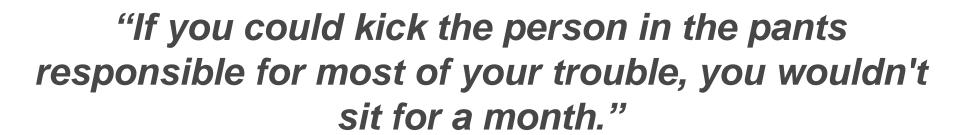


CINAREX

2016 AADE Symposium Brad Cantrell February 17, 2016

Overview

- Introduction
- Problem
- Cause Identification
- Comparison of Hole Cleaning Practices
- "New" Hole Cleaning Procedure
- Conclusion



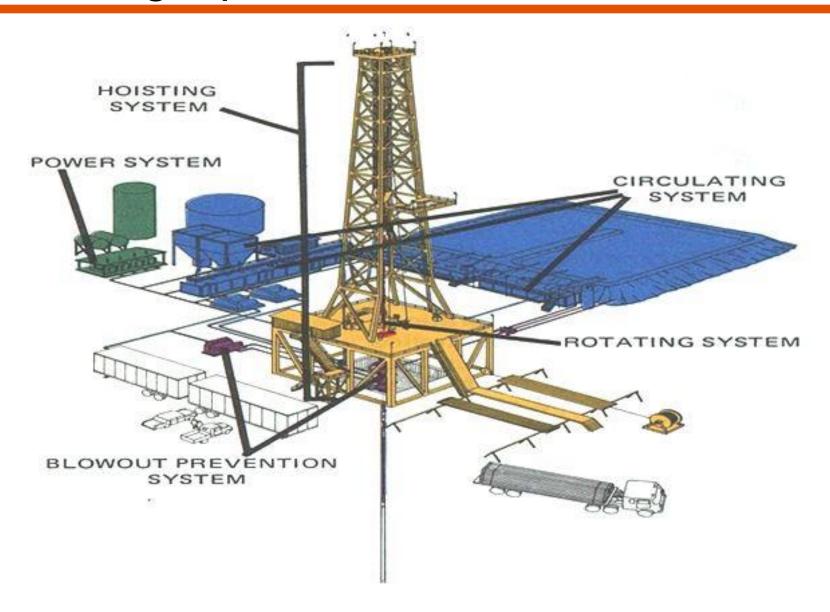
Theodore Roosevelt, 1858 – 1919 26th President of the United States

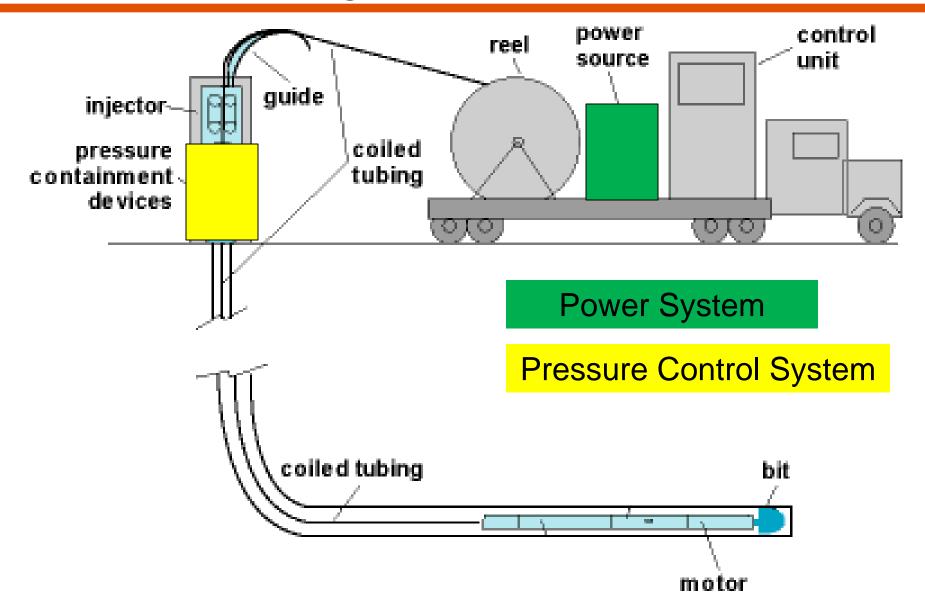
Financial Impact

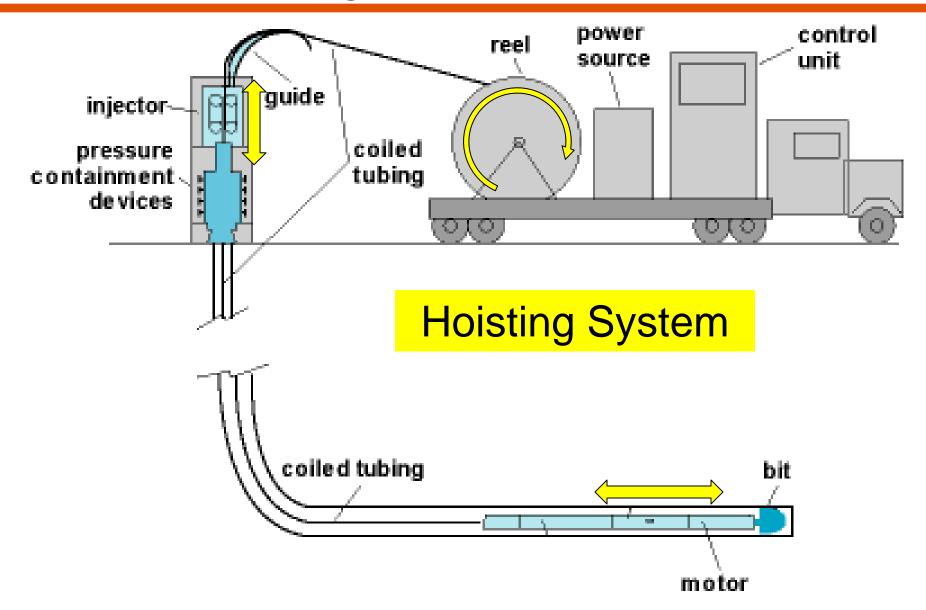
▲ Between Jan 2014 to April 2015

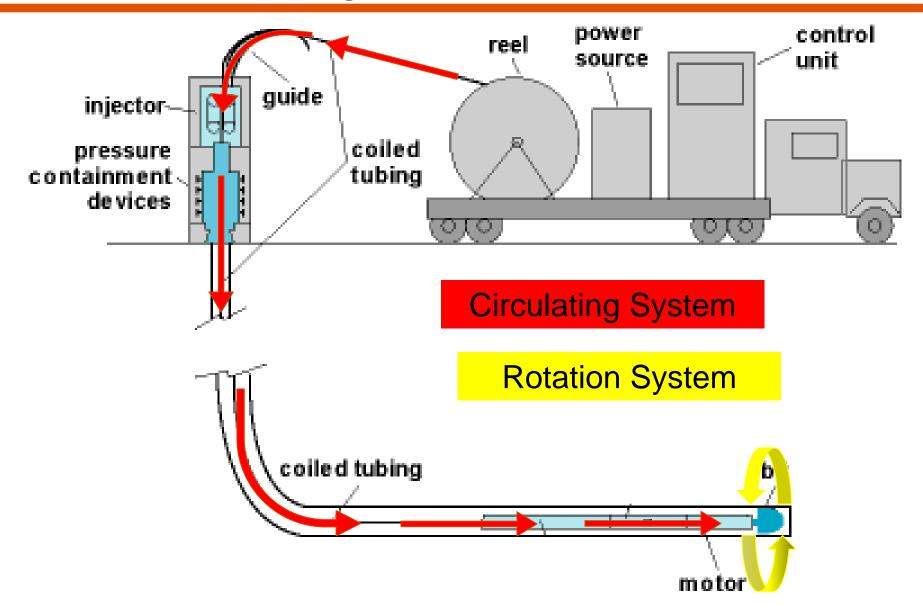
- Completed 230+ operated wells
- 11 stuck coiled tubing events
- Impact to well costs: \$5,674,000
- Expected cost for coiled tubing operation -\$100,000 - \$250,000

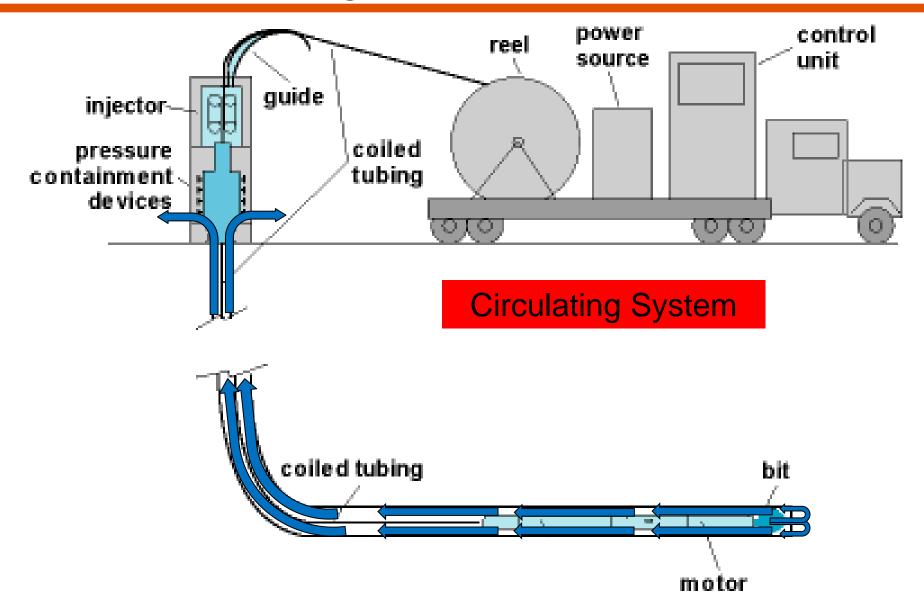
Drilling Operation









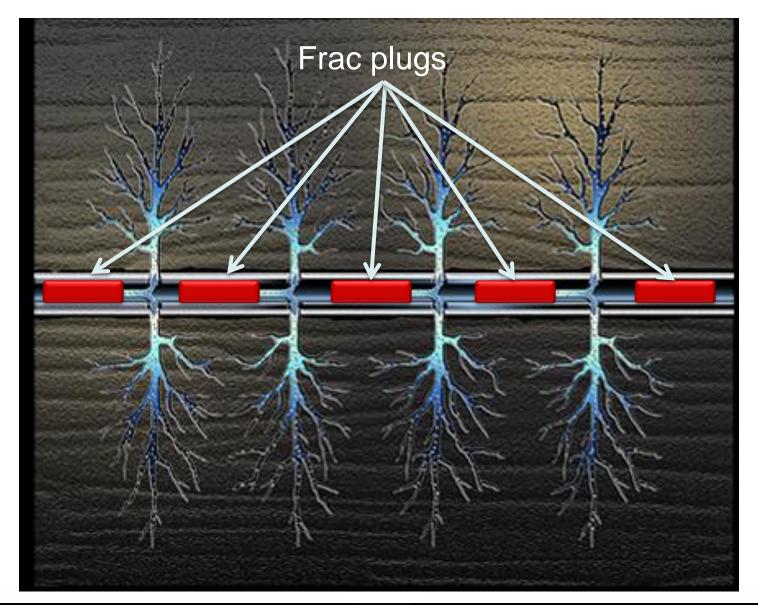


Many similarities to drilling operations

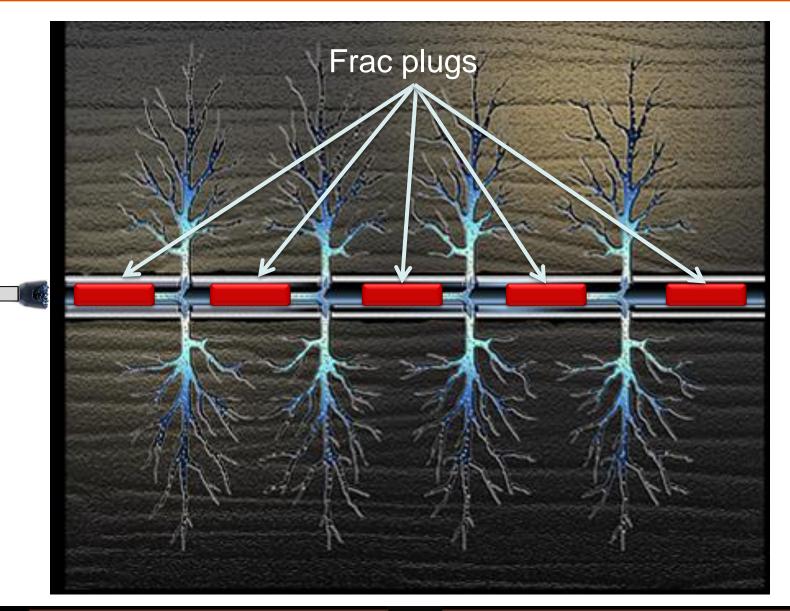
Notable differences

- Constrained by the inability to rotate pipe
- Able to pump steadily while tripping pipe
- Pressure/hydrocarbons limit access to returns

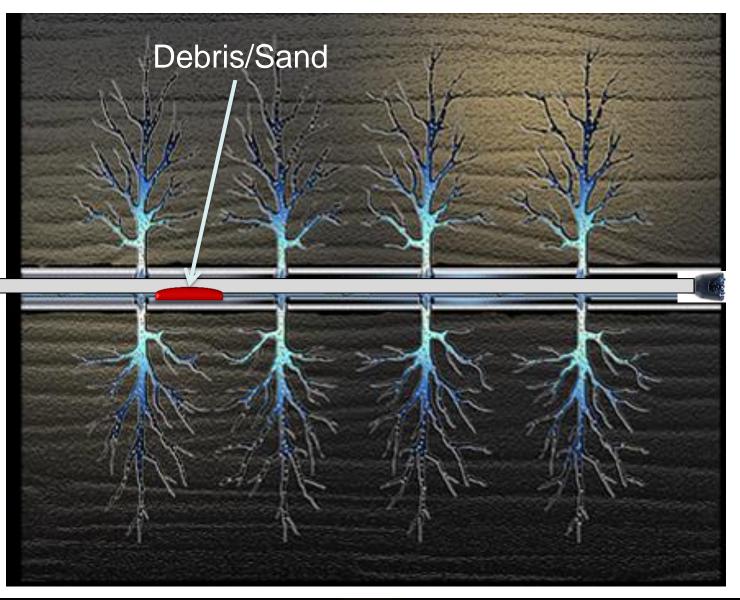
Coiled Tubing Drill Out



Coiled Tubing Drill Out



Coiled Tubing Drill Out



Causes of Stuck Coiled Tubing

Generally occurred while tripping

Lack of engineering in hole cleaning practices

▲ Hole cleaning was inadequate

Drilling Operation

Based on K&M Guidelines

No sweeps

■ No short trips

Completion Operation

Based on supervisor / vendor experience

Sweeps to clean lateral

Short trips to clean lateral

Drilling Operation

- Engineered and monitored fluids
- Several bottoms up before trip
- Procedure for overpull situations

Completion Operation

- Fluid quality visually monitored
- No clean up time before trips
- Procedure for overpull

 No overpull guidance

- If downhole physics are the same, why are practices so different?
 - Vendors focused on tools / equipment
 - Engineering tends to be focused on stimulation
 - Horizontal "science" based on conventional reservoirs

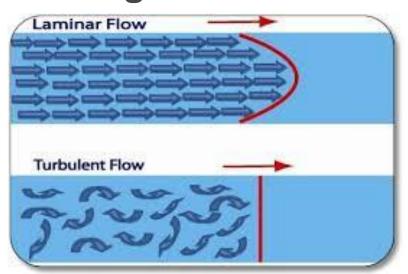
■ If downhole physics are the same, why are practices so different?

We failed to capitalize on our knowledge and apply it to like situations.



"New" Hole Cleaning Procedure

1. Periodic sweep procedure with quantitative fluid monitoring



2. Specific plug drill times

- Used to control debris size
- Used to allow clean up between plug drilling

"New" Hole Cleaning Procedure

3. No short trips for hole cleaning

Short trips used to check hole cleaning rate

4. Specific trip procedure

- Limit trip speeds
- Clean up procedure

5. Overpull guidance

Conclusion

No stuck pipe incidents when procedure followed

Successful drill out on 70+ wells in various environments

▲ Learning curve

- Buy-in from ALL supervision
- Optimizing details of procedure

Conclusion

■ Identified other "drilling norms" that would be beneficial for completions

- Real-time data monitoring
- Third-party fluids engineering

