

SPRABERRY FRACTURE TREATMENT COMPARISON

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ABSTRACT

This study uses actual production data to determine the optimum characteristics of fracture treatments in the Spraberry Trend of West Texas. The details of 116 fracture treatments along with corresponding production decline curves are utilized. The paper uses production data to characterize treatments on the basis of fluid volumes, proppant volumes, fluid type, and injection rate. After isolation of the best fluid type, the treatments are then compared on perforated height, limited entry effects, proppant type and proppant concentration.

In an attempt to explain the results, fluid characteristics and fracture theories are discussed. In conclusion, a generalized treatment recommendation is prepared which utilizes the findings of this study.

INTRODUCTION

The Spraberry Trend of West Texas has long been an area known for large fracture treatments. The large zone thickness (-+1200 feet) offers many challenges to completion engineers who want to optimize production and money spent. These carbonate cemented siltstones are found in the formations known as the Wolfcamp, Dean, Spraberry (Upper, Middle and Lower) and the Jo Mill. Different combinations of these zones are productive throughout the Trend.

Over the course of several decades, many types of fracturing fluids have been pumped at various rates transporting proppant deep into the zones. Different operators have chosen to stay with different fluids for reasons ranging from compatibility to economics to availability. Good wells have been made with virtually every fluid. In light of this fact, many questions have arisen over what are the characteristics of the best treatment. Many studies have been made and most have used initial potentials (IP's) as a measure. This paper uses actual and projected estimated ultimate oil recoveries for 116 wells in Reagan and Upton Counties, Texas.

GENERAL BACKGROUND

Where

In an effort to nullify some effects of changing reservoir characteristics, the study was broken down into five approximately 40 square mile areas. Analysis was then done on the areas to

determine local optimum fracture treatment characteristics. Areas I through IV are in the northwest quadrant of Reagan County, Texas and Area V is across the county line in Upton County, Texas (Figure 1). This group of areas are located approximately 80 miles southeast of Midland, Texas and just northwest of Stiles, Texas.

Type

The entire study includes production and treatment information from 116 wells. A breakdown of the number of wells in each area can be seen in Table 1. Areas I - IV include 80 acre infill wells only, whereas, Area V includes 160 acre wells only. The purpose of this study was not only to determine the optimum treatment but to isolate the most productive formations. Table 2 points out that of the 100 Reagan County wells, there are nine different combinations of producing formations. Even though the number of wells in some categories are not statistically valid, some conclusions will be drawn.

Stimulation Breakdown

As stated above, the purpose of this study is to compare different fracture treatments. In the Spraberry Trend, there have been many types of fracture treatments used. This study isolates five of the most common. Table 3 indicates the number of wells representing the different fracturing fluids. These fluid types will be discussed later in the fluid comparison section of this paper. It should be pointed out, however, that polyemulsion with crosslinked water is referring to treatments which use polyemulsion on the Dean formation and crosslinked water on the Spraberry formations. A typical Spraberry completion involves three separate fracture treatments, one each on the Dean, Lower and Upper Spraberry.

A typical chart of treatment parameters is shown in Table 4. The categories used for analysis in individual areas are those of fluid type, fluid amount, proppant amount and injection rate. Later in the study, after the optimum fluid is determined, the study uses fluid volume, proppant amount, injection rate, perforated height, limited entry effect, proppant type and maximum proppant concentration to characterize the best treatments.

Production

A typical Spraberry production decline curve is shown in Figure 2. The study uses only wells which have at least a two year production history. On wells which required extrapolation, common decline methods were used. A wells ultimate cumulative production is determined by summarizing all oil from original completion down to 100 barrels of oil per month (three BOPD). This ultimate cumulative production is used as a measure for all fracture treatment parameters as well as 36 month cumulative production. The purpose of using both time periods was to determine the short and long term effects of different treatment characteristics. Even though IP's were obtained on as many wells as possible, they were

not used in the evaluation. It is felt that extended production numbers are a much better measure of fracture treatment results.

AREA ANALYSIS

Area I

Because of the limited number and diverse type of wells in Area I, no valid optimum treatment parameters could be determined. This area, however, is used in the overall Reagan County summary. The total Estimated Ultimate Recovery (EUR) for the average well studied in this area is 25,576 barrels of oil and 13,169 barrels after 36 months.

Area II

Area II is located just north of Stiles, Texas and includes 26 study wells. These wells are of three types with the best wells having fracture treatments on the Dean and Lower and Upper Spraberry formations. There are three wells in this area which include a frac on the Wolfcamp instead of two separate fracs on the Spraberry. The EUR of these three wells is 25% less than the typical three zone completion.

An average treatment on a well studied in this area consists of 162,000 gallons of crosslinked gelled water carrying 419,000 pounds of proppant at a rate of 42.4 BPM. The optimum fracture treatment of the wells studied in Area II consist of pumping 200,000 gallons of crosslinked gelled water transporting 470,000 pounds of 20-40 mesh sand at an injection rate of 42 BPM.

Area III

Area III consists of 31 wells evenly packed within a four mile radius circle. This area is located approximately 18 miles west-northwest of Stiles, Texas. As in Area II, this area consists of three different formation combinations. Most wells have the typical Dean, Lower and Upper Spraberry completions. However, the best wells have an additional fracture treatment on the Jo Mill zone. The average production in the area is 20,570 barrels after 36 months and 46,951 barrels for the life of the well. The wells with an additional frac on the Jo Mill have a 36 month production of 29,636 barrels and an EUR of 65,011 barrels. It should be pointed out that the three zone completions usually include perforations in the Jo Mill zone, however, it does not have a separate fracture treatment.

The average fracture treatment on a well in Area III consists of 169,000 gallons of refined oil carrying 358,000 pounds of proppant at 23.3 BPM. The optimum fracture treatment of the wells studied in Area III consists of pumping at least 255,000 gallons of crosslinked gelled water transporting 500,000 pounds of 20-40 mesh sand and tailing in with 12-20 mesh sand and injected at a rate of 40 BPM.

Area IV

Area IV is another tightly packed area of 28 wells. The maximum distance between any two wells in this area is five miles. The area is located approximately 20 miles due west of Stiles, Texas. This area consists of only two different zone combinations. The typical three zone combination is included in 22 wells with the other six wells having been completed in the Dean only. The Dean appears to be a major production contributor in this area which is evidenced by the fact that the six wells with the Dean only have an average production of 32,711 barrels which is more than 77% of the production of the other 22 three zone wells. The average EUR of the wells in Area IV is 40,164 barrels with 20,521 barrels coming after 36 months.

The average treatment in the three zone wells consists of 167,000 gallons of crosslinked gelled water carrying 392,000 pounds of proppant at a pump rate of 43 BPM. The optimum fracture treatment on the wells in Area IV consist of pumping at least 180,000 gallons crosslinked gelled water transporting only 310,000 pounds of 20-40 mesh sand with a tail-in of 12-20 sand on the Spraberry zones. An average injection rate of 39 BPM is obtained.

Area V

Area V consists of 16 wells in an area 12 miles north of Rankin, Texas in Upton County. The wells in this area are 160 acre wells and are included in an effort to draw some comparisons between 80 and 160 acre wells without the effects of direct offset 80 acre wells. This area is not included in the later treatment comparisons. The average EUR from the wells in this area is 64,961 barrels with 22,723 barrels coming in the first 36 months. All the wells in this area are typical three zone completions. Because of the limited number of wells, it is impossible to draw a conclusion on the optimum treatment characteristics, however, it could be generalized that polyemulsion or gelled water makes the best wells. It should be noted that the crosslinked water was not in common use when this area was developed.

REAGAN COUNTY SUMMARY

Upon review of the four Reagan County areas, it can be seen that there may be some changing reservoir characteristics which cause the dramatic EUR differences. This section groups all 100 wells in Reagan County into one summary and draws conclusions. Nine different combinations of zones were studied and results shown in Table 2. It is difficult to statistically claim any validity for the categories with low sample number, however, some generalities may be made. The average Dean, Lower Spraberry and Upper Spraberry zone completion in Reagan County, regardless of type of fracture treatment, will produce 42,883 barrels with 19,100 barrels coming in the first 36 months. All eight wells which fracture treat the Wolfcamp apparently sacrifice fluid volume in more valuable zones. This, in turn, leads to less fracture length and less production. Again, the Dean and Jo Mill zones appear to be the significant contributors.

The next area of interest is that of fluid type. Chart 1 compares the five different fluids using both 36 month and ultimate cumulative production as a yardstick. Crosslinked gelled water obviously appears to win both short and long term production. Surprisingly, refined oil has made the second best well in the areas studied. It should be noted that this analysis based on fluid type makes no adjustment for other parameters such as fluid amount. Refined oil treatments were typically 33% smaller in volume than crosslinked gelled water treatments. Polyemulsion, polyemulsion with crosslinked gelled water and plain gelled water were third, fourth and fifth, respectively.

It is obvious from Chart 2 that both short and long term production increases proportionally with fluid volume. However, upon observing the proppant volume comparison in Chart 3, the same conclusion cannot be drawn. The optimum proppant volume appears to be from 300,000 pounds to 400,000 pounds. These two observations may indicate that length and total area of a fracture are important but not necessarily the conductivity. Chart 4 compares injection rates and indicates no obvious choice even though 30-40 BPM has produced slightly better results.

It should be noted that the above conclusions were drawn with no regard for actual fluid type. By the nature of a fluid, obvious compensations may be made in the area of fluid volume, proppant volume and injection rate. For example, a refined oil treatment cannot transport high concentrations of proppant and must be pumped at lower rates due to excessive friction and reduced hydrostatic head. The next section attempts to nullify these effects by concentrating only on one fluid type.

CROSSLINKED WATER SUMMARY

Indicated in the last section, crosslinked gelled water is the optimum fluid. This section deals with this fluid exclusively and attempts to narrow down the characteristics of the optimum treatment. Table 5 compares four different zone combinations. Again, the Wolfcamp does not appear to be a significant contributor and the Dean does. The cumulative of the typical three zone completion is 23,049 barrels after 36 months and 57,693 barrels estimated ultimate recovery. A 28% increase in short term production is noticed when the Jo Mill section is fracture treated independently.

As indicated in other comparisons, Table 6 points out the benefits of pumping a greater fluid volume. Even though the large volumes have a 37% increase in short term production over the 180,000 gallon average, a 67% increase is realized in the total life production. This may indicate that the added area of the larger volume is draining reservoir which the smaller volume never exposes. Table 7 indicates the opposite is true with proppant amounts. The lower the amount of proppant, the better the 36 month and ultimate production.

Table 8 compares the different pump rates of crosslinked gelled water. Lower rates appear to be optimum even though there is no consistency with higher rates.

The study then attempts to define more characteristics of the better wells. Table 9 compares the average perforated heights of the Lower Spraberry in three zone wells. It is clearly seen that smaller (<100 feet) perforated intervals produce better wells. Table 10 then compares limited entry in the form of BPM per perforation. The best wells appear in the category with pump rates greater than 2.5 BPM per perforation.

Several different proppant types and concentrations have been used in crosslinked gelled water treatments in Reagan County. Table 11 points out that tail-ins of 12-20 mesh sand are found in the best wells. The best wells also have maximum sand concentrations of no more than three pounds per gallon as shown in Table 12. In fact, oil production declines as higher proppant concentrations are pumped. Attempts are made later in this paper to theorize the reasons behind some of these contradictions.

FLUID COMPARISON

To be able to understand the strange characteristics of the best fracture treatments, one must be familiar with fracturing fluids. This section will attempt to point out the different characteristics of the five fluids discussed earlier in this paper.

Most fluids fall into the two distinct categories of perfect support fluids and banking type fluids. Chart 5 compares these two types in graphic form. Typically, crosslinked gelled water is considered a perfect support fluid which distributes the proppant relatively evenly throughout the height of an interval. The banking fluids, such as polyemulsion, refined oil and gelled water allow proppant to settle as fluid rates within the fracture slow. This settling eventually results in sand backing above boundary zones. The conductivity in a banking situation is good because the proppant settles into the created width instead of the fracture closing on a less concentrated pack as is the case with perfect support fluids.

Many other characteristics of the different fluids are compared in Table 13. In an effort to compare the different results of these fluids, a comparison is made using computer geometry fracture modeling for identical fluid volumes in a typical Lower Spraberry zone. The input parameters are shown in Table 14 and the resulting calculated data is shown in Table 15. The results of the three banking fluids are very similar and it is easily seen that the negative characteristic of these systems is the low proppant bank height. The overall area of reservoir exposure is low even though the proppant conductivity is high and the propped length is good.

The first two columns of Table 15 compare the same basic fluid which has undergone different shear history. The first column

displays the characteristics of a solidly crosslinked, high viscosity fluid which has had little, if any, viscosity reduction due to shear. Shear, in this case, may be pipe induced or more likely, perforation induced. This high viscosity system has the largest fracture height, the shortest fracture length and the largest fracture width. This fluid also has the highest net pressure at shutdown. As will be discussed later, these are not desired properties in a Spraberry fracture treatment.

The next column describes the calculated data of a thinner crosslinked fluid which has undergone an extreme shear history which has reduced its viscosity. The results are lower fracture height, deeper proppant penetration, less fracture width and less net pressure at shutdown. This situation of higher shear, which is usually considered undesirable, may be producing the ideal fracture geometry for a Spraberry zone.

THEORY

Prior to this section, all conclusions have dealt primarily with the actual survey results. This section attempts to offer some explanations as to why certain qualities are found in the best fracture treatments. As described previously, the best fracture treatment appears to be a large volume of crosslinked gelled water pumped at an injection rate greater than 2.5 BPM per perforation. This fluid transports a maximum proppant concentration of 3 ppg and tails in with 12-20 mesh sand. The best wells include low perforated height in each zone with the addition of a Jo Mill zone preferable. As described in the previous fluid section, a fluid which has undergone high shear will have a lower viscosity. This can explain why the high limited entry fracs have made better wells. The low viscosity crosslinked fluid will have deeper proppant penetration with less height growth. With greater extension in the zone of interest, more desirable reservoir (net pay) is connected to the wellbore.

Two recent schools of thought for Spraberry reservoir drainage are that production may come from vertical natural fractures or may come through the matrix. Long contained fractures would support both of these theories. Long fractures will cross a greater number of vertical fractures and will also expose a more desirable area of reservoir and therefore, more matrix.

A common drawback to low viscosity crosslinked fluids is their inability to generate enough width to transport large amounts of proppant. This would explain why the best wells have low proppant concentrations, the fluid is not stout enough to carry higher concentrations. If a higher viscosity fluid were pumped in an attempt to carry the large amounts of proppant, larger fracture widths would be obtained, thereby more height growth out of zone and less proppant penetration in zone.

This theory says that Spraberry intervals require deep proppant penetration and not necessarily high proppant concentrations. The stimulation industry has not yet developed the

low viscosity fluids required to be logistically allowable on the surface and still be considered perfect support. The above theory claims that shear has achieved this ultimate goal.

CONCLUSIONS

1. The cumulative production of an 80 acre infill well will be approximately one-third less than a 160 acre well.
2. The key producing intervals appear to be the Dean and Jo Mill with little production derived from the Wolfcamp.
3. This study determines that the optimum fracturing fluid is crosslinked gelled water. It also reveals that the greater the volume of fracturing fluid, the higher the ultimate cumulative production.
4. It is evident that large amounts of proppant and high proppant concentrations are not required to produce high cumulative production. The study also points out that tailing-in with 12-20 mesh proppant is effective.
5. The results of this study indicate that limiting height growth in some form produces greater propped fracture lengths and thereby much higher production. This can be accomplished by limiting perforated height, using low viscosity fluids and/or limiting injection rates.

Table 1
Number of Wells in Each Area

| <u>POPULATION BREAKDOWN</u> <u>LOCATION</u> | <u>NO. OF WELLS</u> |
|--|---------------------|
| REAGAN COUNTY (80 ACRES) | |
| AREA I | 17 |
| AREA II | 26 |
| AREA III | 29 |
| AREA IV | <u>28</u> |
| TOTAL REAGAN COUNTY | 100 |
| UPTON COUNTY (160 ACRES) | <u>16</u> |
| TOTAL WELLS STUDIED | 116 |

Table 2
Breakdown of Reagan County Wells by
Formation Combination

| <u>ZONES TREATED</u> | <u>NO</u> <u>OF WELLS</u> | <u>AVG. 36</u> <u>MO. PROD.</u> <u>BOPW</u> | <u>TOTAL</u> <u>CUM. PROD.</u> <u>BOPW</u> |
|--------------------------------------|------------------------------|---|--|
| WOLFCAMP, DEAN 2 SPRABERRIES | 4 | 16,190 | 29,732 |
| WOLFCAMP, DEAN & SPRABERRY | 3 | 12,690 | 30,675 |
| WOLFCAMP, DEAN & U. SPRABERRY | 1 | 18,289 | 26,487 |
| DEAN ONLY | 6 | 17,052 | 32,711 |
| DEAN & L. SPRABERRY | 2 | 15,609 | 24,866 |
| DEAN & U. SPRABERRY | 2 | 7,295 | 14,853 |
| DEAN, L. SPRABERRY & U. SPRABERRY | 78 | 19,100 | 42,883 |
| DEAN, JO MILL, L. & U. SPRABERRY | 3 | 29,636 | 65,011 |
| L. & U. SPRABERRY | <u>1</u> | <u>15,600</u> | <u>39,190</u> |
| TOTAL (AVERAGES) | 100 | 18,635 | 40,922 |

Table 3
Breakdown of Wells by
Fracturing Fluid Type

| <u>FLUID (ALL WELLS)</u> | <u>NO. OF WELLS</u> | <u>% OF TOTAL</u> |
|----------------------------------|---------------------|-------------------|
| REFINED OIL (R/O) | 40 | 34.5 |
| POLYEMULSION (P-E) | 25 | 21.5 |
| POLYEMULSION W/X-LINKED WATER | 10 | 8.6 |
| CROSS-LINKED WATER | 30 | 25.9 |
| GELLED WATER | <u>11</u> | <u>9.5</u> |
| TOTAL FOR STUDY | 116 | |

Table 4
Typical Treatment Parameters

| AREA II | | | | | | | | | | | | | |
|---------|---------------------------|-----------|-------|---------------|---------------|-------------------------|---------------------------|-------|------------------|--------------|------|--------------------------|--------------------|
| Well # | Location Sec. - Survey | | Fmtn. | No. Perfs. | Type Fluid | Fluid Vol. 1000 gal. | Sand Vol. 1000# - Size | | Max. Con. Sd. | Frac Rate | I.P. | 36 Mo. Prod. BBL/Well | Cum. to 100 BPM |
| 35 cont | | | U Sp | | CXW | 60 | 180 | 20/40 | 4 | 55± | | | |
| 36 | 5 | Blk.G,C&M | Dn | | CXW | 60 | 180 | 20/40 | 4 | 55± | | 18,514 | 37,439 |
| | | | L Sp | | CXW | 60 | 180 | 20/40 | 4 | 55± | | | |
| | | | U Sp | | CXW | 60 | 180 | 20/40 | 4 | 55± | | | |
| 37 | 5 | Blk.G,C&M | Dn | | CXW | 60 | 180 | 20/40 | 4 | 55± | | 9,418 | 19,100 |
| | | | L Sp | | CXW | 60 | 180 | 20/40 | 4 | 55± | | | |
| | | | U Sp | | CXW | 60 | 180 | 20/40 | 4 | 55± | | | |
| 38 | 5 | Blk.G,C&M | Dn | | CXW | 60 | 180 | 20/40 | 4 | 55± | | 10,201 | 20,689 |
| | | | L Sp | | CXW | 60 | 180 | 20/40 | 4 | 55± | | | |
| | | | U Sp | | CXW | 60 | 180 | 20/40 | 4 | 55± | | | |
| 39 | 6 | Blk.G,C&M | Dn | | PEX | 42 | 89 | 20/40 | 4 | 23 | | 19,464 | 40,839 |
| | | | | | | | 10 | 100 | | | | | |
| | | | L Sp | | PEX | 42 | 89 | 20/40 | 4 | 35 | | | |
| | | | | | | | 10 | 100 | | | | | |
| | | | U Sp | | PEX | 42 | 75 | 20/40 | 4 | 35 | | | |
| | | | | | | | 10 | 100 | | | | | |
| 40 | 6 | Blk.G,C&M | Dn | | PEX | 42 | 89 | 20/40 | 4 | 23 | | 19,464 | 40,839 |
| | | | | | | | 10 | 100 | | | | | |
| | | | L Sp | | PEX | 42 | 89 | 20/40 | 4 | 35 | | | |
| | | | | | | | 10 | 100 | | | | | |
| | | | U Sp | | PEX | 42 | 75 | 20/40 | 4 | 35 | | | |
| | | | | | | | 10 | 100 | | | | | |
| 41 | 6 | Blk.G,C&M | Dn | | PEX | 42 | 89 | 20/40 | 4 | 23 | | 15,758 | 32,458 |
| | | | | | | | 10 | 100 | | | | | |
| | | | L Sp | | PEX | 42 | 89 | 20/40 | 4 | 35 | | | |
| | | | | | | | 10 | 100 | | | | | |

Table 5
Breakdown of Crosslinked Water Fracs
in Reagan County
by Formation Combination

| <u>ZONES TREATED</u> | <u>NO OF WELLS</u> | <u>AVG. 36 MO. PROD. BOPW</u> | <u>TOTAL CUM. PROD. BOPW</u> |
|---|------------------------|---------------------------------------|--------------------------------------|
| WOLFCAMP, DEAN, U. & L. SPRABERRY | 2 | 16,337 | 33,997 |
| DEAN ONLY | 6 | 17,052 | 39,019 |
| DEAN, U. & L. SPRABERRY | 18 | 23,049 | 57,593 |
| DEAN, L. SPRABERRY JO MILL & U. SPRABERRY | 3 | 29,636 | 65,011 |
| TOTALS | 29 | 22,027 | 52,890 |

Table 6
Crosslinked Water
Fluid Volume Comparison

| <u>FLUID VOLUME BREAKDOWN (3 ZONE WELLS ONLY)</u> | | |
|---|---------------------------------------|--------------------------------------|
| <u>FLUID VOLUME</u> | <u>AVE. 36 MO. PROD. BOPW</u> | <u>TOTAL CUM. PROD. BOPW</u> |
| 120,000 GALLONS | 11,270 | 18,991 |
| 180,000 GALLONS | 20,917 | 48,664 |
| *185,000 - 260,000 GALLONS | 28,581 | 80,900 |

Table 7
Crosslinked Water
Proppant Volume Comparison

| <u>PROPPANT AMOUNT BREAKDOWN (3 ZONE WELLS ONLY)</u> | | |
|--|--------------------------------------|--------------------------------------|
| <u>PROPPANT AMOUNT</u> | <u>AVE. 36 MO. PROD BOPW</u> | <u>TOTAL CUM. PROD. BOPW</u> |
| *315,000 - 403,000 POUNDS | 28,801 | 80,797 |
| 488,000 - 540,000 POUNDS | 20,917 | 48,664 |
| 555,000 - 625,000 POUNDS | 10,610 | 19,299 |

* OPTIMUM

Table 8
Crosslinked Water
Injection Rate Comparison

| <u>AVERAGE INJECTION RATE (3 ZONE WELLS ONLY)</u> | | |
|---|---------------------------------------|--------------------------------------|
| <u>AIR (BPM)</u> | <u>AVE. 36 MO. PROD. BOPW</u> | <u>TOTAL CUM. PROD. BOPW</u> |
| * 31 - 40 | 26,783 | 77,919 |
| 41 - 50 | 14,477 | 29,058 |
| > 50 | 20,921 | 48,606 |

Table 9
Crosslinked Water
Perforated Height Comparison
in Lower Spraberry Zones

| <u>PERFORATED HEIGHT (3 ZONE WELLS ONLY)</u> | | |
|--|--------------------------------------|--------------------------------------|
| <u>AVG. FEET/ZONE</u> | <u>AVE. 36 MO. PROD BOPW</u> | <u>TOTAL CUM. PROD. BOPW</u> |
| * < 100 FEET | 37,566 | 117,000 |
| 101 - 399 FEET | 14,037 | 29,263 |
| > 400 FEET | 20,921 | 48,606 |

* OPTIMUM

Table 10
Limited Entry Comparison

| <u>BPM PER PERF</u> | <u>AVG. 36 MO. PROD. BOPW</u> | <u>TOTAL CUM. PROD. BOPW</u> |
|---------------------|---------------------------------------|--------------------------------------|
| < 1.5 | 10,460 | 19,299 |
| 1.5 - 2.5 | 19,309 | 43,719 |
| * > 2.5 | 37,566 | 117,000 |

Table 11
Crosslinked Water
Comparison of Proppant Type

PROPPANT TYPE (3 ZONE WELLS ONLY)

| <u>MESH</u> | <u>AVE. 36 MO. PROD. BOPW</u> | <u>TOTAL CUM. PROD. BOPW</u> |
|------------------------------|---------------------------------------|--------------------------------------|
| 20 - 40 | 18,057 | 39,540 |
| * 20 - 40 W/12-20 TAIL-IN | 34,231 | 99,199 |

Table 12
Crosslinked Water — Comparison
of Maximum Proppant Concentration

MAXIMUM PROPPANT CONCENTRATION (3 ZONE WELLS ONLY)

| <u>MAX. LB./GAL.</u> | <u>AVE. 36 MO. PROD. BOPW</u> | <u>TOTAL CUM. PROD. BOPW</u> |
|----------------------|---------------------------------------|--------------------------------------|
| * 3 | 37,566 | 117,000 |
| 4 | 18,057 | 39,540 |
| 5 | 20,870 | 49,192 |

Table 13
Comparison of Typical Spraberry Fracturing Fluids

| Generic Name | X-Linked HPG | Borate-HPG | Gelled H ₂ O | Polyemulsion | Refined Oil |
|--------------------------------|--|----------------------------------|-----------------------------------|---|--|
| Smith Trade Name | GWX-7 | GWX-9 | 30 ppg WGA-2 | WEP-1 | Refined Oil |
| Base Fluid | 2%KCl,Lt.Brine | 2% KCl, Brine | 2% KCl, Brine | 67% Oil 33% Water | Refined Oil |
| Specific Gravity | Base Fluid | Base Fluid | Base Fluid | 0.916 | + 0.930 |
| Proppant Support | Perfect | Near Perfect | Banking | Banking | Banking |
| Friction (to H ₂ O) | 56% Reduction | 45% Reduction | 56% Reduction | 158% Increase | 250% Increase |
| Shear Sensitivity | Moderate | Very Low | Low | Low | Low |
| Fluid Loss | Good | Good | Fair | Good | Fair |
| Height Growth | Large | Large | Small | Moderate | Moderate |
| Main Advantages | High Proppant Low Friction Perfect Support | High Proppant Shear Resistant | Low Friction Low Height Growth | Low Fluid Loss Low Cost Good Clean Up | Low Cost |
| Disadvantages | Shear Sensitive | High pH | Low Proppant Banking Fluid | High Friction Banking Fluid | High Friction Banking Fluid Damaging |

Table 14
Typical Lower Spraberry Fracturing
Input Parameters

Operator: Spraberry Oil Company
Formation: Lower Spraberry
Well Name: Typical, Reagan County, Texas

Reservoir Properties

Average Depth: 7100 feet
Fracture Height: 200 feet
Fracture Gradient: 0.52 psi/foot
Fracture Pressure: 3640 psi
Porosity: 9.0 percent
Permeability: 0.2 millidarcies
Bottom Hole Pressure: 1500 psi
Bottom Hole Temperature: 130 deg. F.
Reservoir Compressibility: 0.00003/psi
Reservoir Fluid Viscosity: 1.2 centipoise
Poisson's Ratio: 0.25 dimensionless
Young's Modulus: 5,500,000 psi

Table 15
Fracturing Fluid Comparison - Calculated Data

| | GVX-7 HIGH VISCOSITY | GVX-7 LOW VISCOSITY | WGA-2 GELLED WATER | VEP-1 POLYEMULSION | REFINED OIL |
|--|-------------------------|------------------------|-----------------------|-----------------------|-------------|
| FRACTURE HEIGHT (FEET) | 300 | 200 | 150 | 150 | 200 |
| PROPPANT BANK HEIGHT (FEET) | 300 | 200 | 50 | 56 | 56 |
| TOTAL FLUID PENETRATION (FEET) | 281 | 615 | 748 | 716 | 589 |
| PROPPANT PENETRATION (FEET) | 258 | 553 | 575 | 444 | 526 |
| AVERAGE FRACTURE WIDTH (INCHES) | 0.45 | 0.3 | 0.27 | 0.27 | 0.27 |
| NET PRESSURE AT SHUTDOWN (PSI) | 430 | 345 | 328 | 380 | 430 |
| AVERAGE PROPPANT CONCENTRATION (LB/FT ²) | 1.2 | 1.1 | 2.4 | 3.3 | 2.7 |

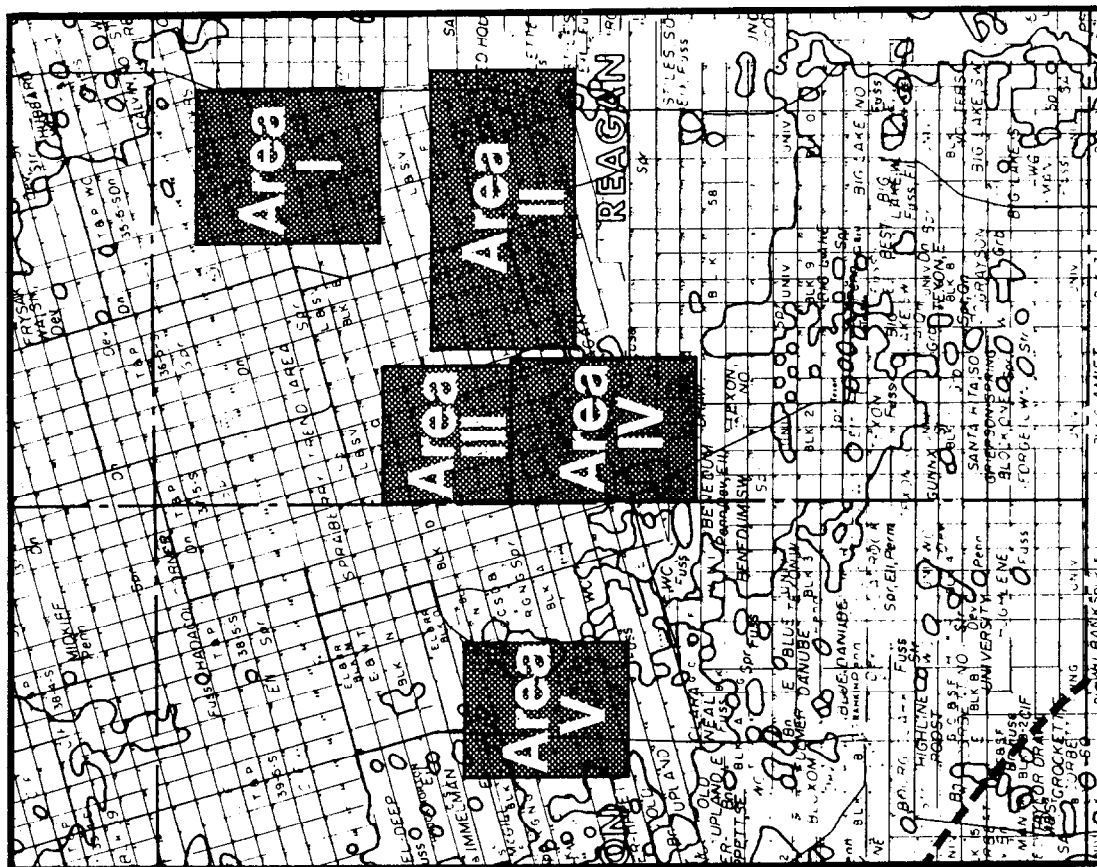


Figure 1 - Map of subject areas in the Spraberry Trend

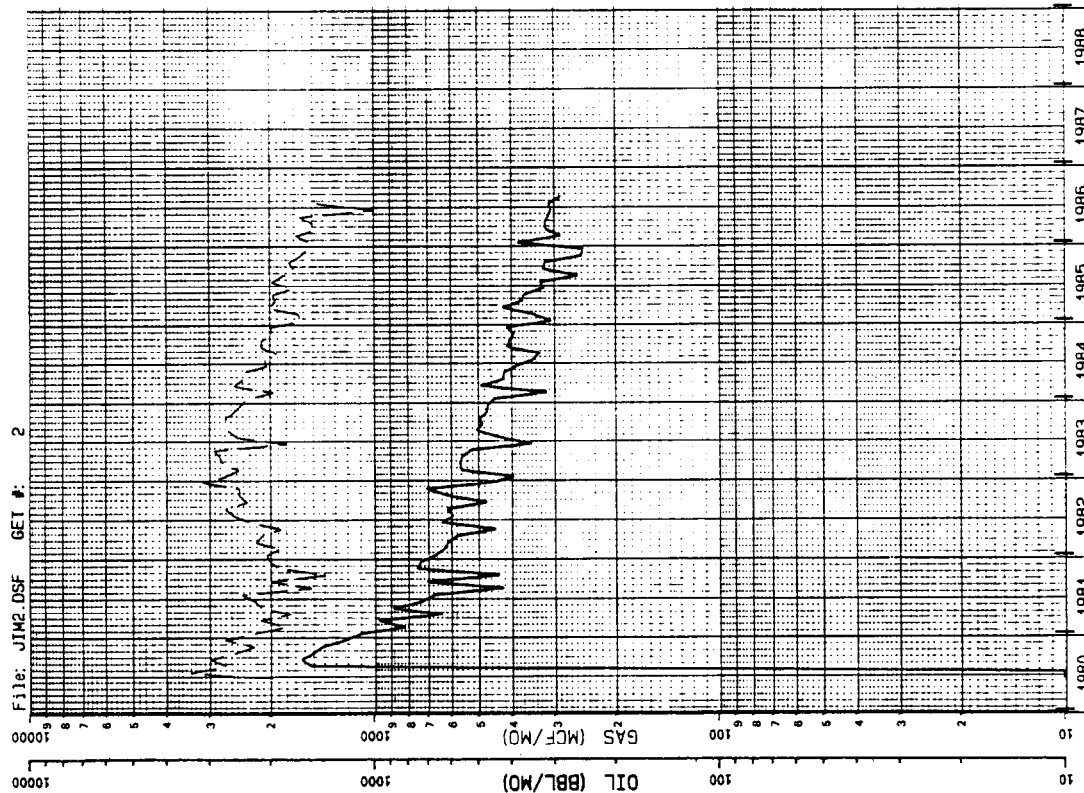


Figure 2 - Typical production decline (Area II - Well No. 34)

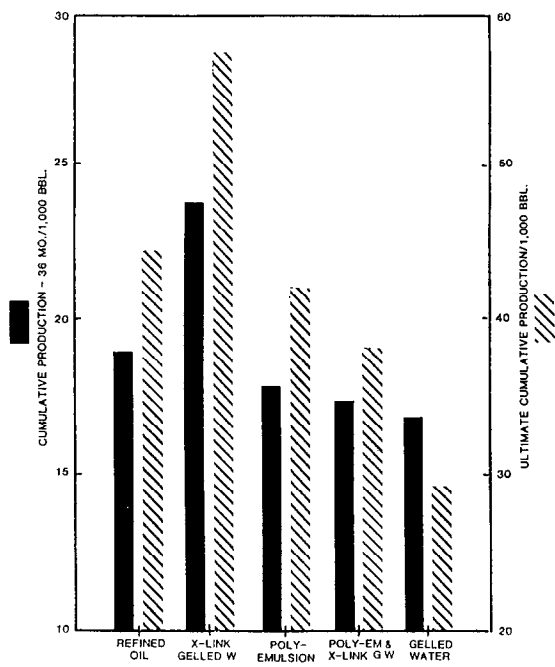


Chart 1
Reagan County Fluid Type
Comparison

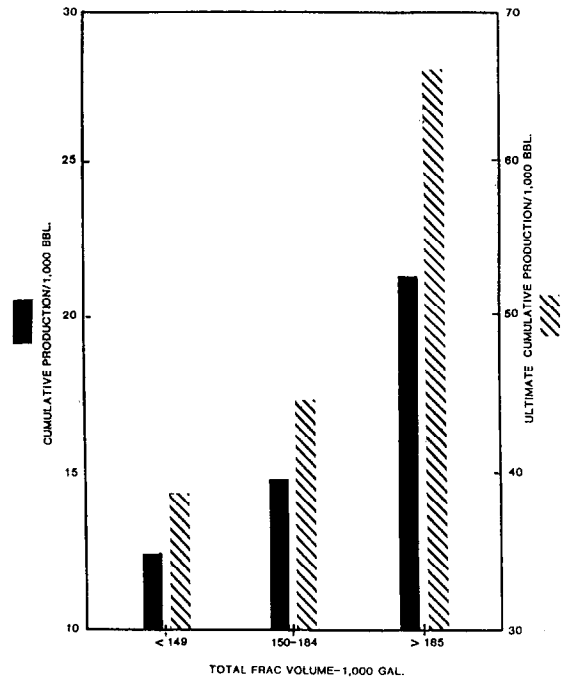


Chart 2
Reagan County Frac Fluid
Volume Comparison

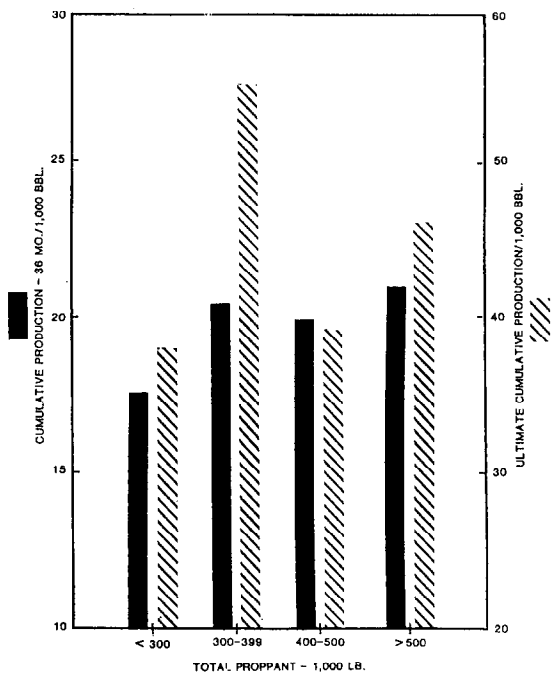


Chart 3
Reagan County Proppant Volume
Comparison

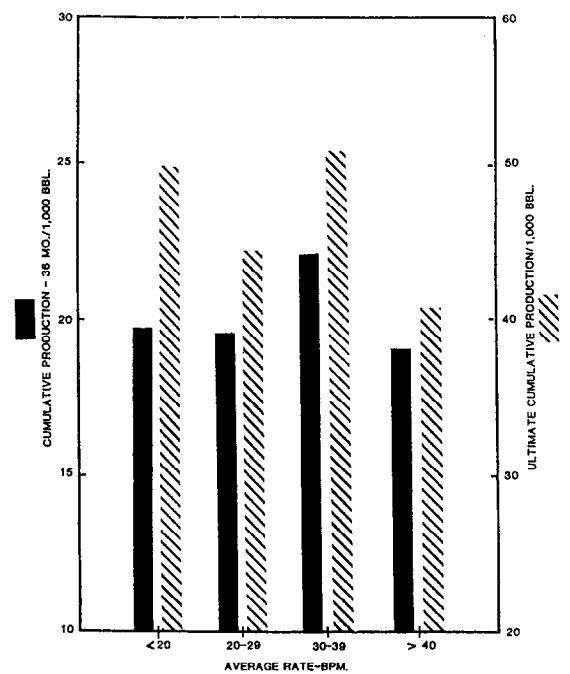
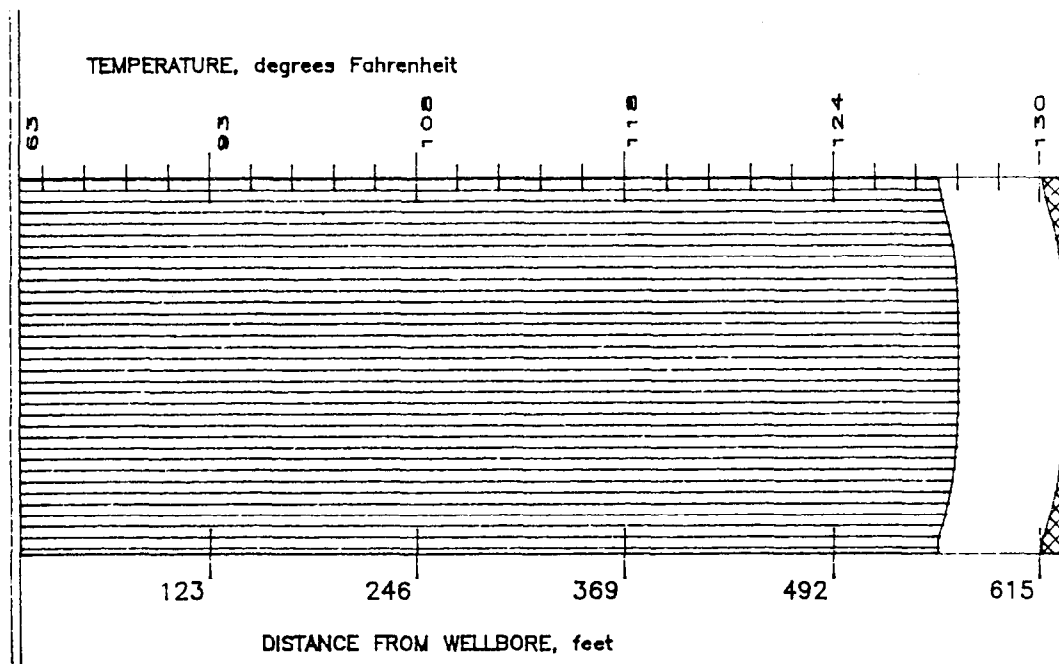
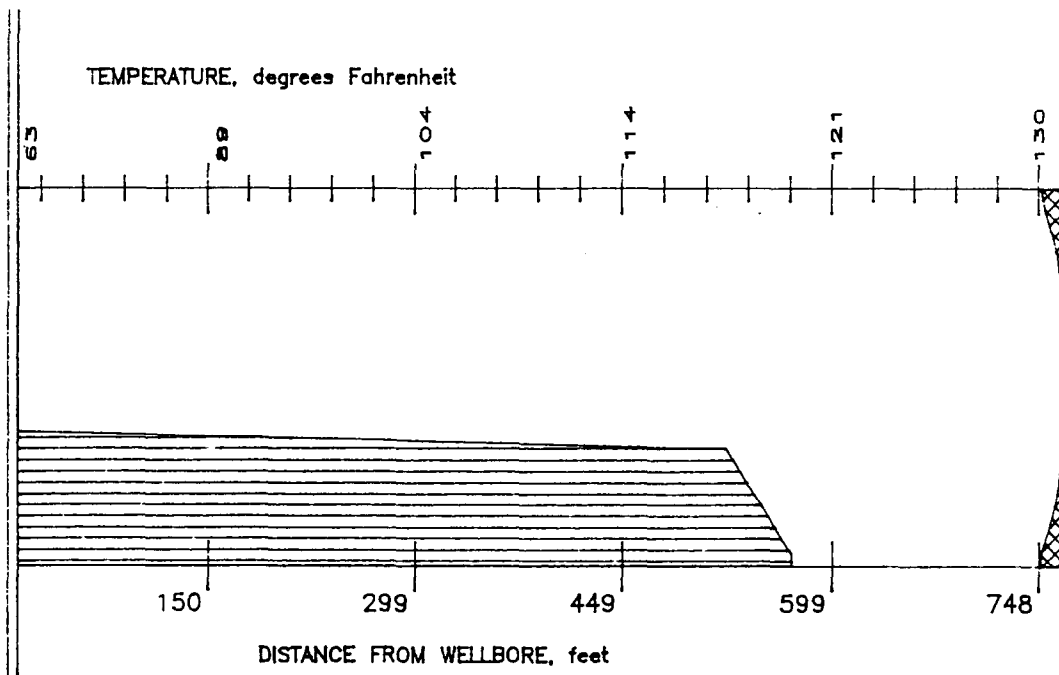


Chart 4
Reagan County Injection Rate
Comparison



Current proppant penetration: 553



SANDBANK HEIGHT=50, PENETRATION=575

Chart 5
Comparison of Perfect Support Fluid (Top) to
Banking Fluid (Bottom)