

MAY-24-99 MON 03:32 PM

District I - (505) 993-6161  
1625 N. French Dr  
Hobbs, NM 88241-1980  
District II - (505) 748-1283  
811 S. First  
Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Road  
Aztec, NM 87410  
District IV - (505) 827-7131

Energy Minerals and Natural Resources Department  
Oil Conservation Division  
2040 South Pacheco Street  
Santa Fe, New Mexico 87505  
(505) 827-7131

P. 23  
Revised 06/30/99  
Submit Original  
Plus 2 Copies  
to appropriate  
District Office  
**RECEIVED**  
JUN - 7 1999  
OIL CON. DIV.

**APPLICATION FOR  
APPROVAL OF WELL WORKOVER PROJECT**

THREE COPIES OF THIS APPLICATION AND ALL ATTACHMENTS MUST BE FILED WITH THE APPROPRIATE OCD DISTRICT OFFICE.

Operator name & address D.J. SIMMONS, INC. P.O. BOX 1469 FARMINGTON, NM 87401							OGRID Number 5578	
Contact Party JEFF PARKES							Phone 505-326-3753	
Well Name HANSON FEDERAL # 1					Well Number		API Number 30-039-20048-00	
UL	Section 3	Township 23N	Range 7W	Feet From The 1650	North/South Line PSL	Feet From The 700	East/West Line FWL	County RIO ARRIBA

**II. Workover**

Date Workover Commenced: 7/22/98.	Pool(s) well previously produced:
Date Workover Completed: 8/12/98	LYBROOK-GALLUP

- III. Attach a description of the Workover Procedures undertaken to increase the production from the Well.  
IV. Attach a production curve (a production decline curve) or table showing at least twelve months of production prior to the workover and at least three months of production following the workover that reflects a positive production increase from the workover.

**V. AFFIDAVIT:**

State of New Mexico )  
County of San Juan ) ss.  
JEFF PARKES, being first duly sworn, upon oath states:

- I am the Operator or authorized representative of the Operator of the above-referenced Well.
- I have made, or caused to be made, a diligent search of the production records which are reasonably available and contain information relevant to the production history of this Well.
- To the best of my knowledge, the data used to prepare the production curve and/or table for this Well is complete and accurate and this production is from the well on which this workover was performed.

Signature Jeff Parkes Title Financial Officer Date 6-3-99  
SUBSCRIBED AND SWORN TO before me this \_\_\_\_\_ day of \_\_\_\_\_  
Cathy Coppel  
Notary Public  
My Commission expires: 9-14-99

**FOR OIL CONSERVATION DIVISION USE ONLY:**

**VI. CERTIFICATION OF APPROVAL:**

This Application for Approval of a Well Workover Project is hereby approved and the above-referenced Well is designated a Well Workover Project. The Division hereby verifies the data showing a positive production increase. By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project has been completed as of 8/12/98.

Signature District Supervisor <u>SS. S</u>	OCD District <u>3</u>	Date <u>10/15/99</u>
---	--------------------------	-------------------------

**VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:** \_\_\_\_\_

DJ Simmons Inc.

Ogrid:

5578

**Hanson #1**

API: 30-039-20048-00

	<u>MCF Gas</u>	<u>Bbl Oil</u>
May-97	0	0
Jun-97	0	0
Jul-97	0	0
Aug-97	0	0
Sep-97	0	0
Oct-97	111	41
Nov-97	135	50
Dec-97	103	44
Jan-98	69	47
Feb-98	130	38
Mar-98	74	35
Apr-98	63	24
May-98	101	42
Jun-98	46	30
Jul-98	69	27
Aug-98	388	112
Sep-98	1026	127
Oct-98	957	161
Nov-98	1057	134
Dec-98	1197	104

Workover completed  
August 1998



## **Hanson Federal No. 1**

### **Workover Proposal**

#### **Workover Purpose:**

To repair potential casing leaks and return well to production. Secondary purpose is to re-stimulate pay zone.

#### **Procedure**

1. Test existing anchors, or reinstall.
2. MIRU pulling unit with pump, pit, and swivel. NU BOPE. Well is already dead.
3. POOH with 2 3/8" tubing. Tubing may be stuck. Visually inspect tubing and SLM. Evaluate tubing condition and replace if necessary.
4. PU retrievable bridge plug. RIH and set bridge plug at 5300' +/- . Circulate hole clean and load with 2% KCL water, or produced water. Attempt to pressure test casing. POOH. If casing pressure tests, very unlikely, terminate procedure.
5. PU test packer. Isolate holes in casing.

#### **Option 1**

Current NMOCD and BLM regulations require that cement be placed in the 4 1/2 x 7 7/8" annulus, from the top of the existing cement to surface, prior to plugging this well. However, it is not currently required that cement be in place through this entire interval to produce the well. D.J. Simmons can opt to squeeze repair only the intervals where the casing has holes. We do not recommend this, because new holes are likely to occur. This procedure and cost estimate has been prepared to squeeze cement from the existing TOC to surface.

6. RU Wireline and run CBL to determine existing TOC.
7. Squeeze as necessary to bring cement to surface. (Details can not be prepared with existing data)
8. Clean out cement and bridgeplugs to PBTD. Run casing scraper.
9. Re-perforate Gallup formation, precise depths to be determined.
10. RIH with packer and 2 3/8" tubing. Set packer at 5330'.
11. Acidize with 500 gals 15% HCL with clay stabilizers and additives as recommended.
12. POOH with packer and tubing.
13. Install SN. Run 2 3/8" tubing and land at 5600'
14. Swab well in.
15. Install Plunger Lift system. Return well to production.
16. ND BOPE, NU wellhead. Release rig.

8.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
070 FARMINGTON, NM

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT" for such proposals

RECEIVED  
BLM

SEP 16 PM 12:57

FORM APPROVED  
Budget Bureau No. 1004-0135  
Expires: March 31, 1993

5. Lease Designation and Serial No.  
NM 080273

6. If Indian, Allottee or Tribe Name  
N/A

7. If Unit or CA, Agreement Designation

8. Well Name and No.

Hanson Federal 1

9. API Well No.

30-039-20048

10. Field and Pool, or Exploratory Area

Lybrook-Gallup

11. County or Parish, State

Rio Arriba County, New Mexico

SUBMIT IN TRIPLICATE

RECEIVED  
SEP 21 1998

OIL CON. DIV.  
DIST. 3

1. Type of Well

☒ Oil ☐ Gas ☐ Other

2. Name of Operator

D.J. Simmons Co.

3. Address and Telephone No.

3005 Northridge Dr. Suite L, Farmington NM 87401 (505) 326-3722

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

L

1650' FSL x 700' FWL, Section 3, T23N, R7W

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent

☒ Subsequent Report

☐ Final Abandonment Notice

☐ Abandonment

☐ Recompletion

☐ Plugging Back

☒ Casing Repair

☐ Altering Casing

☐ Other

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depth for all markers and zones pertinent to this work.)\*

D.J. Simmons Company has performed the work over operation described in the Sundry notice of 7/8/98. These operations are described in detail in the attached reports.

14. I hereby certify that the foregoing is true and correct

Signed

Robert R. Griffie

Title Consulting Engineer

Date: 9/14/98

(This space for Federal or State office use)

Approved by

TS/Duane W. Spencer

Title

Date

SEP 17 1998

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instruction on Reverse Side

SEP 17 1998

NMCCD

FARMINGTON DISTRICT OFFICE

Sm

**D.J. Simmons Co.  
Workover Report**

**Hanson #1**

**7/22/98**

MIRU Big A Rig 31. ND well head, NU BOPE. TOH with 2 3/8" tubing – SLM. Set pump and pit. Hauled 80 bbls 2% KCL. Secure well. SDFN.

**7/23/98**

PU Arrow bit and casing scraper. TIH. Tag bottom at 5574.34'. TOH. RU Blue Jet. Set wireline set retrievable bridge plug at 5300'. Dump 8' of sand on plug. Fill hole with 2% KCL water. Run 40 arm caliper, MTT log from 5300 to surface. Secure well, SDFN.

**7/24/98**

Wait on Blue Jet. PU Arrow test packer. TIH with 82 stands and 1 single. Set packer at 5252.47'. Pressure test bridge plug under packer to 500 psi – ok. Release packer, attempt to circulate. Found major leak in bell nipple at surface. Look for holes in casing by pressure testing under packer. Casing pressure tested to 500 psi from 674' to bp at 5300'. Casing did not pressure test at 579', corrosion log indicated bad casing from 600' to 674'. Note: could not establish circulation through Braden head through holes in casing. Rig up Blue Jet. Ran CBL from 5300 to 4870'. Top of cement at 5085'. Secure well, SDFN.

**7/27/98**

ND BOP. Tighten bell nipple on casing. Re-install well head, flange, and BOP. TIH with test packer. Find top hole at 571'. TOOH, lay down packer. Set Retrievable bridge plug at 840'. Dump 8' sand on plug. PU test packer. RIH and set packer at 810'. Pressure test bridge plug to 500 psi. POOH to 191' and set packer. Establish circulation rate through holes in casing and up through braden head of 2 bpm and 900 psi. Secure well, SDFN.

**7/28/98**

RU BJ. Pressure up backside above packer to 500 psi, kept 500 psi throughout job. Establish rate of 1.5 bpm and 900 psi. Cemented with 250 sks class 'b', with final 35 sks mixed with 2% CaCl<sub>2</sub>. Displace with 5 bbl water. Circulated 10 bbls cement to surface from braden head valve and through cracks in ground around casing head. Close well in. SDFN to WOC.

**7/29/98**

H. Fierro on location at 08:00. Unset packer. TOOH. PU casing scraper, bit, and four 3 1/8 DC's. TIH tag cement at 481' (110' cmt), Drilled 3' hard cement. Drilled 9 additional feet, cement too soft. Shut down 2 hrs. Drill 12' cement. Still too soft. Wait 2 hrs. Drilled remainder of first joint – for a total of 31'. Shut down for the day to WOC.

**7/30/98**

Finished drilling cement – total of 160 feet. Pressure test casing to 500 psi – did not hold. Fled down to 245 psi in 6 min. TOH, lay down scraper and bit. PU packer and bridgeplug, TIH. Set bridgeplug at 840', pressure test to 500 psi – ok. Dump 5 gals sand on bridgeplug. TOOH, lay down packer. TIH with 10 stnds 2 3/8" tubing to 636' – 65' below top of hole. SDFN.

Hanson #1

7/31/98

Started cement job at 09:28. Pumped 10 bbls water followed by 5.2 bbls cement. Shut down. Displaced with 0.6 bbls. POOH. Shut BOP. Started squeeze with 0.5 bbls. Shut down. Squeeze again with 0.5 bbls. Shut down, squeeze again with 0.5 bbls. Shut down, squeeze again with .5 bbls. Shut in pressure 325 psi. Squeeze again with .5 bbls. Final pressure 329 psi. Shut in for weekend at 330 psi.

8/3/98

SICP = 60 psi. PU casing scraper, bit, and 4 3 1/8" dc's. TIH. Tag cement at 320'. Drilled out 160' of cement. SDFN,

8/4/98

Finish drilling cement. Pressure test casing to 500 psi. Slow bleed off. TOOH, lay down bit and scraper. PU packer, RIH and pressure test bridgeplug to 500 psi - ok. Isolate leak at 571'. TOH lay down pkr. PU retrieving tool and TIH. SDFN.

8/5/98

Retrieve bridgeplug at 840'. TOOH, lay down plug. TIH with retrieving tool and retrieve bridgeplug at 5300'. TOH. RU sand bailer. Clean out to 5690'. TOOH with bailer. SDFN.

8/6/98

TIH with 2 3/8" tbg and Arrow 32-A packer. Land pipe at 5578', set packer at 5291'. Spot 3.1 bbls 15% HCL at bottom of tubing. POH with 1 stand. Set packer. Pump 45 bbls 15" HCL at 2.6 bpm and 1000 psi. RU to swab. Swab 5 runs, ending fluid level at 3500'. Made 29 bbls fluid.

8/7/98

TP = 0 psi. Swab. Sand line parted. Unset packer. RIH with tbg and tagged clean out depth of 5960'. TOH. Recover sand line. PU Model R production packer. Ran 1 joint of 2 3/8" tbg, SN, 148 jts of 2 3/8" tubing, Modle R packer, and 19 joints of 2 3/8" tubing. Packer set at 617', SN at 5329', and tubing landed at 5363'. SDFN.

8/10/98

SITP = 200 psi, SICP = 150 psi. Blow well down. Swab with initial fluid level = 650'. Made 13 runs recovering 37 bbls fluid. SDFN.

8/11/98

SICP = 180 psi. SITP = 460 psi. Blow down tubing. Swab with initial fluid level = 3200'. Swab from SN. Swab 10 runs recovering 18 bbls. SDFN.

8/12/98

Release rig. Rig down and move.

Elevations: 7020 GL, 7021 csg head, 7032 KB

