



July 3, 2012

Engineering Assessment

Performed by,

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Colorado Oil and Gas Conservation Commission

Chevron
S. Ute #5-7
NESW 5 33N 10W
05-067-08483

As per discussion with Chevron's engineer, James Anderson, the decision was made to sample and analyze gas from both the production stream and BrH. (1) If analyses are similar, then conduct well head seal repairs. (2) If different, then the gas at the Braden head will be piped to the pumpjack and separator for pump prime mover fuel and/or sales production. (3) Remedial cementing is our third choice of options (see CBL review below).

10-26-2001
Drilling Completion Report Summary
TD=3055 vertical well
9 5/8" surf csg set @ 386 cmt to surf
7" prod csg set @ 2780 cmt to surf

5-24-2011
BrHT Summary
Tbg=64 Prod csg=71 Surf csg=64
Blew down to a whisper in 25 sec and BrH ISIP=2 psig after a 30 min blow down

7-2-2012
Halliburton CAST-M Advanced Cement Evaluation
T/cmt=1600' class 'G'
T/cmt=380' lite cmt

Perforating and cement squeezing the production casing was discussed with the operator. The operator suggested a target just below the surface casing shoe. The suggestion was nixed by me. Even though BrHP would likely be eliminated, in doing so, cement pmpd/sqzd in the casing annulus so near the surface casing shoe could possibly divert channel gas into zone(s) within close proximity of the surf csg shoe. If perforating and cement squeezing were to be done, then do so between 1600'-800' to better intercept channeling gas before it reaches depths similar to shallow aquifers. Cement squeezing becomes more difficult with depth.