Form 3160-5 UNITED STATES (August 1999) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.		 Form Approved OMB No. 1004-0135 Expires November 30, 2000 Lease Serial No. NM 105538 If Indian, Allottee or Tribe Name Ti Unit or CA/Agreement, Name and/or No. 	
1. Type of Well	· · · · · · · · · · · · · · · · · · ·	-	
Oil Well Gas Well Other Name of Operator KUKUI Operating Company /		8. Well Name and No. Sargent Canyon "31" Federal #1	
203 W. Wall Street, Suite 810	915-687-6200	30-015318	
Midland, TX 79701 4. Location of Well (footage, Sec., T., R., M., or Survey		10. Field and Pool, or Explorator	y Area
A. Location of weir (lookage, Sec., T., H., M., of Survey Description)		Wildcat - SSW	Hope, NM
860' FSL & 1980' FEL, Sec 31 - T19S - R21E		11. County or Parish, State	
		Eddy, N	M
	·····	NOTICE, REPORT, OR OTHER DA	ТА
TYPE OF SUBMISSION			
Acidize Acidize Alter Casing Casing Repair Change Plans	Deepen Fracture Treat New Construction Plug and Abandon	Reclamation 🗌 V	Vater Shut-Off Vell Integrity Dther Completion Procedures
Final Abandonment Notice	Plug Back	Water Disposal	
If the proposal is to deepen directionally or recomplete horiz Attach the Bond under which the work will be performed or p following completion of the involved operations. If the opera- testing has been completed. Final Abandonment Notices sl determined that the site is ready for final inspection.) Attached are completion procedure	provide the Bond No. on file with BLM/E ation results in a multiple completion or nall be filed only after all requirements,	ILA. Required subsequent reports shall recompletion in a new interval, a Form 3.	be filed within 30 days 460-4 shall be filed once sted, and the operator has
 I hereby certify that the foregoing is true and correct Name (<i>Printed/Typed</i>) 			
Larry K. Strider		Western District Manag	er
Signature KStele	Date	10/12/01	
	PACE FOR FEDERAL OR STATE		
Approved by Conditions of approval, if any, are attached. Approval of this not certify that the applicant holds legal or equitable title to those rig which would entitle the applicant to conduct operations thereon.		<u></u>	Date

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

 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.

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

Evaluate CBL to ensure TOC is 500 ft. above top perfs. 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 Retrievamatic Pkr. & 2 7/8" tbg.

Set packer @ $\sim 6,930'$ 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.

Page 2

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

GIH with 5 1/2", 17 lbs/ft. production packer set @ ~ 6,930'. Load annulus with 2% treated KCL water. Test packer to 2,000 psi. 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. Install wellhead isolation tool. Test all surface equipment to 7,000 psi. Conduct safety meeting.

Frac Atoka sands with 70 quality N2 foam and 45,000 lbs. 20/40 sand pumped down 2 7/8" tbg. @ ~12 bpm. Maintain 2,000 psi annulus pressure. Do not exceed 6,500 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.