From: <u>Kuehling, Monica, EMNRD</u>

To: <u>Joseph Schnitzler</u>; <u>krennick@blm.gov</u>

Cc: <u>Gina Doerner</u>

Subject: RE: [EXTERNAL] GCU 194 - Casing Repair Approval

Date: Tuesday, February 22, 2022 1:11:55 PM

Joey

30-045-06935

Approval is given from NMOCD to continue with the repair as long as approval is received from the BLM. Notify this office prior to MIT – an inspector from this office will need to witness. Please also submit a subsequent when work is completed.

Keep this office informed on when cementing will occur and when SIMCOE will be drilling out.

Monitor bradenhead during repair. The well has had pressure on its bradenhead in the past.

Thank you

Monica Kuehling Compliance Officer Supervisor Deputy Oil and Gas Inspector New Mexico Oil Conservation Division North District

Office Phone: 505-334-6178 ext. 123

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From: Joseph Schnitzler < joseph.schnitzler@ikavenergy.com>

Sent: Tuesday, February 22, 2022 12:53 PM

To: krennick@blm.gov; Kuehling, Monica, EMNRD <monica.kuehling@state.nm.us>

Cc: Gina Doerner <gina.doerner@ikavenergy.com> **Subject:** [EXTERNAL] GCU 194 - Casing Repair Approval

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Hi Kenny and Monica

We currently have a workover rig at the GCU 194 that was doing routine repair work, but it turned out that we found a hole in the production casing. Using a RBP and packer, we narrowed the hole down to 3514-3532', which is about 1500' above the top Mancos perforation. We are now requesting approval from the BLM and NMOCD to squeeze cement into that hole, drill out, and MIT

the casing to 560 psi. Once successful, we will then run our production tubing as well as the pump and rods. If possible, we can get a cement package out there tomorrow to begin the work. I've attached a wellbore diagram for your convenience. Please let me know if you have any questions and if you are okay with us moving forward with this work. Also, is it necessary to have either a BLM or NMOCD rep onsite while we are cementing and performing the MIT?

Joey Schnitzler – Production Engineer IKAV Energy Inc.

Phone: (281) 743-7504

Email: joseph.schnitzler@ikavenergy.com



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GALLEGOS CANYON UNIT #194

30-045-06935

D-5-27N-12W 850 FNL & 920 FWL

San Juan County, NM

Job Summary

- 2/16/22: Traveled to location. Pumped hot water down the casing. Backed off rod string and pulled rods.
- 2/17/22: NDWH, NUBOP. Tagged fill with tubing. Pulled tubing.
- 2/18/22: Ran casing scraper. Pumped paraffin solvent down the tubing.
- 2/21/22: Set RBP at 5134'. Pressure tested casing to 560 psi. Didn't hold pressure. RIH w/ packer and determined bad casing depth.
- 2/22/22: Determined bad casing depth was from 3482'-3545'. POOH w/ packer. Set second RBP at 4056'. Dumped sand on RBP.
- 2/23/22: Set packer at 3230'. Attempted to establish injection rate with no success. Perforated 3 holes with 120 deg phasing at 3523'. Pumped ½ bbl but well pressured up.
- 2/24/22: RIH w/ tubing to 3548'. Pumped 10 sks 15.8# Class G down tubing. Reversed out with 20 bbls. POH w/ tubing, RIH w/ packer and set at 3224'. Squeezed ½ bbl cement behind pipe at 1000 psi. Released packer, POOH.
- 2/25/22: RIH w/ drill bit, drill collars. Tagged TOC at 3465'. Drilled out from 3465'-3547'. Pressure tested casing to 560 psi, didn't hold pressure. POH w/ tubing.
- 2/28/22: RIH w/ tubing to 3545'. Spotted 14 sks ultra fine MC500 13.4# cement. Reversed out 20 bbl. Hesitated squeeze to 580 psi, estimated ¼ bbl cement behind pipe. Left pressure on casing overnight.
- 3/1/22: Pressure tested casing to 580 psi, didn't hold. Tagged TOC at 3481'. POH, RIH w/ bit and drill collars. Drilled out from 3481-3552'. POH.
- 3/2/22: RIH w/ tubing to 3563'. Spotted 26 sks ultra fine MC500 13.4# cement. POH to 3123', reversed out. Hesitated squeeze, estimated ½ bbl cement behind pipe. Left 600 psi on casing overnight.
- 3/3/22: POH, RIH w/ bit and drill collars. Drilled from 3427'-3580'. Pressure tested casing, didn't hold.
- 3/4/22: POH, RIH w/ tubing to 3627', spotted 20 sks 14.6# Type 3 cement. Reversed out, hesitated squeeze, estimated ¾ bbl cement behind pipe.
- 3/7/22: POH, RIH w/ bit and drill collars. Drilled from 3460'-3635'. Pressure tested casing, didn't hold pressure.
- 3/8/22: POH, RIH w/ packer. Determined there was a new leak from 3761'-3824'. POH w/ packer.

3/9/22: RIH w/ tubing open ended to 3838'. Spotted 12 sks 15.8# Class G Cement. Reserved out.

Hesitated squeeze, estimated ½ bbl behind pipe.

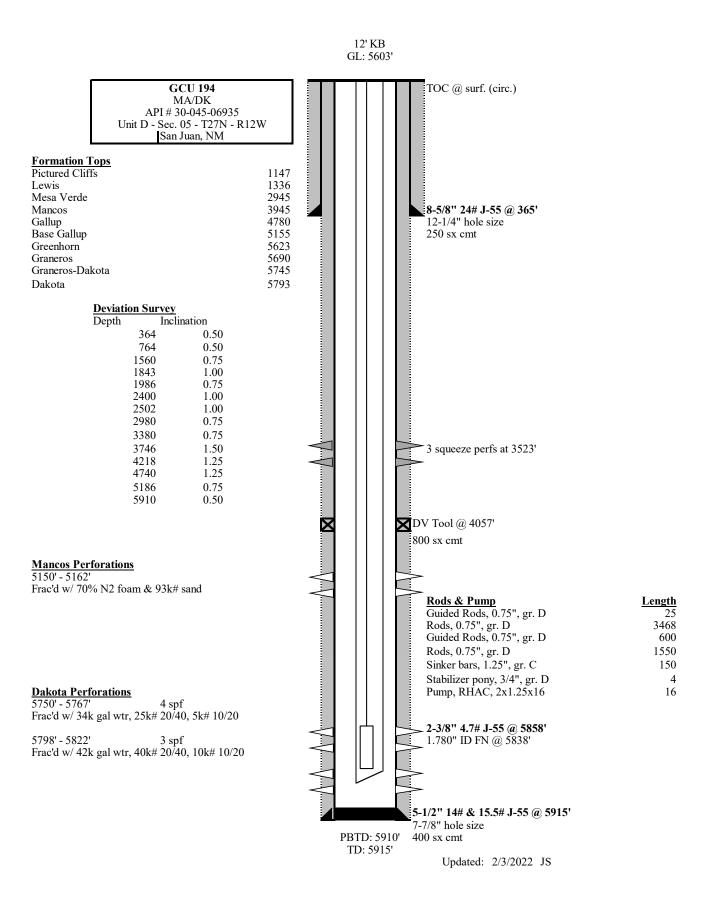
3/10/22: POH w/ tubing. RIH w/ bit and drill collars, drilled out cement from 3761'-3838'.

Pressure tested casing, held pressure.

3/11/22: Performed MIT w/ NMOCD, passed. Retrieved RBP at 4056'.

3/14/22: Retrieved RBP at 5134'. Ran production tubing.

3/15/22: NDBOP, NUWH. Run pump/rods. RDMO.



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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 91770

CONDITIONS

Operator:	OGRID:
SIMCOE LLC	329736
1199 Main Ave., Suite 101	Action Number:
Durango, CO 81301	91770
	Action Type:
	[C-103] Sub. Workover (C-103R)

CONDITIONS

Created By	Condition	Condition Date
mkuehling	None	4/8/2022