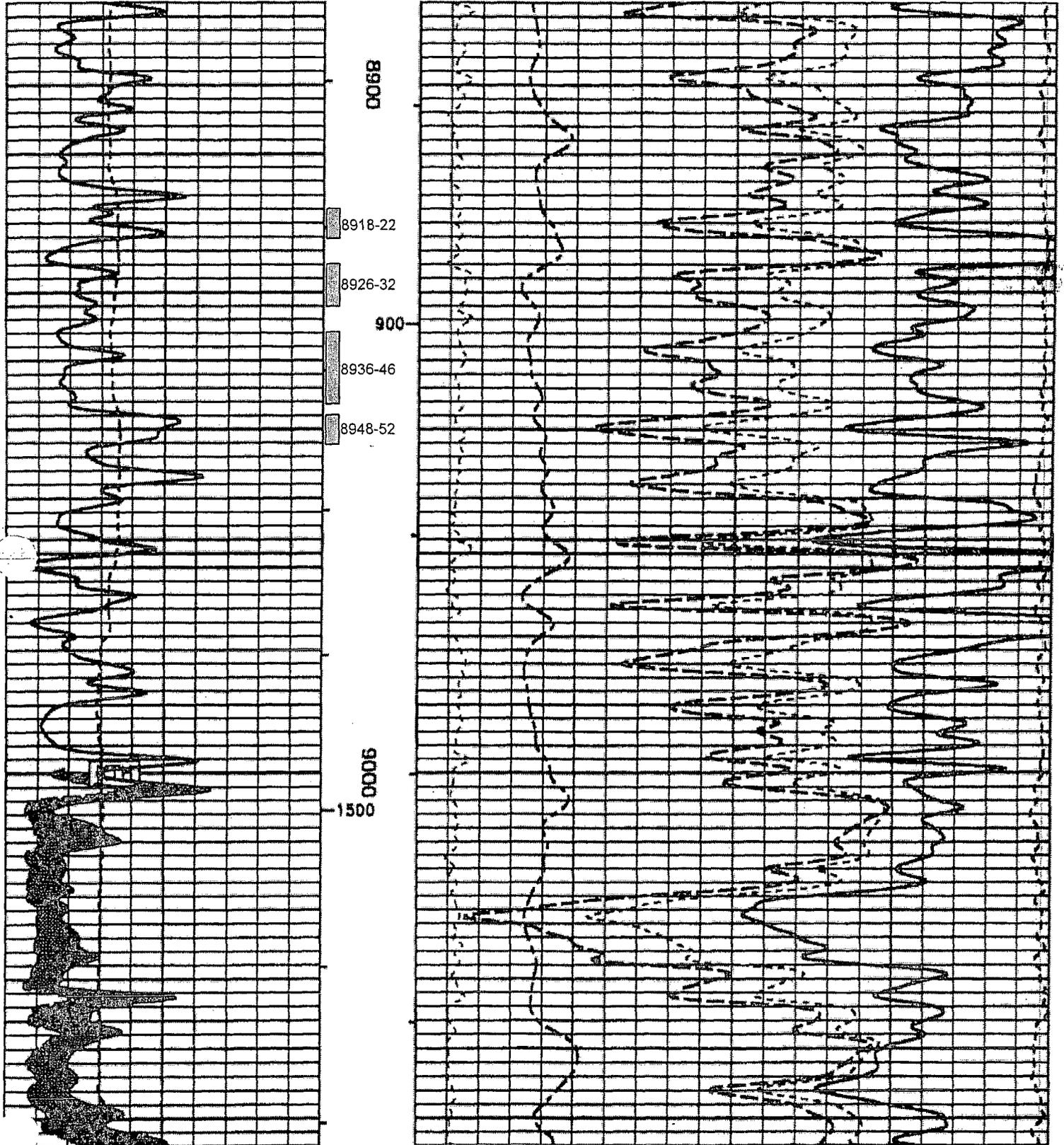
Although this zone can be a prolific oil producer the nearest significant Abo production lies 4-5 miles to the south of this proposed SWD well. There, hydrocarbons are trapped on structurally and stratigraphically combined features. The vicinity of the proposed SWD well lies considerably lower in the stratigraphic column relative to these fields to the south. The three-well Townsend Abo field in Section 26, about ½ to ¾ miles west, have been marginal Abo producers, having accumulated a combined oil volume of less than 41 MBO since 1973. The Albacore 25 COM #1 recently tested 100% water from Abo perms 8918-8952'. A subsequent injection test, that isolated the Abo zone from Wolfcamp perforations below, indicated good injectivity.

Permo-Penn

This interval encompasses the Wolfcamp and Pennsylvanian formations. These zones are prolific oil producers in the Townsend Field about 5 miles to the northwest of the Albacore 25 COM #1 location. Once again, as in the Abo formation, hydrocarbons are trapped on a structurally and stratigraphically combined features. There are smaller stratigraphically-controlled fields on the Shoe Bar field complex in the 1-mile radius surrounding the Albacore well. The eight-well Shoe Bar (Wolfcamp and Penn) field in Section 26, about ½ to ¾ miles west, has accumulated a combined oil volume of more than 1.3 million BO and 2.7 million BW since 1966. The Albacore well is 100-300 feet structurally low to these Shoe Bar producers. The Albacore 25 COM #1 recently tested 100% water from Permo-Penn perms 10506-542' and 10660-690'. A subsequent injection test indicated additional injectivity, over and above the Abo, when the Permo-Penn perms were also open to flow.



Albacore 25 COM #1 - Neutron/Density Porosity Log



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