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District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
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811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

HOBBS OCD

OIL CONSERVATION DIVISION

JUN 05 2013

220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-32227
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name F.B. DAVIS
8. Well Number 2
9. OGRID Number 4323
10. Pool name or Wildcat TGE GLORIETA; UPPER PADDOCK

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH
PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐
2. Name of Operator
CHEVRON U.S.A. INC.
3. Address of Operator
15 SMITH ROAD, MIDLAND, TEXAS 79705
4. Well Location
Unit Letter A: 510 feet from the NORTH line and 500 feet from the EASTST line
Section 8 Township 23-S Range 37-E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

OTHER: INTENT TO ACIDIZE, SWAB, & SCALE SQUEEZE

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER:

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

CHEVRON U.S.A. INC. INTENDS TO SONIC HAMMER ACIDIZE, SWAB, & SCALE SQUEEZE THE SUBJECT WELL.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, WELLBORE DIAGRAM, & C-144 INFORMATION.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Denise Pinkerton

TITLE: REGULATORY SPECIALIST

DATE: 05/31/2013

Type or print name:

DENISE PINKERTON

E-mail address:

leakejd@cychevron.com

PHONE: 432-687-7375

APPROVED BY

[Signature]

TITLE

Dist. Mgr.

DATE

6-6-2013

Conditions of Approval (if any):

JUN 06 2013



Workover/ Completion Program

Well: F.B. Davis #2 05.6.2013
Reservoir: NM Teague North - Paddock/Glorieta
Surface Location: 8-23S-37E 510 FNL 500 FEL
GPS (NAD27) – (Long, Lat): N 32° 19' 28.09", W -103° 10' 38.81" (NAD27)

Job: **Sonic Hammer Acidize, Swab & Scale Squeeze**

PREWORK:

1. Utilize the rig move check list.
2. Check anchors and verify that pull test has been completed in the last 24 months.
3. Ensure location of & distance to power lines is in accordance with MCA SWP. Complete and electrical variance and electrical variance RUMS if necessary.
4. Ensure that location is of adequate build and construction.
5. Ensure that elevators and other lifting equipment are inspected. Calliper all lifting equipment at the beginning of each day or when sizes change.
6. When NU anything over and open wellhead (EPA, etc.) ensure the hole is covered to avoid dropping anything downhole.
7. For wells to be worked on or drilled in an H₂S field/area, include the anticipated maximum amount of H₂S that an individual could be exposed to along with the ROE calculations for 100 ppm and 500 ppm.

Procedure:

This procedure is meant to be followed. It is up to the WSM, Remedial Engineer and Production Engineer to make the decisions necessary to do SAFELY what is best for the well. In the extent that this procedure does not reflect actual operations, please contact RE, PE and Superintendent for MOC

1. Verify that well does not have pressure or flow. If the well has pressure, note tubing and casing pressures on WellView report. Bleed down well; if necessary, kill with cut brine fluid (8.6 ppg).
2. MI & RU workover unit.
3. Unseat pump, POOH with rods and pump. Examine rods for wear/pitting/paraffin. Hot water production tubing prior to pumping the job if trash is visible. ND wellhead, unset TAC, NU BOP. POOH and LD 1 jt. PU 5 ½" packer along with a joint of tubing and set ~ @ 25', test BOP pipe rams to 250 psi/1000 psi. Note testing pressures on WellView report. Release and LD packer.
4. PU 1 joints of tubing and tag for fill (TAC 5,045'-48', Top Perfs: 5,090', Bottom Perfs 5,368', EOT 5380', PBTD 5,390'). **Do not push TAC into perfs.** POOH while scanning 2 7/8" production tubing. LD all non-yellow band joints.

If fill is tagged:

- A. Above 5,385' contact remedial engineer and verify if the clean out is necessary. If so, continue with foam/air clean out per step 5.
- B. Below 5,385' clean out not needed, skip step 5.

Note: Strap pipe out of the hole to verify depths and note them on Wellview report.

Send scan log report to drillin@chevron.com (Jonathan Paschel).

5. PU and RIH with 4 ³/₄" MT bit, on 2 ⁷/₈" 6.5# production tubing. RU power swivel and clean out to 5,390' with foam/air unit (**continue to supplemental procedure and in accordance with attached SOG**). POOH with 2 ⁷/₈" production tubing and bit. LD bit & BHA.
6. Contact sonic tool rep to be on site during job. *Verify that production tubing is clean, inspect for excessive rust.* PU and RIH with Sonic Hammer tool, seat nipple, and tubing to 5,370' or enough to cover the bottom perforations with a whole stand. Stand back tubing to top perforations. Install stripper head and stand pipe with sufficient treating line to move tools vertically ~ 65'. Rig up pressure gauges to allow monitoring of tubing and casing pressures.
7. MI & RU Petroplex and pressure test surface lines. Titrate acids and verify concentration (HCl ±1.5%) report results in daily work summary. If well will circulate proceed to step 7.b).
- a) **Sonic Hammer for non circulating wells.** Treat all 4 intervals from 5,085' to 5,375' with the following procedure from the top interval to the bottom interval. Shut in the annulus. Do not exceed 5,000 psi tubing pressure.
 - i) While reciprocating over the perf interval, pump 30 bbls of cut brine, followed by 15% NEFE HCL and then flush tubing with cut brine pumping at 5 BPM. Repeat with all intervals listed in Table A using the acid volumes listed for each interval.

Table A: Perforation Intervals for acid.

Stages	Depth	Interval (Ft.)	Acid Volume (gal)
1	5085' - 5140'	55	1,550
2	5190' - 5245'	55	1,500
3	5280' - 5295'	15	300
4	5355' - 5375'	20	650
			4,000

- ii) R/D Petroplex Acidizing, drop Sonic Hammer circulating port opening ball, shut in well for 1 hr for the acid to spend.
 - ❖ If WSM believes that the formation may take longer to spend the acid, wait until appropriate to begin the scale squeeze.
- iii) Pressure up the tubing to ~2000 psi to open the sonic hammer tool circulating port.
- iv) R/U swab equipment and swab well back to flowback tank until the load is recovered or returns are produced fluid and no longer spent acid.
- v) R/D swab equipment and POOH w/ tubing to top perf.
- vi) Pump 40 bbls cut brine mixed w/ 3 drums Baker SCW-358 scale inhibitor down the tubing through the circulating ports on the Sonic Hammer at a max rate of 5 bpm. Displace scale squeeze w/ 170 bbls of cut brine.
- vii) TOOH w/ sonic hammer. Proceed to step 9
- b) **Sonic Hammer treatment w/ a circulating well.**
 - i) Treat stage 1 (referring to Table A above) with 30 bbls of cut brine. Pump down Sonic Hammer tool at 5 BPM while reciprocating tool across intervals. Do not exceed 5,000 psi tubing pressure. Leave annulus open in circulation mode while treating.
 - ii) Pick up enough pipe to reach the next interval and repeat step 7.b)i) until all intervals are washed.
 - iii) Starting at stage 4 fill tubing w/ acid and shut in backside. Pump the volume of acid specified in Table A at 5 BPM reciprocating over the perf interval. Flush tubing with cut

- brine. Casing pressure should not exceed 500 psi. If necessary, bleed off or slow pumping rate.
- iv) TOO H w/ tubing to the next interval and repeat step 7.b)iii) acidizing each interval according to Table A.
 - v) Shut in well for 1 hr for the acid to spend. Monitor casing pressure to keep it below 500 psi. Bleed off excess pressure if necessary.
 - vi) Kill well and POOH Sonic Hammer Tool and tubing. LD Sonic Hammer.
 - vii) PU & RIH with 5 1/2" packer and tubing. Set treating packer at 5050', above the top perf.
 - viii) RU swab crew and flowback tank.
 - ix) Swab well until returns indicate formation fluid and not spent acid, or fluid level drops enough to make swabbing non productive.
 - x) Pump 40 bbls cut brine mixed with 3 drums of scale inhibitor (165 gals) Baker SCW-358 Scale Inhibitor Chemical down the packer. Pump at a max rate of 5 BPM.
 - xi) Displace scale squeeze with 170 bbls of cut brine.
 - xii) Do not exceed 500 psi casing pressure or 5 BPM while pumping scale squeeze or casing flush. Shut in well overnight.
8. Release packer. POOH while scanning 2 7/8" production tubing and packer. LD all non-yellow band joints and packer.
9. RIH with 2 7/8" production tubing. Set TAC per ALCR recommendation. ND BOP. NU WH. RIH with rods and pump per ALCR. Hang well on. RD and release workover unit.
10. Turn well over to production.

FOAM / AIR CLEANOUT PROCEDURE

- This procedure is an addition to the original procedure.
 1. Install flowback manifold with two chokes. All components on flowback manifold must be rated to at least 5,000 psi. If possible, flowback manifold components should be hydrotested before delivery. Hardline pipes from 2" casing valve to manifold to half pit with gas buster.
 2. Install flowback tank downwind from rig.
 3. Position Air unit upwind from Rig next to water tanks. Have vacuum truck on standby to empty halfpit. (if needed)
 4. RIH with 4 $\frac{3}{4}$ " MT bit, four (3 $\frac{1}{2}$ ") drill collars on 2 $\frac{7}{8}$ " 6.5# L-80 WS.
 5. NU stripper head with **NO Outlets** (Check stripper cap for thread type - course threads preferred). **Stripper head to be stump tested to 1,000 psi before being delivered to rig.** Check chart or test at rig.
 6. RU foam air unit. Make quality foam on surface before going down hole with foam/air. Install flapper float at surface before beginning to pump. Break circulation with foam/air. Evacuate fluid from well.

Pump high quality foam at all times. Do not pump dry air at any time. Fluid injection rates will generally be above 12 gallons per minute

Whenever there is pressure on the stripper head, have a dedicated person continuously monitor pressure at choke manifold and have a dedicated person at accumulator ready to close annular BOP in case stripper leaks. Do not allow pressure on stripper head to exceed 500 psi. If pressure cannot be controlled below 500 psi, stop pumping, close BOP and bleed off pressure.

7. Clean out fill to 5,390' with low RPM's rotation and circulation, always keep pipe moving. Short trips can be beneficial to hole cleaning. Circulate well clean for at least 1 hour at the end of the day and pull up above the perforations before shut down for night. If the foam/air unit goes down, pull above the perforations.
8. When tripping out of hole, have special float bleed off tool available to relieve trapped pressure below float.

Ensure that high quality, stiff foam is pumped while circulating the fill. Stiff foam is required to prevent segregation while circulating. Monitor flow and pressures carefully when cleaning out.

Before rigging up power swivel to rotate, carefully inspect Kelly hose to ensure that it is in good condition. Ensure that swivel packing is in good condition.

Continue on with original procedure for completion.

Well: **F. B. Davis # 2**

Field: **Teague Glorieta/Upper Paddock; SW**

Reservoir: **Glorieta/Paddock**

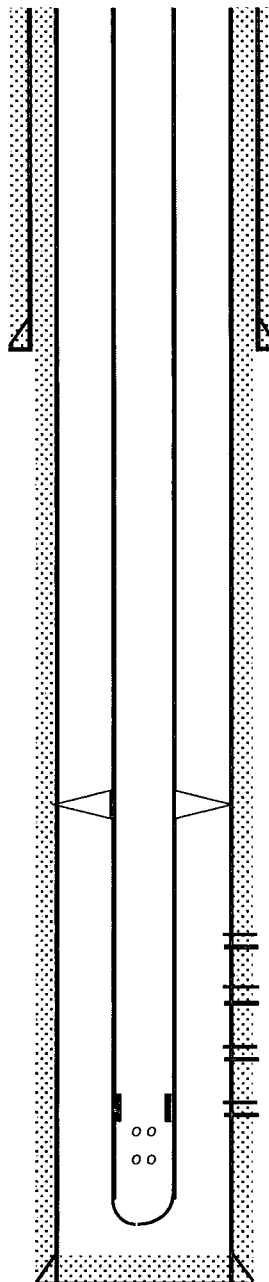
Location:

510' FNL & 500' FEL
Section: 8
Township: 23S
Range: 37E
County: Lea State: NM

Elevations:

GL: 3323'
KB: 3337'
DF: 3336'

**Proposed
Wellbore Diagram**



Well ID Info:

Chevno: QU1904
API No: 30-025-32227
L5/L6: U820600
Spud Date: 12/8/93
Compl. Date: 1/24/94

Surface Csg: 8 5/8", 24# WC-50
Set: @ 1185' w/ 625 sks
Hole Size: 12 1/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Well History:

3/11/2008 Surface Job: Install conversion brake on 456 American
10/22/2007 Surface Job: Replaced American brake drum and shoes with Lufkin brand
10/06/2006 Acidize and scale squeeze new Glorieta perfs
9/20/2006: Acidize and Scale Squeeze
5/24/2000: Rod String Failure. Rod failure due to rod coupling wear. Ran molded RG in dogleg
9/26/1995: Polished Rod Failure
2/18/1994: Rod Pump Failure.
Pump failure, ran stanley failure
2/17/1994: Rod Pump Failure. Pump sticking, sand

Tubing Detail:

#Jts:	Size:	Footage
	KB Correction	14.00
154	Jts. 2 7/8" EUE 8R J-55 Tbg	5030.84
1	TAC	2.70
8	Jts. 2 7/8" EUE 8R J-55 Tbg	258.90
1	Jt. 2 7/8" EUE 8R J-55 IPC Tbg	31.31
1	SN	1.10
1	2 7/8" x 4' Perf Tbg Sub	4.10
1	BPMA 2 7/8" EUE 8R J-55 Tbg	32.88
167	Bottom Of String >>	5375.83

Rod Detail:

#Jts:	Size:	Footage
1	Polish Rod 1.66" x 26'	26.00
1	Pony Rod 1.05" x 4'	4.00
81	Rods 1" x 25' w/ S/H T CPLGS	2025.00
124	Rods 7/8" x 25' w/ F/H T CPLGS	3100.00
6	K Bars 1 1/2" x 25'	150.00
1	Rod pump 1 3/4" x 24'	24.00
214	Bottom Of String >>	5329.00

COTD: 5390'

PBTD: 5390'

TD: 5400'

Updated: 5/6/2013

Perfs:

Status:

5090'-94' Glorieta/Upper Paddock - Open
5120'-36' Glorieta/Upper Paddock - Open
5192'-96' Glorieta/Upper Paddock - Open
5199'-5203' Glorieta/Upper Paddock - Open
5206'-13' Glorieta/Upper Paddock - Open
5236'-40' Glorieta/Upper Paddock - Open
5286'-90' Glorieta/Upper Paddock - Open
5360'-68' Glorieta/Upper Paddock - Open

Prod. Csg: 5 1/2" 15.5# J-55 & WC-50

Set: @ 5400' w/ 1170 sks

Hole Size: 7 7/8"

Circ: Yes **TOC:** Surface

TOC By: Circulated

By: BQVH