

Jones, William V., EMNRD

From: Jones, William V., EMNRD
Sent: Thursday, April 12, 2012 4:57 PM
To: Inge, Richard, EMNRD; Dade, Randy, EMNRD
Cc: Sanchez, Daniel J., EMNRD
Subject: FW: Shocker SWD #1
Attachments: Letter to Mr Jones.pdf; Shocker SWD #1 lower potential.docx

Richard and Randy,

This looks OK to me, despite the 5 inch cement problems. Better than shooting holes in the new pipe. They have logged the formations behind this 5 inch liner and no producing intervals exist.

Despite the earlier correspondence, Yates will be using tapered tubing and setting a packer just above the Devonian.

I am copying this correspondence into the permit file:

SWD-1302-A 30-015-39470

Will Jones

New Mexico

Oil Conservation Division

[Images Contacts](#)

From: Sam Brandon [<mailto:sbrandon@yatespetroleum.com>]

Sent: Thursday, April 12, 2012 11:14 AM

To: Jones, William V., EMNRD

Cc: Dade, Randy, EMNRD

Subject: Shocker SWD #1

Here is a letter describing what we have found and intend to do and a paragraph from geologist D'Nese Fly describing the hydrocarbon potential.

We will drill out the shoe and clean out the well to TD late today or tomorrow.

Thanks,

Sam Brandon
Area Engineer/Senior Production Engineer
Yates Petroleum Corporation
105 S. 4th St.

MARTIN YATES, III

1912-1985

FRANK W. YATES

1936-1986

S.P. YATES

1914-2008



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April 12, 2012

Mr. William V. Jones
New Mexico Energy, Minerals and Natural Resources Department
Oil Conservation Division
1220 S. St. Francis Drive
Santa Fe, NM 87505

Re: Shocker SWD #1

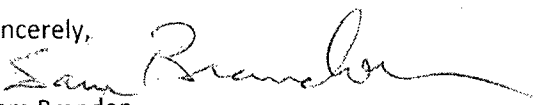
Dear Sir:

As we discussed yesterday morning on the telephone, we have cleaned out our well to 15160' and run a cement bond log. Our first reading on the CBL was at 15148' and we show no cement until we get up to the 7" casing. From there, up, we have very good cement bond. We have successfully tested the entire wellbore to 3000 psi.

We believe that with the external casing packer, the barite and LCM, that we have isolated the Devonian from up-hole intervals (which appear to be non-productive). With the proposed maximum surface injection pressure of 3000 psi, the disposal fluid will be contained in the Devonian interval. An attempt to perforate and place cement behind the 5" casing will damage the casing integrity without any guarantee that it will substantially improve the viability of the wellbore.

We would like to continue with the completion by drilling out the casing shoe, cleaning out the open hole and acidizing the open hole interval 15200' to 15700' with 20000 gallons of 15% NEFE HCl. We will then run a permanent packer and set at 15150'. A combination 3 1/2" x 2 3/8" plastic lined tubing string will be run and stung into the packer.

Sincerely,



Sam Brandon

Sr. Production Engineer/Area Engineer

575-748-4281

sbrandon@yatespetroleum.com

KATHY H. PORTER
SECRETARY

DENNIS G. KINSEY
TREASURER

The Shocker SWD #1 well located in section 32 T25S R29E (unit A) uncovered no potential hydrocarbon bearing zones from 13,141' to the TD at 15,200'. The base of the 7" casing at 13,141' is placed in the Morrow formation. As expected before drilling and proven true after log evaluation, the Morrow formation sands and deeper Formations encountered were not well developed for hydrocarbon production. The Devonian formation (Top at 15,173'), which is the proposed injection formation did show visible porosity in the samples and wireline logs with no potential for hydrocarbons.

Jones, William V., EMNRD

From: Sam Brandon [sbrandon@yatespetroleum.com]
Sent: Tuesday, March 13, 2012 3:17 PM
To: Jones, William V., EMNRD
Subject: Shocker SWD #1
Attachments: Well data.xls

AO SED-1302

Attached is an updated spreadsheet of well data. The original is Sheet 1, the revised data is Sheet 2. Changes include the revised location (original 900' FNL and 900' FEL to 1040' FNL and 990' FEL), the actual setting depths of the casing strings, and the addition of another liner. Please let me know what else needs to be done.

Our cement job on the 5" liner was a pretty big flop. We had good circulation, pumped Mud Push and 3 barrels of cement and the pressure went up and shut us down. They are moving the rig off today and we will run a CBL when we can. I'll send a copy of the logs when I get them. Do you want paper or LAS?

Thanks,

Sam Brandon
Area Engineer/Senior Production Engineer
Yates Petroleum Corporation
105 S. 4th St.
Artesia, NM 88210
575-748-4281

Well Name: Shocker SWD #1 Field: _____
 Location: 1040' FNL & 990' FEL Sec. 32-25S-29E Eddy Co, NM
 GL: 2990' Zero: _____ AGL: _____ KB: 3016.5'
 Spud Date: _____ Completion Date: _____
 Comments: _____

Casing Program	
Size/Wt/Grade/Conn	Depth
20" 94# J55	390'
13 3/8" 48, 54.5, 61, 68# J55	2818'
9 5/8" 40 & 43.5 HCK55, N80, Q125	10069'
7" 32# P110 & Q125	13144'
5"18# P110	15200'

CURRENT CONFIGURATION

