

Daly Unit #17
2018 Annual EOR Report

Executive Summary

In 2018 oil production in the Daly Unit #17 averaged 57.6 m³/d (362 bbl/d) totaling 21 e³m³ (132.1 mbbbl). Annual production had a massive incline of 117% from 2017 to 2018, this is using the average production year over year, using December 2017 to December 2018 the incline in production would be 19%. By the end of 2018 cumulative oil production from the Daly Unit #17 was 30.5 e³m³ (191.6 mbbbl). The unit is currently still under primary production and, as of yet, has had no water injected into the producing formations.

In December 2018 there were six producing oil wells fully within the unit and five wells that cross unit boundaries, and no active water injectors in the unit. In 2017, two wells were drilled within the unit. In 2018, five crossover horizontals were drilled.

Discussion

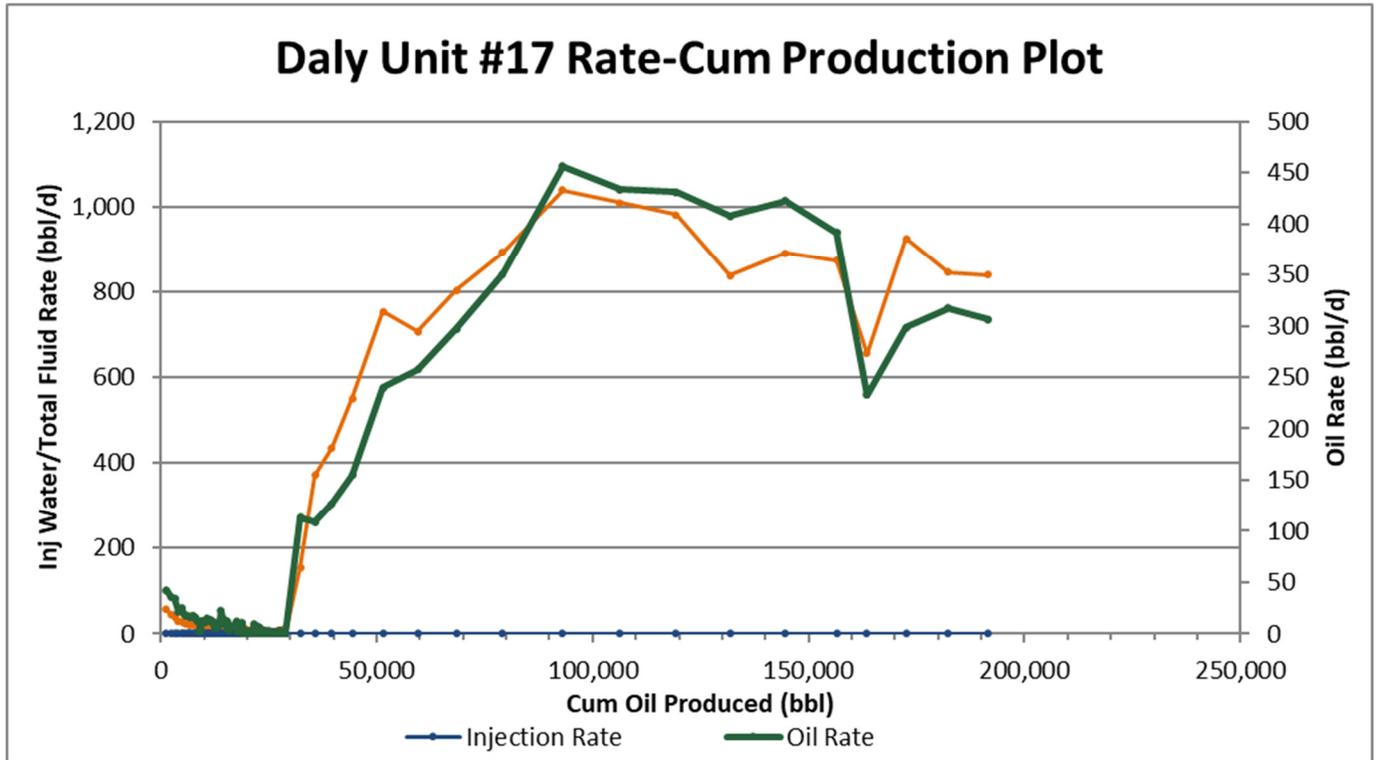
The Daly Unit #17 was created as a unit in 2018, with the intention of further development through the implementation of a waterflood scheme.

In 1954, 3 vertical wells were drilled and all produced for several years. In 2017, Corex was active drilling horizontal wells and completing with hydraulic fractures. The intention is to progress to secondary recovery methods after a period of primary production. This unit has a low recovery factor and further development through waterflood will increase the recovery. In 2018, the producing WOR was $1.7 \text{ m}^3/\text{m}^3$. This is slightly higher than some of the other new units as there are some wells in the northern portion of the unit that have higher watercuts than seen elsewhere.

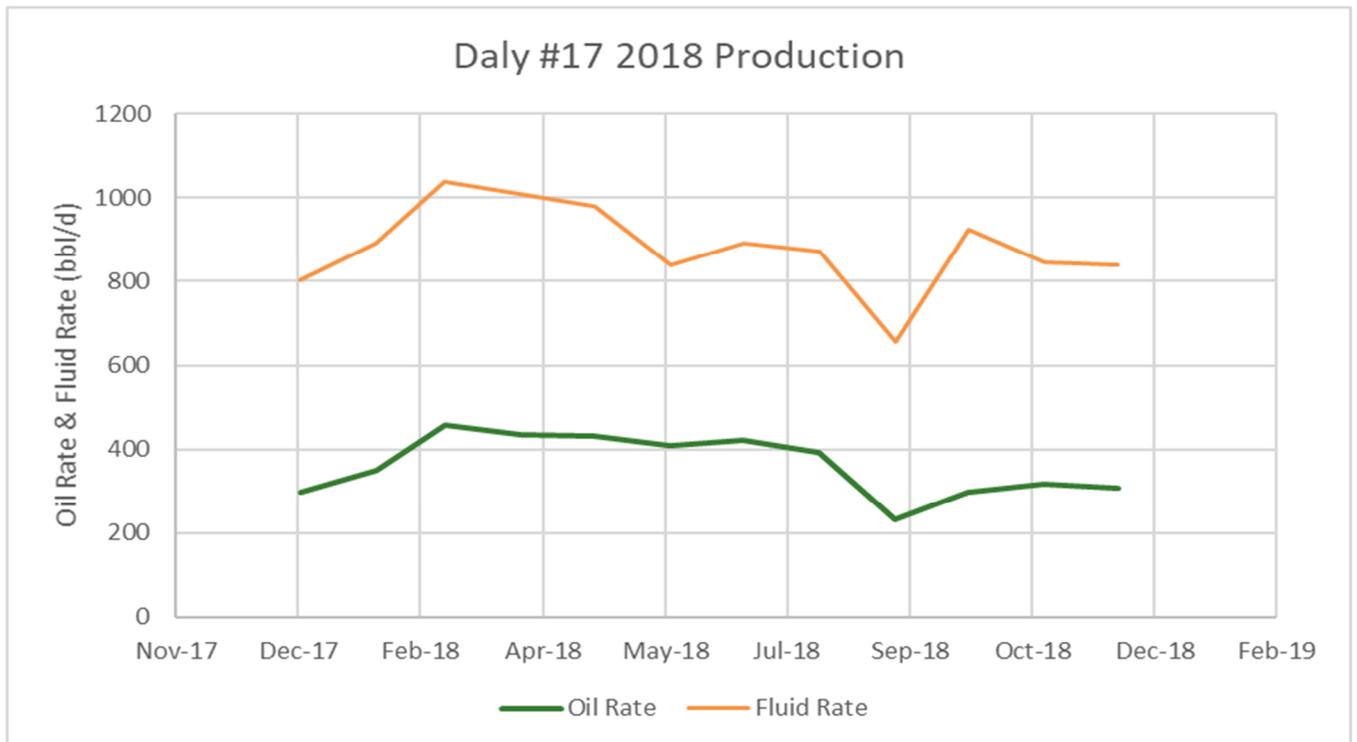
Significant events in 2018 are as follows:

- January 2018, drill the 103/05-05-010-28W1/00 crossover horizontal well in the Flossie.
- August 2018, drill the 102/04-05-010-28W1/00 crossover horizontal well in the Daly.
- August 2018, drill the 103/04-05-010-28W1/00 crossover horizontal well in the Daly.
- August 2018, drill the 102/09-05-010-28W1/00 crossover horizontal well in the Daly.
- August 2018, drill the 105/12-04-010-28W1/00 crossover horizontal well in the Daly.

Daly Unit #17 – Rate vs Cum Oil Production



Daly Unit #17 – Rate vs Time



2018 Reservoir Pressure Surveys

No pressures have been taken in this unit since the history of its inception. It is estimated that the initial reservoir pressure is around 7,500 kPa and the bubble point around 2,000 kPa. With the recent rapid development in the unit and the inter well spacing the reservoir pressure is likely dropping significantly. When effects of a decline in pressure is seen, the implementation of a waterflood will be advantageous. Due to the nature of the rock in this area and the lower permeability recording accurate pressures are difficult.

2018 Well Servicing

UWI	Unit	Licenc	Operation	Date	Objective
102/12-05-010-28W1/00	DU#17	10835	Initial Completion	2018-01-22	DALY COMPLETION
103/12-05-010-28W1/00	DU#17	10836	Initial Completion	2018-01-22	DALY COMPLETION
102/13-05-010-28W1/00	DU#17	10650	Install Compressor	2018-03-01	
103/05-05-010-28W1/00	DU1 / DU17	10801	Pump Repair	2018-08-04	
102/04-05-010-28W1/00	DU#17	10953	Initial Completion	2018-08-30	DALY COMPLETION