

9/26/2001

KUKUI OPERATING COMPANY

SARGENT CANYON 31 FEDERAL #1 (NM - 105538)
SEC. 31 - T 19S - R21E , EDDY COUNTY, NM

COMPLETION PROCEDURES - ATOKA SANDS

- 1.) MIRU Key Energy rig (Artesia). Spot pipe racks.
Deliver 7,200' of 2 7/8", 6.5 lbs./ft, J-55, EUE tbg. (new) from Tarpon Pipe in Midland. Call Randy Crook @ 915 - 683 - 8777 for tubing.

Call ABB Vetco Gray (Marvin in Odessa 915-580-6602) for tubing head installation. Have tbg. head & 2 9/16" x 5M tree delivered at same time. ABB will make final csg. cut and head installation.

- 2.) Nipple up 7 1/16" 5M BOPs. PU 4 3/4" tooth bit, scraper for 5 1/2", 17.0 lbs/ft csg., & 2 7/8" tbg. GIH to ~ 7,300' PBD. Tally tbg. string. MIRU pump/vacuum transport & circulate hole with clean 2% KCL water. Circulate out a minimum of 160 bbls. POH & stand tbg. string. Release rental bit & scraper.

- 3.) Schedule COMPUTALOG Hobbs District for wireline work (505-392-7770). MIRU COMPUTALOG wireline truck. Run CBL/CCL/GR log from PBD (~ 7,300') to 200' above TOC (est. TOC @ 5,800'). POOH with tools.

Evaluate CBL to ensure TOC is 500 ft. above top perms. ie. 6,463'

GIH w/ 4" expendable carrier guns (.43" dia. Holes) and perforate Atoka.

7,137' - 7,140'	4 spf	Dens./Neutron log depths
7,091' - 7,094'	4 spf	
6,993' - 6,998'	4 spf	
6,963' - 6,968'	4 spf	

RDMO wireline equipment.

- 4.) GIH with 5 1/2" , 17.0 lbs./ft. Baker Retrievmatic Pkr. & 2 7/8" tbg.

Set packer @ ~ 6,930' w/ 20,000 lbs. compression or as instructed by tool operator. Test pkr. to 2,000 psi.

ND BOPE. NU 2 9/16" x 5M tree. RU flowline to pit.

- 5.) MIRU Schlumberger acid equipment. Swab / flow tbg. dry. Perform breakdown acid job as per recommendation. Max. WHP of 5,000 psi. Place 1,000 psi on annulus prior to treatment and monitor during job.

- 6.) Flow back treatment to pit. Evaluate results and prepare for frac if required.

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- 7.) Load tbg. with treated KCL water to kill well. ND tree. NU BOPs. POH & LD pkr. Release Baker tools.

GIH with 2 7/8" open ended tbg. and set EOT @ ~ 6,900'.
Run 2 7/8", 8rd. heavy blast joint (10') on top for annulus frac job.
ND BOPs & NU 2 9/16" 5M tree. RU flowlines to pit.

RDMO workover rig. Spot and load frac tanks.

- 8.) MIRU Schlumberger frac equipment. Test all surface equipment to 5,000 psi. Conduct safety meeting.

Frac Atoka sands with YF-130 fluid and 16/30 sand pumped down 5 1/2" x 2 7/8" annulus @ 25 bpm. Monitor static tbg. pressure. Do not exceed 4,500 psi max. WHP.

Record ISIP, 5, 10, & 15 min. SIPs.

- 9.) Initiate flowback as instructed based on fluid break test. Flow well to reserve pit until all load is recovered. Install test separator and conduct 4 point test as required by OCD.