

Daly Unit #16
2018 Annual EOR Report

Executive Summary

In 2018 oil production in the Daly Unit #16 averaged 33.6 m³/d (211 bbl/d) totaling 12.3e³m³ (77.1 mbbbl). Annual production declined by 2.8% from 2017 to 2018, this is using the yearly average, if using December 2017 to December 2018 the decline in production would be 55%. By the end of 2018 cumulative oil production from the Daly Unit #16 was 26.5 e³m³ (166.4 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 2 producing oil wells, and two wells crossing unit boundaries on production, and no active water injectors in the unit. In 2017, two wells were drilled within the unit. In 2018, there was no activity within the unit.

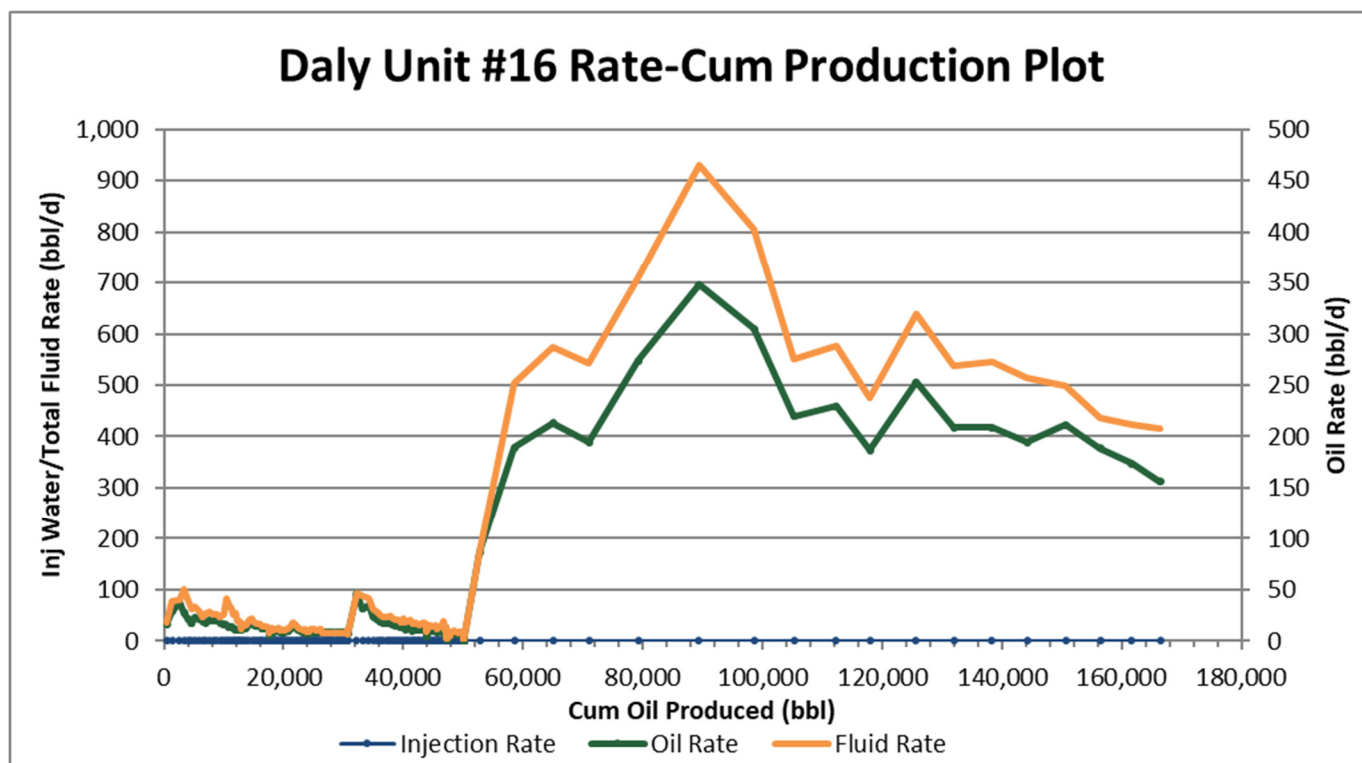
Discussion

The Daly Unit #16 was created as a unit in 2018, with the intention of further development through the implementation of a waterflood scheme.

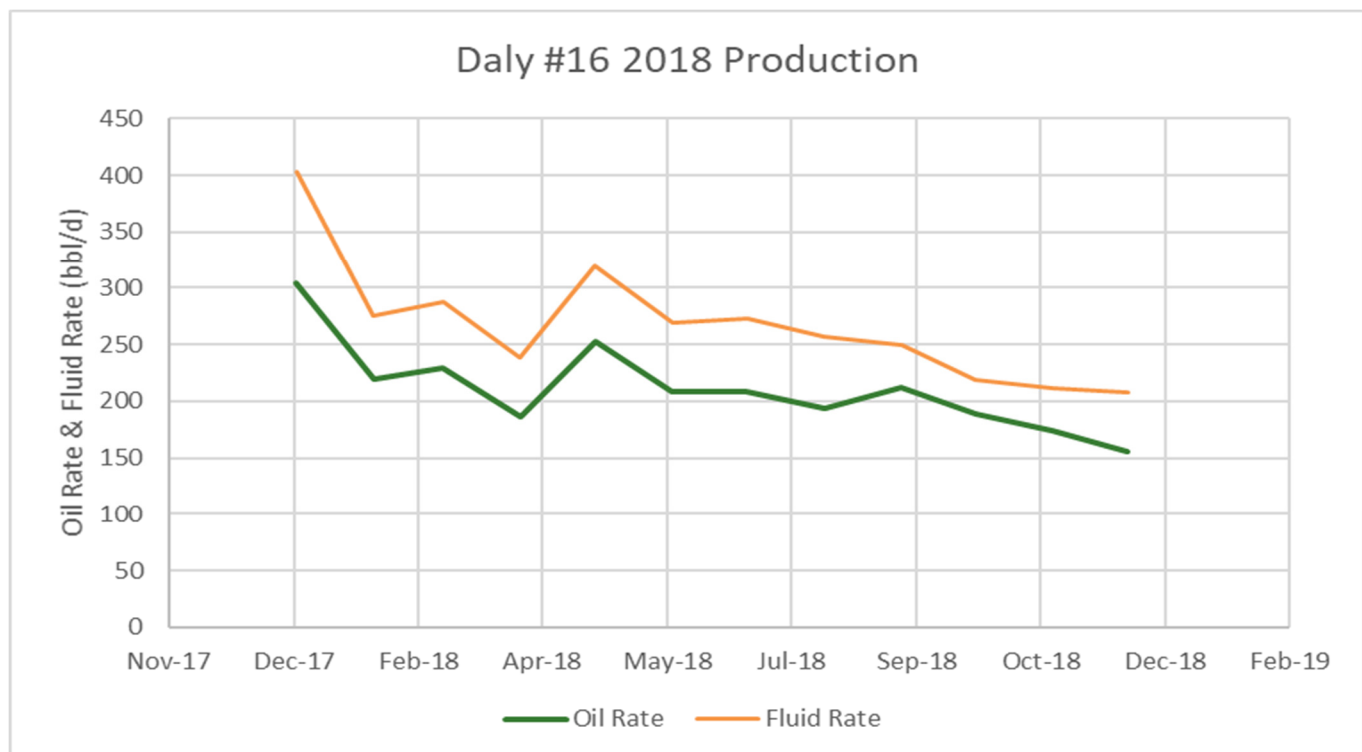
In 1953, 3 vertical wells were drilled and all produced for only ten to twelve years. In the following years, there was no development in the unit area, until Corex was active drilling horizontal wells and completing with hydraulic fractures. The intention is to progress to secondary recovery methods 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 $0.3 \text{ m}^3/\text{m}^3$.

There are no significant events in 2018, however, two horizontals and an additional two crossover wells were drilled between Daly #1 and Daly #16 in 2017.

Daly Unit #16 – Rate vs Cum Oil Production



Daly Unit #16 – 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
103/08-04-010-28W1/00	DU16	10644	Pump Repair	2018-02-20	
104/04-04-010-28W1/00	DU1 / DU16	10720	Equip & Tie-In	2018-08-01	