

MARALO, INC.
AVALON (MORROW) FIELD
HANSON FEDERAL LEASE
WELL NO. 1

WELL HISTORY

Location: 660' FSL and 1980' FWL, Section 34,
T-20-S, R-27-E, Eddy County, New Mexico

Elevation: 3229' GL, 3246' KB (Log Measured From)

Total Depth: 11,896' (-8650)

Plug Back TD: 11,716' (-8470)

Casing Record:

20" OD 70#/ft CSA 30' (conductor, cmtd to surface)
9 5/8" OD 36#/ft CSA 2,310' w/1450 sxs, T/cmt surface
5 1/2" OD 17 & 20#/ft CSA 11,812' w/1040 sxs, T/cmt 7400'

Current Perfs:

Lower Morrow, gross interval 10,866 1/2 to 10,954 1/2'. Total of 17 holes.

PROCEDURE

- (1) MI and RU well service unit; bleed any well head pressure off well - install BOP's and pull tbg and pkr.
- (2) Set Halliburton SV cement retainer on wire line @ 10,810' (Correlate to casing collars on CBL log dated 11-9-76).
- (3) GIH w/cement retainer seal assembly on 2 3/8" OD tbg - cement below retainer w/75 sxs API Class "H" cement. (NOTE: it is not necessary to achieve a standing pressure). PU out of cement retainer when displacement lacks 1 bbl - reverse out immediately above retainer. POH.
- (4) GIH w/Baker Lok-set pkr (seating nipple above pkr) on tbg open ended. (NOTE: Rabbit tbg w/API gauge while running in hole). Swing bottom of tbg @ 10,780' and displace hole w/9.0 ppg controlled wt brine w/3% KCL and 1% by volume #2264 Champion corrosion inhibitor - spot 250 gal 10% acetic (inhibited) acid from 10,780' to 10,524' - pick up and set pkr @ 10,490'.
- (5) Install well head and swab fluid level down to 8500'.
- (6) Perforate using a de-centralized thru tbg gun w/2 shots (0 degree phasing) at each of the following points: 10,775', 10,773', 10,752', 10,750', 10,748', 10,739', 10,737', 10,735' (total of 16 shots). NOTE: Max TP of 2000 psi, after perforating is anticipated.
- (7) Flow well and test. Any stimulation treatment will be determined at this time.
- (8) Conduct required regulatory body tests.