

Submit 1 Copy To Appropriate District Office
District I - (375) 393-6161
1625 N French Dr., Hobbs, NM 88240
District II - (575) 748-1283
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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-26122
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 PARDUE FARMS 27
8. Well Number 8
9. OGRID Number 241333
10. Pool name or Wildcat DELAWARE

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 ☐ Other SWD ☐

2. Name of Operator
CHEVRON MIDCONTINENT, L.P.

3. Address of Operator
15 SMITH ROAD, MIDLAND, TEXAS 79705

4. Well Location

Unit Letter H: 2069 feet from the NORTH line and 632 feet from the EAST line

Section 27

Township 23-S

Range 28-E

NMPM

County EDDY

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

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 MIDCONTINENT, L.P. INTENDS TO ACIDIZE THE SUBJECT WELL.

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

RECEIVED

APR 19 2012

NMOCD ARTESIA

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: 04-18-2012

Type or print name DENISE PINKERTON E-mail address: leakejd@chevron.com PHONE: 432-687-7375

For State Use Only

APPROVED BY: Scott P. Dade TITLE Dist. H. Supervisor DATE 04/19/2012

Conditions of Approval (if any):

2/29/2012
Pardue Farms 27-8 SWD
Acidize SWD

RECOMMENDATION:

Pardue Farms 27-8 is a SWD well in the Pardue Farms lease of the Loving East field. The well currently can dispose of 800 - 1000 bfpd before reaching the max allowable pressure. While this is suitable for base production, the new Bone Springs and Avalon wells will require additional disposal capacity. The objective is to cleanout and acidize the well to see if we can stimulate the reservoir and be able to dispose of more fluid.

PROCEDURE:

- * **Set up an exclusion zone on your coiled tubing operations and discuss in the JSA the area from the wellhead to the unit and to the crane (essentially the area below the goose neck and coil) to ensure we do not have people in these areas when the coil is being run in or out of the well.**
 - * **Verify that braden head does not have pressure or flow. If braden head has pressure or flow contact remedial engineer. Prior to CT RU shut in well and make sure gate valve is in good condition.**
 - * **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 possible MOC.**
 - * **Ran slickline with 1.5" bar, 1.75" bit thru profile. Tagged fill @ 4,675' (2/29/12)**
- 1 Prep Work; MI open top flow back tank and RU flow back manifold. Notify OCD 24 hours prior to MIRU CTU **575-393-6161**. (Ensure that manifold and lines have been tested to 5,000 psi prior to being on location.)
 - 2 MIRU 1.25" coil tubing unit. NU swedge connection to 2-7/8" gate valve (rated for 3000 psi).
2a. BOP setup from top-bottom: Blind, shear, slip, and pipe rams.
 - 3 PU 1.25" CT injector and run out pipe to attach BHA. PU & MU 1-1/4" x 2' stiff sub and 1-1/4" x 8" sonic hammer.
 - 4 Fill CT with FW. Pull CT back up into injector and make up Quad CT BOP to injector head with flow tee to take returns and send to the manifold. PU injector head and BOP, lower onto WH. MU Bowen hand union on BOP to WH crossover. Keep crane in bind to make up for increased pipe weight in hole. **WH is not designed to hold weight.** Test BOP to 500 low, 3000 high.
 - 5 Open WH and prep to RIH. Open WH flowline.
 - 6 RIH to ~500' (no greater than 50 ft/min), perform weight check. Perform weight checks every additional 500' to PBTD (4670'), unless a tag occurs. (if tag occurs, perform weight check before washing through fill). **Note: According to slickline run, it is expected to tag @ 4675'.**

- 7 Wash out perforation interval. If tight spot is encountered, spot acid and pull CT up out of it as needed (allow acid to spend for ten minutes before continuing to wash through scale) to break down scale. (Circulate bottoms up from current depth if acid is spotted to break up scale). (Packer @ 4,304' and PBTD @ 4,670')
 - 8 Once PBTD is reached, circulate twice bottoms up with 10 bbl gel pill with dye, shut in backside and begin pumping acid. Wash over perforations from 4,394'-4,662', in three passes, up, down, up with 4,000 gals 15% NEFE HCl acid* at a maximum bottom-hole rate of 1 BPM and a maximum surface pressure of **3000 psi (do not exceed equipment maximum rated working pressure)**, Displace acid to bottom perf at 4,662'
 - 9 POOH above packer (4,304') pumping minimum rate, displace coil with fresh water to flowback tank containing soda ash to neutralize acid. While displacing, maintain same flowrate in as flowrate out to allow remaining acid to stay below end of coil. Shut in for 1 hour for the acid to spend.
 - 10 RIH to TD, wash over perms. Circulate a minimum of 1 ½ bottoms up volumes or until returns are clean. POOH with CT. **Note: If SWD appears to create a vacuum action after stimulation, avoid RIH to TD and proceed to POOH with CT.**
 - 11 RDMO CT. Shut in overnight.
 - 12 Turn well over to production.
- * **Standard Operating Guidelines for Coiled Tubing are attached on back for reference.**