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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

		¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to</i>
		the best of my knowledge and belief, and that this organization either owns a
000		working interest or unleased mineral interest in the land including the
		proposed bottom hole location or has a right to drill this well at this location
		pursuant to a contract with an owner of such a mineral or working interest,
		or to a voluntary pooling agreement or a compulsory pooling order
		 heretofore entered by the division.
		Lusa Hunt 10/15/2008 Signature Date
		Lisa Hunt
		Printed Name
		¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat
		I hereby certify that the well location shown on this plat
		was plotted from field notes of actual surveys made by
		me or under my supervision, and that the same is true
		and correct to the best of my belief.
		 Date of Survey
		Signature and Seal of Professional Surveyor
		Certificate Number

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CELERO ENERGY

Workover Procedure

• •	DATE:	09-22-08
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Lea County, New Mexico

FIELD: Caprock

LSE/UNIT: Rock Queen Unit

<u>WELL NO.:</u> 501

AREA:

Workover Objective: Re-enter P&A'd RQU #31DN (State "X" #1). Run and cement new casing string as needed. Clean out/ drill out well to new TD @ 3080' +/-. Verify casing integrity. Acidize Queen interval. Return well to water injection.

Wellbore Sketch: Attached

Well History: Attached

Background Information: This 1956 drill well was converted to water injection 12/1962. Last reported injection was 06/1983, injecting 180 BWPD. This well injected 2025 MBW at an IWR of 4.5 to 2.0. This well is an open hole completion that penetrated the top 4' of the Queen sand interval in an area of the field that should have 12' of net pay. The well was P&A'd 12-84.

PROCEDURE:

- 1. MIRU PU. Install wellhead and nipple up BOP's.
- Drill out the surface 10 sx cement plug in the 8 5/8" surface casing and DO the 60 sx cement plug across the 8 5/8" casing shoe from 245' +/- to 368' +/-. DO/CO the wellbore to the top of the cut off 5 1/2"/14# casing at 1,063' +/-. Circulate well clean. Report any signs of pressure or gas to engineering. TOOH w/ workstring and bit.
- 3. TIH w/ rock bit for 5 ½" casing on workstring. Re-enter cut off 5 ½" casing. Dress off top of cut 5 ½" casing as best as possible to allow for the running of tools and in preparation for tying into 5 ½" casing with new casing to surface. DO/CO well to top of cement plug @ 2403' +/-. Circulate well clean. TOOH w/ workstring and bit.
- 4. MIRU wireline unit Log the 5 ½" casing from the top of the cement plug to the top of the cut off 5 ½" casing with a CBL/casing inspection log. There are no logs to correlate to on this well. RDMO wireline unit. Consult with engineering the results of the logging.
- 5. MIRU casing crew. RIH w/ 5 ½"/14# casing and tie into top of cut off 5 ½" casing @ 1,063' +/-. RDMO casing crew.
- 6. TIH w/ rock bit for 5 ½" casing on workstring. Drill out 165 sx cement plug from 2403' +/- to TD @ 3071'. Circulate well clean. Report any signs of pressure or gas to engineering.

- 7. DO well to new TD of 3080' +/-. Circulate well clean. TOOH w/ workstring and bit.
- 8. TIH with 5 ¹/₂" RBP and packer on workstring to check casing integrity of the wellbore. Repair casing as needed.
- TIH with injection packer and BHA on 2 3/8" injection tubing. Set packer @ 3000' +/-. Circulate packer fluid up tubing-casing annulus. Pressure test tubing-casing annulus to 600 psi.
- Acidize the Queen sand interval (3067' 3079') w/ 1500 gal 7.5% NEFE HCl acid in two stages with 500# rock salt in saturated 10 PPG brine as the diverting agent between each stage. Pump acid treatment @ 4 - 6 BPM not to exceed 3000 psi STP.
- 11. Flow/swab load back.

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- 12. Nipple down BOP. RDMO PU.
- 13. Return well to water injection.

