

DINERO MUD
----- OIL PRODUCER -----

619 W. TEXAS SUITE 219
915-684-5544

P O BOX 10505
MIDLAND TEXAS 79702

DAILY DRILLING REPORT

ORIL CONJRTOM BROWN DRILLING COMPANY

OPERATOR DINERO OPERATING COMPANY

ROP 1
EASE BIG CHIEF #5
ELL BIG CHIEF #5
LOCATION EDDY

, NEW MEXICO

=====

DATE	DEPTH	FEET	DAYS
------	-------	------	------

=====

08/06/82 0 0 68 RE::: RECOMPLETION PROCEDURE
BIG CHIEF NO. 5 DUBLIN RANCH (MORROW)
FIELD EDDY COUNTY, NEW MEXICO DEAR PARTICIPANTS: DUE TO THE CURRENT POOR
PERFORMANCE OF THE SUBJECT WELL IN THE MIDDLE MORROW (SEE ATTACHED LOG WITH
CALCULATIONS), IT IS RECOMMENDED TO PLUG BACK AND RECOMPLETE TO THE ATOKA
FORMATION. THE CURRENT PERFORATIONS WILL BE SQUEEZED AFTER A FULL EVALUATION
OF THE TRACER, RADIOACTIVE TRACER AND DECAY TEMPERATURE SURVEYS. IT IS FELT
THAT PRODUCTION FROM THE MORROW SANDS WOULD HAVE A GREATER ECONOMIC FEASIBILITY
AFTER THE TIGHT SAND HEARING THAT SHOULD BE HELD IN NOVEMBER, 1982. AT THE
PRESENT TIME THE MIDDLE MORROW IS NOT CAPABLE OF PRODUCING ECONOMICAL AMOUNTS OF
GAS WITHOUT THE HIGHER PRICE. THE FOLLOWING PROCEDURE SHOULD THEREFORE BE
FOLLOWED IN SHUTTING OFF CURRENT PRODUCTION FROM THE MIDDLE MORROW AND
RECOMPLETING TO THE ATOKA: 1. MOVE IN AND RIG UP PULLING UNIT. 2. KILL WELL
WITH 2% KCL WATER. 3. NIPPLE DOWN WELL HEAD AND NIPPLE UP DUAL HYDRAULIC BOP.
BLIND RAMS BELOW AND 2-3/3IN. PIPE RAMS ABOVE. 4. UNSET OTIS MH-2 PACKER AND
SET AT 12,172 FT. 5. RIG UP REVERSE UNIT AND PRESSURE UP ON RETAINER AT
12,180 FT. TO 2000 PSI. 6. IF RETAINER HOLDS PRESSURE, RELEASE PRESSURE, POH,
AND CONTINUE PROCEDURE. IF RETAINER DOES NOT HOLD PRESSURE, POH. DUMP 1 BAILER
OF CEMENT ON TOP OF RETAINER. TEST. 7. RIG UP CRC. SET BAKER MODEL [16-3]
(PROD. NO. 400-23) 4 1/2 IN. CEMENT RETAINER AT 12,055. RD CRC. 8. RIG WITH
RETAINER STINGER ON 2 3/8 IN. TUBING. 9. STING INTO RETAINER AND TEST TUBING
TO 6000 PSI AND CASING TO 3000 PSI W/WATER. 10. FINISH SETTING STINGER INTO
RETAINER. 11. BATCH MIX 150 SX CLASS H CEMENT WITH 1.25% CF-9+45% WATER. LAB
CHECK PUMPABILITY PRIOR TO MIXING. DENSITY, LBS/GAL 15.6 YIELD, CUFT/SX
1.18 GAS MIX WATER/SX 5.2 PUMP TIME, HR:MIN 3:15 API WATER LOSS
120CC 12. PULL OUT OF RETAINER AND CIRCULATE CEMENT TO BOTTOM OF TUBING.
13. STING INTO RETAINER, PRESSURE ANNULUS TO 1500 PSI. 14. DISPLACE CEMENT
INTO FORMATION OBSERVING SURFACE PRESSURE. SQUEEZE PERFS TO MAXIMUM SURFACE
PRESSURE OF 3280 PSI (SEE ATTACHED SCHEDULE). A. IF A SQUEEZE PRESSURE OF 3000
PSI IS ATTAINED, PULL OUT OF RETAINER AND CONTINUE TO STEP 17. B. IF A SQUEEZE