

Daly Unit #17
2019 Annual EOR Report

Executive Summary

In 2019 oil production in Daly Unit #17 averaged 41.5 m³/d (261 bbl/d) totaling 15.1 e³m³ (95.3 mbbbl). Annual production declined 27.8% from 2018 to 2019, this is using the average production year over year, comparing December 2018 to December 2019 the decline in production would be 34.6%. By the end of 2019 cumulative oil production from the Daly Unit #17 was 45.6 e³m³ (286.9 mbbbl). The unit is currently still under primary production and has had no water injected into the producing formations.

In December 2019 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. In 2019, one existing horizontal well had a solvent wash to improve production.

Discussion

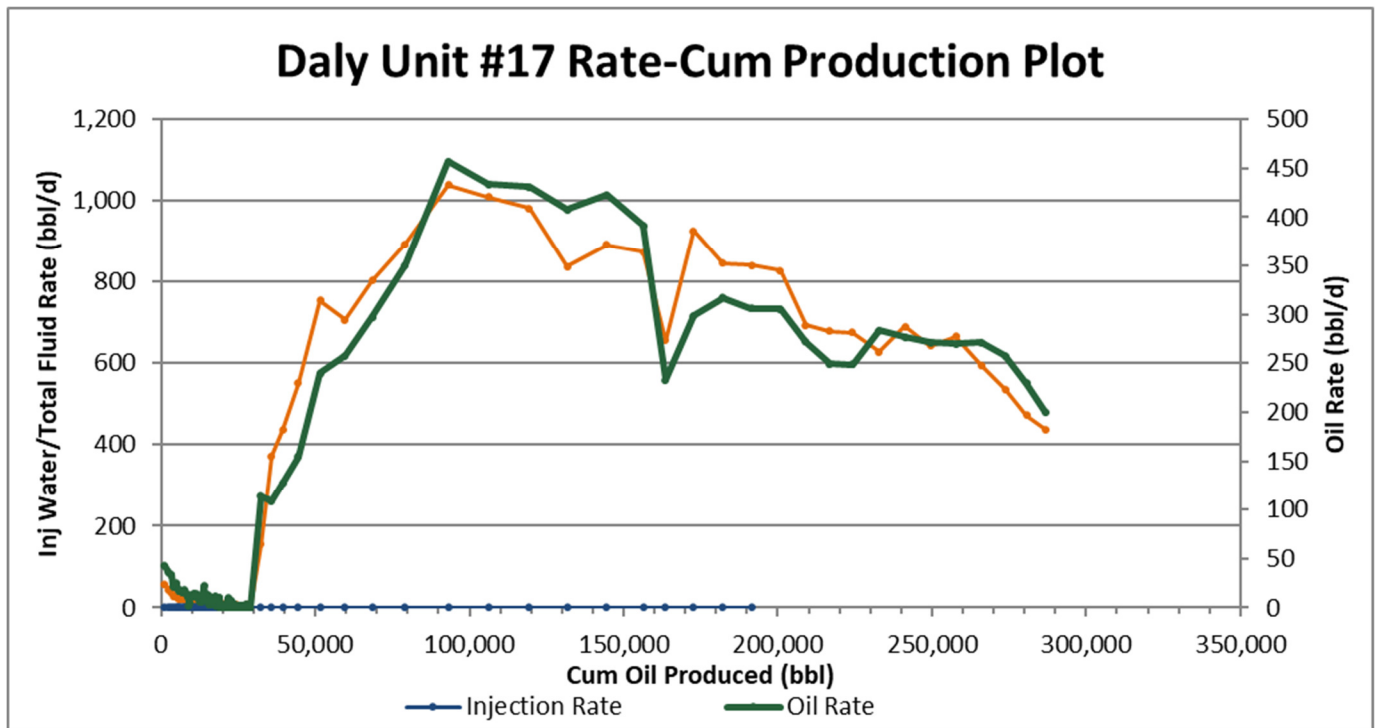
The Daly Unit #17 was created as a unit in 2018, with the intention of further development through the implementation of a waterflood scheme.

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 2019, the producing WOR was $1.2 \text{ m}^3/\text{m}^3$. 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.

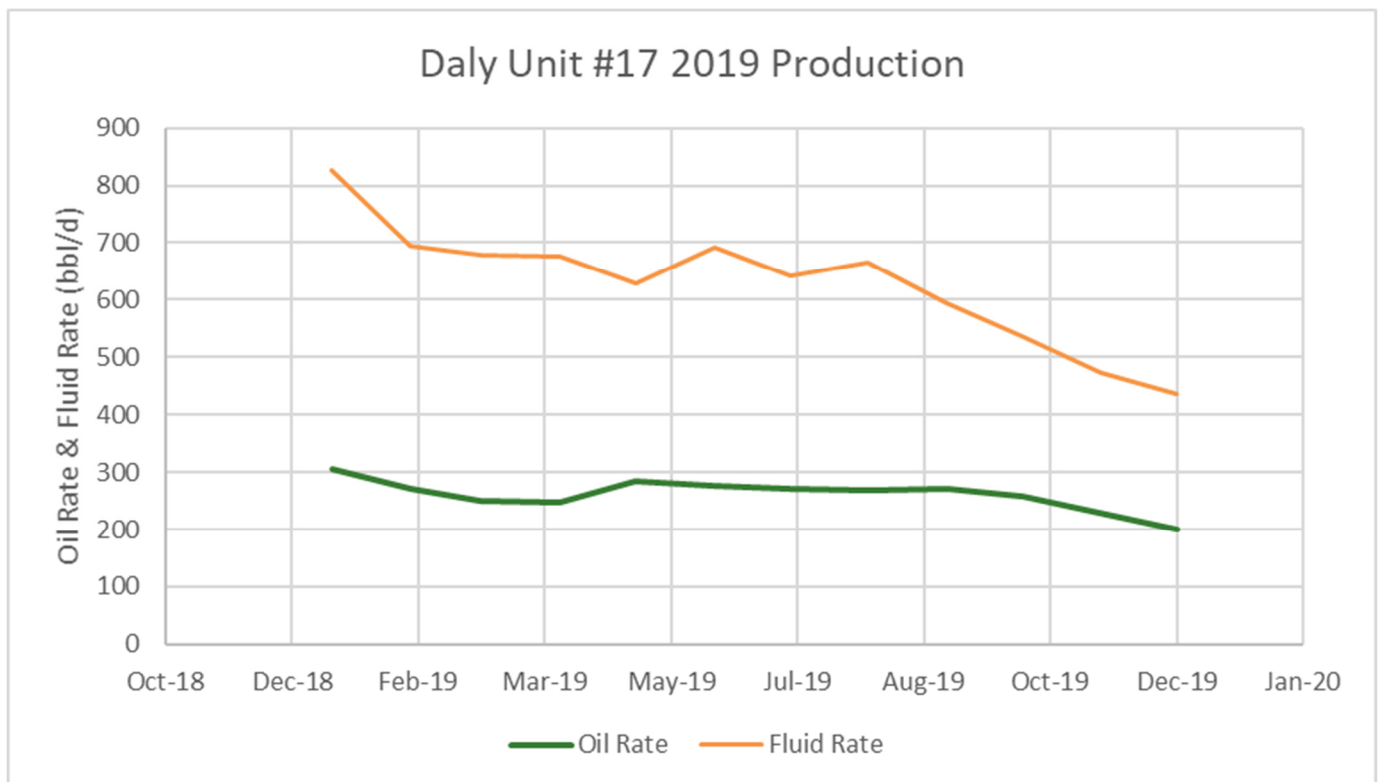
Significant events in 2019 are as follows:

- July 2019, perform a solvent wash on the 103/05-05-010-28W1/00 crossover horizontal well.

Daly Unit #17 – Rate vs Cum Oil Production



Daly Unit #17 – Rate vs Time



2019 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.

2019 Well Servicing

UWI	Unit	Licence	Start Date	Operation	Objective
103/05-05-010-28W1/00	DU17 / DU1	10801	2019-07-11	Completion/Workover	Clean-out
103/05-05-010-28W1/00	DU17 / DU1	10801	2019-09-25	Completion/Workover	Tenex Nanoclear Workover
100/05-05-010-28W1/00	DU#17	10729	2019-10-01	Facilities	Cathodic
102/13-05-010-28W1/00	DU#17	10650	2019-09-13	Facilities	Insulate and Heat Trace for Compressor