

PIONEER

NATURAL RESOURCES

interoffice MEMORANDUM

DATE: July 30, 2013
TO: Josh Chebul
FROM: Brian Rothkopf
RE: Vermejo Pressure Monitor well

The data obtained from the Vermejo Pressure Monitor well is being used in a study to improve the ultimate recovery and economics of the field. Specifically, the actual pressures measured in the well are compared to the predicted pressures calculated using a computer simulation. Comparing the actual measured well pressures to the computer generated pressures gives confidence that the computer is correctly simulating the field performance. Once completed, various field development strategies can be tested in the simulator to optimize the field performance. Figure 1 is a production plot from the simulation showing the gas rate history in the acreage surrounding the Vermejo Monitor well and Figure 2 shows the computer simulated reservoir pressure (red line) along with symbols showing measured well pressures. The Vermejo Monitor well pressures are shown with a “+” sign.

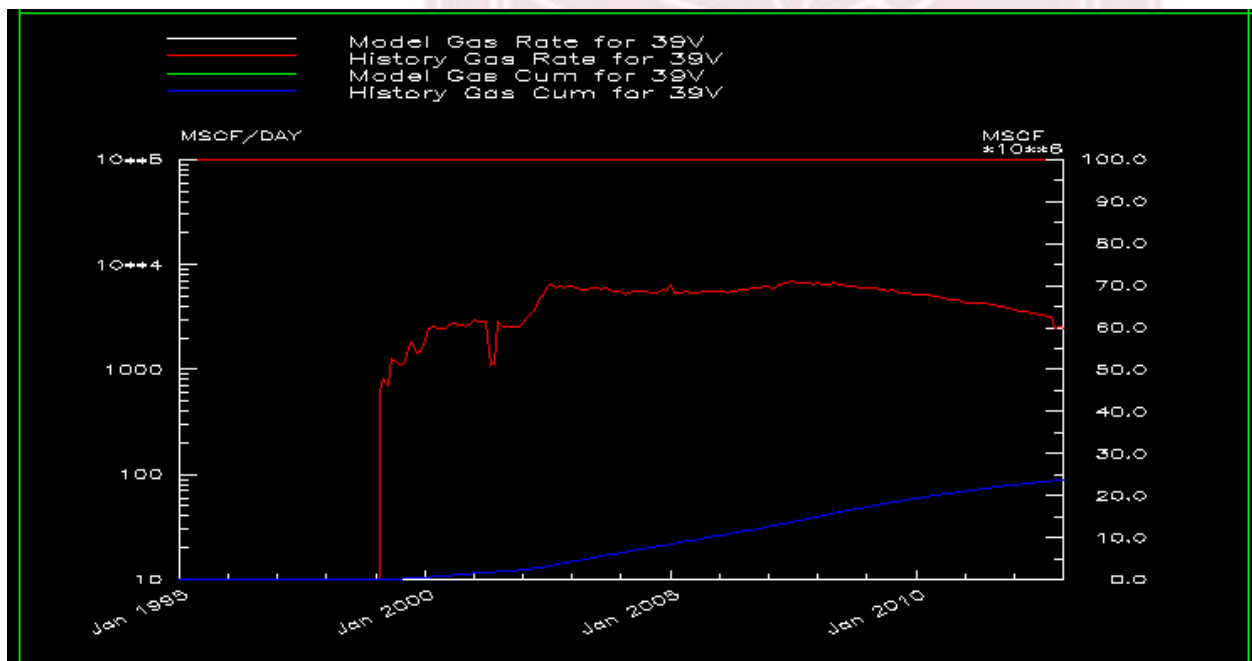


Figure 1: Gas rate and cumulative production in area around monitor well

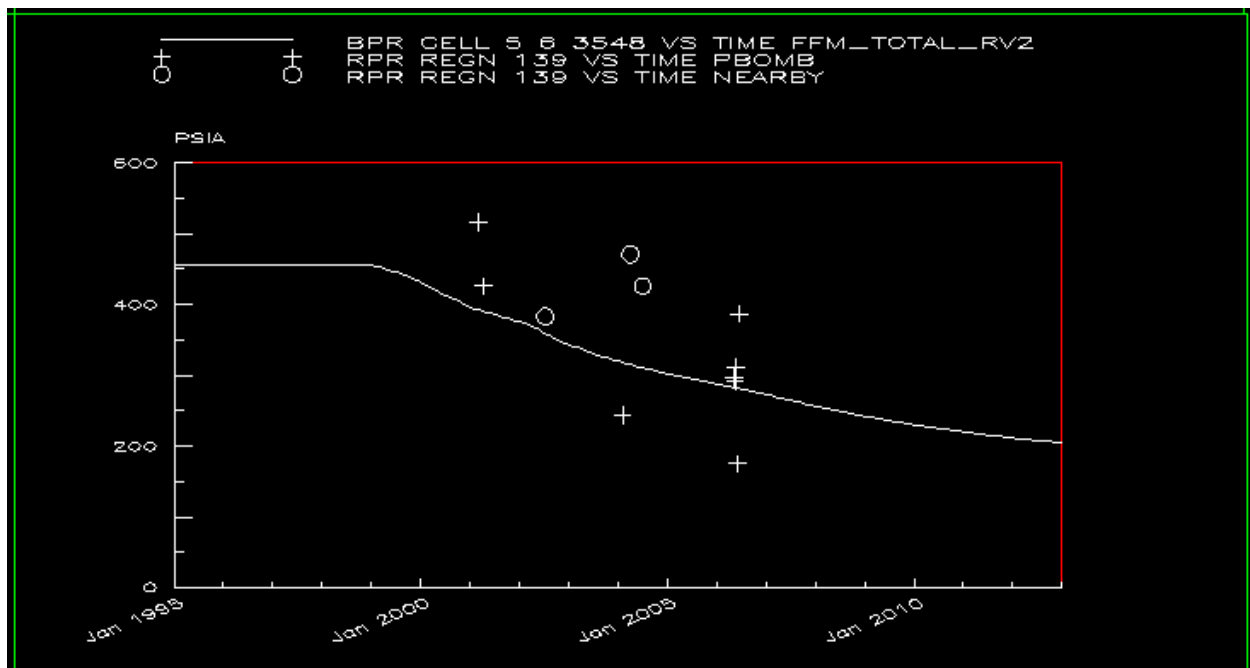


Figure 2: Compare simulation pressures versus the measured well pressures