



02054615

Andrews, David

From: Andrews, David
Sent: Sunday, October 31, 2010 9:30 AM
To: 'Dennis Romero'
Cc: * David Harris; Shaun Gordy
Subject: RE: SG Interests Cow Skull 11=89-18 #1 Well API # 051-06094-00 Permit # 20092548

CHANGE OF PLANS - TOC ON
PRODUCTION CASING

Dennis,

As discussed during our telephone conversation on 10/27, I understand that SG Interests intended to change its drilling plan by running a full production casing to surface (no production liner) because of drilling problems near the bottom of the hole.

Have you run production casing yet? The APD proposed production casing cement from TD to surface. However, COGCC engineering staff would prefer to cement the production casing with a planned TOC of +/- 5077' (200' above the intermediate casing shoe). This design change would allow for intermediate casing remedial cement across the Cameo Coal at a later date. After deeper formations are produced and depleted, the well could be plugged back by cutting and pulling the production casing above the TOC at 5077'. A deep plug would be required above the deep completion to temporarily abandon the well. A stub plug would also be required across the casing cut as part of the temporary abandonment procedure.

If a Cameo completion is contemplated in the future, then SG Interests could proceed with the procedure below (steps 8 through 10) prior to proceeding with the recompletion.

Please reply or call me in the Rifle office tomorrow to discuss.

Thanks,

David D. Andrews, P.E., P.G.
Engineering Supervisor - Western Colorado

State of Colorado
Oil and Gas Conservation Commission
707 Wapiti Court, Suite 204
Rifle, Colorado 81650
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E-mail: David.Andrews@state.co.us
Website: <http://www.colorado.gov/cogcc>

* DAVID HARRIS (SG INTERESTS)
REPLIED ON 10/31/2010, INDICATING:

"MR. ANDREWS, WE APPRECIATE
YOUR EMAIL AND WILL FOLLOW
AS INSTRUCTED."

D. A.

From: Dennis Romero [<mailto:dromero@sginterests.com>]
Sent: Wednesday, October 27, 2010 1:57 PM
To: Andrews, David
Subject: FW: SG Interests Cow Skull 11=89-18 #1 Well API # 051-06094-00 Permit # 20092548

From: Dennis Romero
Sent: Friday, October 01, 2010 11:35 AM
To: Kevin King; David Andrews (david.andrews@state.co.us)

Cc: David Harris; Shaun Gordy

Subject: SG Interests Cow Skull 11=89-18 #1 Well API # 051-06094-00 Permit # 20092548

Kevin:

This email will serve as confirmation of our telephone agreement (9-30-2010) for SG Interests to continue drilling to TD on the subject well. SG Interests will proceed with drilling operations as follows on the Cow Skull 11-89-18 #1 Well:

1. Drill out cement retainer set in 9-5/8" intermediate casing (Shoe @ 5,277') and drill well to proposed TD of 9,200'.
2. Log well.
3. Run 7" 29# P-110 LTC liner to TD (9,200') with liner hanger top at +/-4,900'.
4. Cement liner in place with top of cement proposed to liner top @ +/- 4,900'.
5. Set CIBP (+/- 4,800') above liner top and dump +/- 100' of cement on top of CIBP.
6. Rig down and release rig.
7. Return to location in spring of 2011.
8. Run CBL log from ETD (+/-4,700') to 441' (13-3/8" Surface Casing Shoe).
9. Proceed with squeeze cementing to isolate Cameo formation behind 9-5/8" Intermediate Casing if CBL interpretation indicates no isolation present.
10. Drill out and test squeeze perforations.
11. Drill out cement and CIBP and tag TOL at +/-4,900'.
12. Run CBL log on 7" liner from ETD (Landing Collar @ +/-9,070')to TOL @ +/-4,900'.
13. Run 7" 29# P-110 Tie-Back Casing to +/-4,900' and cement same in place.
14. Rig down and move rig off location.
15. Schedule equipment to perform fracture stimulation.

Sincerely

Dennis Romero

Consultant Drilling Engineer

SG Interests / Gordy Oil Co

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281-491-8582 (Home)

dromero@sginterests.com (Office Email)

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Andrews, David

051-06094

From: King, Kevin
Sent: Tuesday, September 28, 2010 3:35 PM
To: Andrews, David
Subject: FW: Cow skull tops

Kevin J. King
NW Area Engineer
Colorado Oil & Gas Conservation Commission
707 Wapiti Ct., Suite 204
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970.625.2497 office
970.625.5682 fax
970.379.1035 cell

From: Dennis Romero [<mailto:dromero@sginterests.com>]
Sent: Tuesday, September 28, 2010 3:32 PM
To: King, Kevin
Subject: FW: Cow skull tops

From: AL Haertlein
Sent: Tuesday, September 28, 2010 4:31 PM
To: Dennis Romero
Subject: Cow skull tops

Cameo B seam 3952
Rollins 4003
Coz 4822
Cor 4971

Albert Haertlein
Geologist
SG Interests
100 Waugh Dr., Ste 400
Houston, TX 77007

Direct: 713.333.6520

Andrews, David

From: Dennis Romero [dromero@sginterests.com]
Sent: Tuesday, September 28, 2010 2:51 PM
To: King, Kevin; Andrews, David
Cc: David Harris; Shaun Gordy
Subject: FW: SG Interests Cow Skull 11-89-18 #1 Well (Intermediate Casing Cementing)
Attachments: BD29-00035_SG_INTERESTS_COW_SKULL_11-89-18-1_CBL-VDL.TIF

Kevin:

The sequence of events on the subject cementing job is as follows:

The intermediate casing was run to the TD and the cementing operations began. We lost returns during circulating casing volume and began cementing the first stage. We bumped the plug on the first stage but never regained circulation. We opened the DV tool and had full circulation throughout the second stage but did not get cement returns to surface. Note: We did get a pump pressure increase on the first stage after the cement turned around the shoe indicating the cement was rising. We tagged the cement in the annulus at 36' below the well head and performed a top out cement job with returns to surface. We drilled out the cement in the casing and tested the casing. We ran a cement bond log on the casing and found poor bonding on the first stage and some bonding on the second stage. (See attached bond log). We drilled out the shoe and 10' of formation and attempted a formation integrity test on the shoe but the shoe failed. We are now in the process of performing a squeeze on the shoe and drill out and retest the shoe.

Please advise if further action is required.

Sincerely,

Dennis Romero
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From: Andrews, David [<mailto:David.Andrews@state.co.us>]
Sent: Wednesday, September 22, 2010 1:32 PM
To: Dennis Romero
Cc: David Harris; Shaun Gordy; Ed West; lhudnall@centurytel.net; Trey Drewett
Subject: RE: SG Interests Cow Skull 11-89-18 #1 Well (Intermediate Casing Cementing)

Dennis,

As discussed on the phone, please proceed and forward a pdf copy of the intermediate casing CBL when it is available.

Thanks,

David D. Andrews, P.E., P.G.
Engineering Supervisor - Western Colorado

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From: Dennis Romero [<mailto:dromero@sginterests.com>]
Sent: Wednesday, September 22, 2010 11:17 AM
To: Andrews, David
Cc: David Harris; Shaun Gordy; Ed West; lhudnall@centurytel.net; Trey Drewett
Subject: SG Interests Cow Skull 11-89-18 #1 Well (Intermediate Casing Cementing)

David:

SG Interests did not get cement returns to surface on the subject well intermediate casing. SG Interests will now do a top out cement job and circulate cement to surface between the 13-3/8" X 9-5/8" annulus. Please let me know if you need additional information.

Sincerely,

Dennis Romero
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