Form 3160-5 (August 1999)

UNITED STATES **DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT**

Oil Co. 15 Form Approved N.M. DIV-DISING ember 30, 2000 1301 W. Grand Avenue Artesia, NVI 88210

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SUNDRY NOTICES AND REPORTS ON WELLS

States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

	THE STATE OF THE S	NM 105538
Do not use this form for proposals to abandoned well. Use Form 3160-3 (API	drill or to re-enter an D) for such proposals.	6. If Indian, Allottee or Tribe Name
SUBMIT IN TRIPLICATE - Other ins	structions on reverse side	7. If Unit or CA/Agreement, Name and/or No.
Type of Well		_
Oil Well X Gas Well Other		Well Name and No.
2. Name of Operator		o. Well Name and No.
KUKUI Operating Company /		Sargent Canyon "31" Federal #1
3a. Address	3b. Phone No. (include area co	9. API Well No.
203 W. Wall Street, Suite 810		30-0153182600
Midland, TX 79701	915-687-620	10. Field and Pool, or Exploratory Area
4. Location of Well (footage, Sec., T., R., M., or Su	rvey Description)	Wildcat - SSW Hope, NM
860' FSL & 1980' FEL, Sec 31 - T19S - R21E		11. County or Parish, State
		Eddy, NM
12 CHECK APPROPRIAT	E ROY(ES) TO INDICATE MATURE	DF NOTICE, REPORT, OR OTHER DATA
TYPE OF SUBMISSION		E OF ACTION
Acidize	Deepen	Production (Start/Resume) Water Shut-Off
Notice of Intent Alter Casing	Fracture Treat	Reclamation Well Integrity
☐ Casing Repair ☐ Change Plans	New Construction	Recomplete X Other Completion
	☐ Plug and Abandon lion ☐ Plug Back	Temporarily Abandon Procedures
Final Abandonment Notice	ion Lag back	Water Disposal
Attached are completion process RECEN OCD AR	dures for the Atoka.	or recompletion in a new interval, a Form 3160-4 shall be filed once its, including reclamation, have been completed, and the operator has CONRUSTAU OF LAND O
 I hereby certify that the foregoing is true and corr Name (Printed/Typed) 	ect 1. Chi	
Larry K. Strider	Tit	e Western District Manager
Signature Signature		to lead i
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
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Approved by	Till Till Till Till Till Till Till Till	le Date
Conditions of approval, if any, are attached. Approval of th certifiy that the applicant holds legal or equitable title to thos which would entitle the applicant to conduct operations there	se rights in the subject lease	fice
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 12	212, make it a crime for any person know	ngly and willfully to make to any department or agency of the United

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.

- 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' 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.
- 3.) 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.

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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 @ \sim 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.