This form is not to be used for reporting packer leakage tests in Southeast New Mexico

NEW MEXICO OIL CONSERVATION DIVISION

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NORTHWEST NEW MEXICO PACKER LEAKAGE TEST

Revised June 10, 2003

Operator	CTO Ener	gy Inc		_ Lease Na	ame <u>C</u>	ooper Gas	com No. 41E	
Location Of W	ell: Unit Letter _		5 Twp <u>29</u>	N Rge	IJ W	API#30-0_ 4	524162	
	Name of Reso	ervoir or Pool	Type of (Oil or		1	ethod of Prod. ow or Art. Lift)	Prod. Medium (Tbg. Or Csg.)	
Upper Completion	Chacro	\	GAS		F	low	Tba	
Lower Completion	DAKOT	a	GAS	GAS		'ow	Tha	
		Pı	re-Flow Shut-In I	ressure Da	ata		_	
Upper	Upper Hour, Date, Shut-In			Length of Time Shut-In		ress. Psig	Stabilized? (Yes or No)	
Completion Lower				139.5 hrs Length of Time Shut-In		<i>228</i> ress. Psig	Stabilized? (Yes or No)	
Completion	2:00 P/m	11-15-06	139.5			270°	Yes Yes	
			Flow Test	No. 1				
Commenced	at (hour, date)* 9	:30 m 11-	21-06 Zc	ne produci	ng (Upp	g (Upper or <u>Lower</u>): Dakota		
Time	Lapsed Time	Pre	essure	<u>ssure</u> Prod. 2		Remarks		
(Hour, Date)	Since*	Upper Compl.	Lower Compl.	Tem	ıp.			
11-22-06	26 hrs	235	210					
2:30 P/m		211	100					
11-23-06 4:30 P/m		245	100				·	
11-24-06		240	150			Compress	or Down.	
3:00 P/M 11-25-06	,	245	90		,	·		
2:00 P/m 11-26-06	ion thes	245	100			Compresso	r Down.	
2:00 P/m 15-27-06	-1.4	245	80			corp.esso		
Production rate				!				
Oil:	BOPD based o	n <u> </u>	ols. In	Hrs.		Grav.	GOR	
Gas: 210	MCFP	D; Test thru (Ori	fice or Meter):	Mete				
		M	lid-Test Shut-In I	ressure D	ata			
			Length of Time Shut-In			ess. Psig	Stabilized? (Yes or No)	
Lower Completion	Hour, Date, Shut	-ln	Length of Time	Shut-In	SI Pr	ess. Psig	Stabilized? (Yes or No)	
Completion	' '//		(Continue on re	verse side)	1		PCUN NOUSO(OF	

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Flow Test No. 2

			Flow Test I	NO. Z			
Commenced a	t (hour, date)**		Zo	one producing (Upper or Lower):			
Time	Lapsed Time	Pressure		Prod. Zone	Remarks		
(Hour, Date)	Since**	Upper Compl.	Lower Compl.	Temp.			
NA	•	Ì					
MAT			<u> </u>	ļ,			
				`			
			}				
Production rate	during test		1				
Oil:	BOPD base	d on 🕶	Bbls In -	- Hrs.	Grav. — GOR		
Gas:	— MCFP	D: Test thru (Ori	fice or Meter):		Grav GOR		
Remarks:		,					
* 1 .10	4 . 4 . 5 . 6						
I hereby certify	that the information NOV 3.0	tion herein contai	ned is true and con	-	of my knowledge.		
Approved	O G VUVI		20	Operator	XTA France Tag		
New Mexico O	il Conservation I	Division		operator	ATO Energy Fuc.		
	1		Ву	immy Costalez			
11./	. 11 00						
By _ /4 · V1	Manue	02		Operator X70 Energy Fac. By Costalez Title Production Foreman E-mail Address Costalez Crtoenergy con Date November 29, 2006			
Title	tity oil a gas in	Spector, dist. 🐠	E mail Address 1: 0				
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				Date 1/2	Jumper 29 2006		
		Northwes	st New Mexico Packer Lo	eakage Test Instruction	ons		

- 1. A packer leakage test shall be commenced on each multiply completed well within seven days after actual completion of the well, and annually thereafter as prescribed by the order authorizing the multiple completion. Such tests shall also be commenced on all multiple completions within seven days following recompletion and/or chemical or fracture treatment, and whenever remedial work has been done on a well during which the packer or the tubing have been disturbed. Tests shall also be taken at any time that communication is suspected or when requested by the Division.
- 2. At least 72 hours prior to the commencement of any packer leakage est, the operator shall notify the Division in writing of the exact time the est is to be commenced. Offset operators shall also be so notified.
- 3. The packer leakage test shall commence when both zones of the dual completion are shut-in for pressure stabilization. Both zones shall remain shut-in until the well-head pressure in each has stabilized, provided nowever, that they need not remain shut-in more than seven days.
- 34. For Flow Test No. 1, one zone of the dual completion shall be produced at the normal rate of production while the other zone remains shut-in. Such test shall be continued for seven days in case of a gas well and 24 hours in the case of an oil well. Note: if, on an initial packer eakage test, a gas well is being flowed to the atmosphere due to the lack of a pipeline connection the flow period shall be three hours.
- 1. Following completion of Flow Test No. 1, the well shall again be shut-in, in accordance with Paragraph 5 above.

- 6. Flow Test No. 2 shall be conducted even though no leak was indicated during Flow Test No. 1. Procedure for Flow Test No. 2 is to be the same as for Flow Test No. 1 except that the previously produced zone shall remain shut-in while the zone which was previously shut-in is produced.
- 7. Pressures for gas-zone tests must be measured on each zone with a deadweight pressure gauge at time intervals as follows: 3 hour tests: immediately prior to the beginning of each flow-period, at fifteen-minute intervals during the first hour thereof, and at hourly intervals thereafter, including one pressure measurement immediately prior to the beginning of each flow period, at least one time during each flow period (at approximately the midway point) and immediately prior to the conclusion of each flow period. Other pressures may be taken as desired, or may be requested on wells which have previously shown questionable test data.

24-hour oil zone tests: all pressures, throughout the entire test, shall be continuously measured and recorded with recording pressure gauges the accuracy of which must be checked at least twice, once at the beginning and once at the end of each test, with a deadweight pressure gauge. If a well is a gas-oil or an oil-gas dual completion, the recording gauge shall be required on the oil zone only, with deadweight pressures as required above being taken on the gas zone.

8. The results of the above-described tests shall be filed in triplicate within 15 days after completion of the test. Tests shall be filed with the Aziec District Office of the New Mexico Oil Conservation Division on Northwest New Mexico Packer Leakage Test Form Revised 11-16-98, with all deadweight pressures indicated thereon as well as the flowing temperatures (gas zones only) and gravity and GOR (oil zones only).