Chi Operating, Inc. ReCompletion Procedure

Delaware Brushy Canyon

Chi Operating, Inc. Golden Lane 16 State No. 1 Eddy County, New Mexico API #30-015-37793

FOOTAGE LOCATION: 1980' FSL & 660' FWL, Section 16 - 21S - 29E

ELEVATION: GL: 3375' KB: 3387'

LOCATED: Go East from Carlsbad 16 miles on Hwy 62/180. Turn South (right), .3

miles west of mile marker 52. Go approx. 4.7 miles following signs to

location.

SURFACE/MINERAL OWNER Surface: State of New Mexico

Mineral: State of New Mexico NMOCD – Artesia - 575-748-1283

FIELD NAME/RULES: Golden Lane Delaware, South

SUPERVISORY PERSONNEL:

 Office
 Home
 Mobile

 Sonny Mann
 432-634-7062

 Gary Womack
 432-685-5001
 432-634-8958

CURRENT WELLBORE:

KΒ

12'

Surf Csg:

@ 515' 13 3/8 54.5#, J-55

Intermediate

@ 3025'

8 5/8 32# K-55

Prod Csg.:

@ 7570°

5½ "-15.5 J55 & 17# - L80

Burst:80% / Collapse: 80% 4810:3848 / 040:3232

4.950"

Drift:

ΙĎ

4.825"

Capacity:

.0232 bbls/ft

Tbg Head:

Larkin 2 7/8" x 5 ½" -2M.

ID:

Drift: Burst: 80% / Collapse: 80%

Prod Tbg:

2 7/8"-6.5#-N-80 - 8rd.

2.441" 2.347"

1

Capacity:
Capacity annulus:

.0058 bbl/ft

.0152 bbl/ft

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MIRU unit, pipe racks & tally tubing. Clean pins & boxes. NUBOP (screw on -2000#.)

POOH w/ rods and pump . Circulate hole clean w/ treated KCL water (see below). POOH w/ tubing and TAC.

RIH with wireline set CIBP. Set at 7250' and dump 35' cement on top to abandon Bone Spring perfs. .

TIH w/4" gun w/packoff. Tie in & perforate 6712-6730 @ 2SPF-60 deg. PU J Lok Pkr, (2 3/8 x 5½"), SN, XO, & TIH. Set Pkr @ +6600' RU & swb test while monitoring annulus.

Acidize/Frac as warranted. (See below).

Note: If acid spot is necessary do not get over zealous when breaking down.

- a). Pmp 333 gals of 7.5% NeFe Acid (200 gals if had to spot)
- b). Pmp 250 gals of gelled Pad w/250 lbs of 20/40 mesh sand.
- c.). Drop 15, 1.1 sp.gr. ball sealers.
- d). Repeat, a, b, & c.
- e). Repeat, a & b.

Flush to top perf. w/2% KCL. Recover load & tst. Evaluate for further stimulation.

If frac is <u>WARRANTED</u> have frac design run using 15,000 gals of Medallion 3000, 24000 lbs 16/30 white, 10000 lbs 16/30 CRS @ 10 bpm via tbg @ ±1800 STP as follows: 5000 gals pad, 1000 gals w/1 ppg,1000 gals w/2 ppg, 3000 gals w/3 ppg, 3000 w/4 ppg, & 2000 gals w/5 ppg 16/30 CRS sand.

