Form 3160-5
(March 2012)

OCD Artesia

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE *– Other instructions on page 2.*

5. Lease Serial No.
NMNM98122

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well
☑ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
SKELLY UNIT #936

2. Name of Operator
CHEVRON U.S.A. INC.

9. API Well No.
30-015-32595

3a. Address
15 SMITH ROAD
MIDLAND, TEXAS 79705

3b. Phone No. *(include area code)*
432-687-7375

10. Field and Pool or Exploratory Area
FREN;GLORIETA

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
UL:D, SECTION 21, T-17S, R-31E, 330 FNL, & 865 FWL

11. County or Parish, State
EDDY COUNTY, NEW MEXICO

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☑ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

CHEVRON U.S.A. INC. INTENDS TO FRACTURE THE SUBJECT WELL.

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

Accepted for record
NMOCD
TCS
12/5/2012

RECEIVED
DEC 05 2012
NMOCD ARTESIA

APPROVED
NOV 30 2012
Jennifer Mason
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
DENISE PINKERTON

Title REGULATORY SPECIALIST

Signature Denise Pinkerton

Date 09/12/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Instructions on page 2)

Skelly Unit 936

Job: Sand Frac
API No. 30-015-32595
Eddy County, NM

Workover Procedure:

*** Ensure well has been bled down prior to MIRU. Use the Rig Move check list. Ensure power lines are at an adequate distance from the WH. Make sure anchors have been tested in the last 2 years. Ensure elevators are callipered ad visually inspected at the beginning of each work day and note in WellView anytime sizes change.

1. MIRU PU.
2. Check tubing and casing pressures & ensure that both are dead. Open bradenhead valves, bleed pressure, & monitor throughout job.
3. Kill well as necessary.
4. Pull rods and pump (Rod and pump details shown on WBD).
5. Ensure well is dead. ND wellhead.
6. Unset TAC. TOH scanning 2 7/8" 6.5 # tubing (yellow joints OK to rerun).
7. TIH with 4 ¾" MT bit and 6 x 3 ½" DCs on 2 7/8" EUE, L-80, 6.5# WS. Cleanout to 5219' (PBTD). If circulation is not obtained, RU Foam Air Unit (See attached procedure).
8. TOH stand back WS, LD DC's and bit.
9. Ensure wellhead is rated for 5000 psi.
10. TIH w/ 5 1/2" treating pkr on 3 ½", L-80, 9.2# frac string. Test tbg to 8400# while RIH. Set packer @ 4750'. Load casing and test to 500 psi.
11. Install tree saver.
12. Close BOP and test frac valve to 8400 psi.
13. RDMO PU and return after the Halliburton frac is completed.
14. MI 7 frac tanks and set on location.
15. RU Halliburton and frac per the Halliburton recommendation. Max pressure is 8400 psi. Set pop-off @ 8200 psi. Establish an exclusion zone.

16. RDMO Halliburton.

17. Shut in overnight.

18. Flowback to recover load.

19. MIRU PU. Remove frac valve.

20. Release packer and TOH w/ workstring and packer.

21. TIH with 4 ¾" MT bit and 6 x 3 ½" CDs on 2 7/8" EUE, L-80, 6.5# WS. Cleanout to 5219' (PBTD). If circulation is not obtained, RU Foam Air Unit (See attached procedure).

22. RIH w/ existing 2 7/8" production tubing (Reference the attached tubing assembly).

23. ND BOP.

24. NU wellhead.

25. RIH w/ pump and rods (Reference the attached pump and rod details).

26. RDMO PU.

27. Turn well over to production.

Contacts:

Larry Birkelbach – Remedial Engineer (432-208-4772)
Danny Acosta – ALCR (Cell: 575-631-9033)
Edgar Acero – Production Engineer (432-687-7343 / Cell: 432-230-0704)
Heath Lynch - Drilling Supt. (432-687-7402 / Cell: 432-238-3667)
Nick M. - OS (432-631-0646)

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 ¾" MT bit and 6 x 3 ½" CDs on 2 7/8" EUE, L-80, 6.5# 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 to 5219' (PBTD).maintain circulation at optimum rate, allowing fill to clear bit before continuing to clean downhole, 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.

Skelly Unit # 936

Tubing - 2 7/8" 6.5# J-55
1 – 2 7/8" X 4' Marker Sub
2 – Joints 2 7/8" J-55 tubing
1 – 2 7/8" X 5 1/2" TAC @ 4700'
Tubing 2 7/8" 6.5# J-55
2 – 2 7/8" X 31' Enduroalloy Blast Joints
1 – SS Mechanical Seat Nipple @ 5100' no higher w/ 1 ¼" X 8'
Mule Shoed Dip Tube
1 – 2 7/8" X 24' .012 Slot Sand Screen w/Plug

End of Tubing 5124'

Load Cell – (If Needed) Danny Acosta

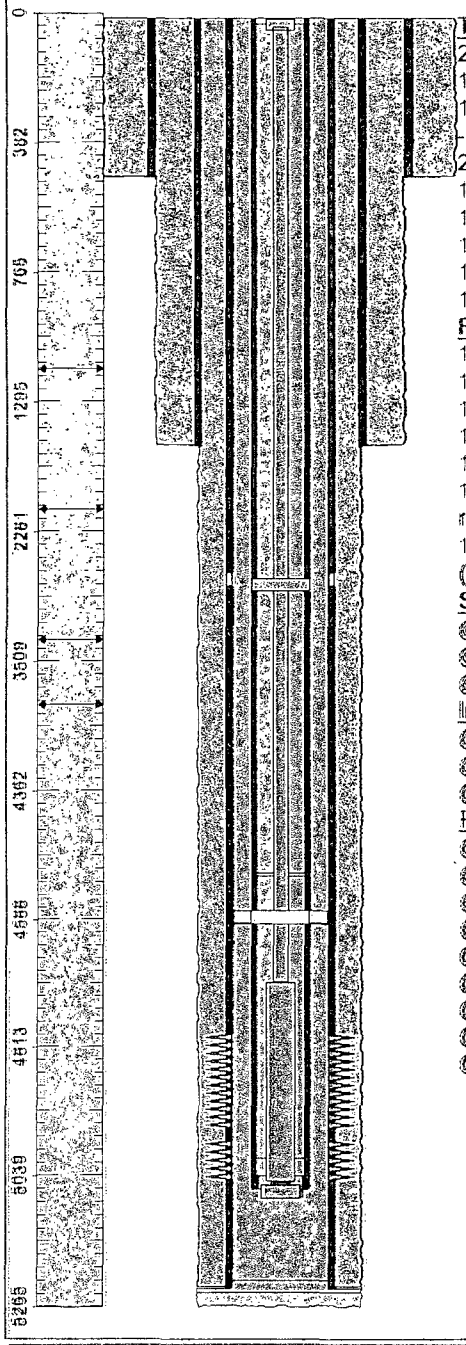
Skelly Unit # 636

1 – 1 ½" X 26' SM Polish Rod w/1" pin & PR coupling (Garner)
1 – Set Norris 3/4" N-97 Pony Rods W/SH Tee couplings
190ea. – 4750' Norris 3/4" N-97 Rods W/FH Tee couplings
14ea. – 350' Grade K 1 1/2" Sinker Bars W/3/4" pins & SHSM boxes
1 – 4' Guided Pony Sub 3-guides, 7/8" body, ¾" pins (Garner)
1 – 2" Insert Pump (Garner)

Garner Pump 575 397-4788

Chevron U.S.A. Inc. Wellbore Diagram : SU 936

Lease: OVC VACUUM	**Well No.:** SKELLY UNIT 936 936	**Field:** FREN (MORROW)	
Location: 330FNL865FWL	**Sec.:** N/A	**Blk:**	**Survey:** N/A
County: Eddy **St.:** New Mexico	**Refno:** HK0722	**API:** 3001532595	**Cost Center:** UCPH61200
Section: 21	**Township:** 017 S		**Range:** 031 E
Current Status: ACTIVE		**Dead Man Anchors Test Date:** NONE	
Directions:			



Tubing String Quantity (Top-Bottom Depth) Desc:
2 @(14-34) J-55 2.875 OD/ 6.40# T&C External Upset 2.441 ID 2.347 Drift -
144 @(34-4506) J-55 2.875 OD/ 6.40# T&C External Upset 2.441 ID 2.347
1 @(4506-4510) J-55 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2.347 Drift - N/A MARKER SUB
2 @(4510-4572) J-55 2.875 OD/ 6.40# T&C External Upset 2.441 ID 2.347
1 @(4572-4575) Tubing Anchor-Mechanical 2.875" Cain "B"
14 @(4575-5009) J-55 2.875 OD/ 6.40# T&C External Upset 2.441 ID 2.347
1 @(5009-5039) Blast Joint 2.875 OD - ENDURA ALLOY
1 @(5039-5040) Seat Nipple/Shoe - Stainless 316 (2.875") Mechanical Type - N/A
1 @(5040-5064) Sand Screen - Wire Wrapped (Unknown Size) - Bare

Rod String Quantity (Top-Bottom Depth) Desc:
1 @(14-40) 1.500 (1 1/2 in.) Spray Metal x 24 - N/A
1 @(40-48) 0.750 (3/4 in.) N-97 (HS) x 8 Rod Sub
186 @(48-4698) 0.750 (3/4 in.) N-97 (HS) x 25 Rod - N/A
14 @(4698-5048) 1.500 (1 1/2 in.) K x 25 Sinker Bar
1 @(5048-5050) 1.000 (1 in.) N-90 (D) x 2 Rod Sub - Rod Guides-Spiral
1 @(5050-5054) 0.750 (3/4 in.) N-90 (D) x 4 Rod Sub - Rod Guides-Molded (3 per rod)
1 @(5054-5078) Rod Pump (Insert) (NON-SERIALIZED) - 25-200-R H BM -24-5 (Bore = 2.00)

Surface Casing (Top-Bottom Depth) Desc:
@(14-484) Wellbore Hole OD-17.5000
@(14-484) J-55 13.375 OD/ 48.00# Round Short 12.715 ID 12.559 Drift - N/A
@(14-484) Cement

Intermediate Casing (Top-Bottom Depth) Desc:
@(484-1620) Wellbore Hole OD-12.2500
@(14-1620) J-55 8.625 OD/ 24.00# Round Short 8.097 ID 7.972 Drift
@(14-1620) Cement

Production Casing (Top-Bottom Depth) Desc:
@(1620-5265) Wellbore Hole OD- 7.8750
@(14-5232) J-55 5.500 OD/ 17.00# Round Long 4.892 ID 4.767 Drift
@(14-5232) Cement
@(2610-2643) Cement Squeeze Patch
@(2654-2658) DV Tool
@(4790-5045) Producing Interval
@(4790-4950) Perforations - Open
@(4980-5045) Perforations - Open
@(5219-5219) Plug Back Total Depth

Ground Elevation (MSL):: 3737.00	**Spud Date:** 03/18/2003	**Compl. Date:** 01/01/1970
Well Depth Datum:: CSI0000N	**Elevation (MSL)::** 0.00	**Correction Factor:** 14.00
Last Updated by: acostde	**Date:** 07/07/2011	