Submit 1 Copy To Appropriate District Office
District I – (575) 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

HOBBS OCD
MAR 0 9 2012
RECEIVED

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised August 1, 2011

WELL API NO. 30-025-30806

5. Indicate Type of Lease STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name
L.R. KERSHAW

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

8. Well Number 15

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

9. OGRID Number 4323

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

10. Pool name or Wildcat
BLINEBRY/TUBB/DRINKARD

4. Well Location
Unit Letter B : 330 feet from the NORTH line and 2305 feet from the EAST line
Section 13 Township 20-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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: INTENT TO FIX TBG, SH ACIDE & SCALE SQUEEZE		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.

THE SUBJECT WELL IS DOWN DUE TO A TUBING FAILURE. CHEVRON U.S.A. INC. INTENDS TO FIX THE TBG, SONIC HAMMER ACIDIZE, & SCALE SQUEEZE.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, WELLBORE DIAGRAM, & C144 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 : 03-06-2012

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

For State Use Only

APPROVED BY: TITLE Staff Mgr DATE 3-13-2012

Conditions of Approval (if any):

MAR 13 2012

LR Kershaw #15 (API: 3002530806) **2.29.2012**
FLD-WEIR EAST
Lea County, NM: T20S, R37E, Section 13
Job: Fix tubing leak, Sonic Hammer Acidize & Scale Squeeze Well.

Procedure:

1. Verify that well does not have pressure or flow. If well has pressure, note tubing and casing pressures on wellview report. Bleed down well; if necessary, kill with cut brine fluid (8.6 ppg).

   - **Caliper elevators and tubular EACH DAY prior to handling tubing/tools. Note in JSA when and what items are callipered within the task step that includes that work.**

2. MI & RU workover unit.

3. Unseat pump, POOH with rods and pump. Examine rods for wear/pitting/paraffin and capture any samples for analysis. **Do not hot water unless necessary**. ND wellhead, unset TAC, NU BOP. POOH and LD 1 jt, PU 5-1/2" packer and set ~ @ 25', test BOP pipe rams to 250 psi/1000 psi. Note testing pressures on wellview report. Release and LD packer.

4. PU tubing and tag for fill (TAC 5663', Bottom Perfs 6,865', EOT 6,933', PBTD 6,985'). POOH while scanning 2-7/8" prod tubing. LD all non-yellow band joints. If fill is tagged:
   A. Above 6925' continue to step 5.(Also Inform Clarence Fite (ALCR) & Steve Jackson(Planner))
   B. Below 6925' continue to step 7.

   Note: Strap pipe out of the hole to verify depths and note them on wellview report.
   Send scan log report to hccf@chevron.com.

   - **Caliper elevators and tubular EACH DAY prior to handling tubing/tools. Note in JSA when and what items are callipered within the task step that includes that work.**

5. PU and RIH with 4-3/4' MT bit, 4 (3-1/2") drill collars on 2-7/8" 6.5# L-80 WS. RU power swivel and clean out to PBTD at 6,985'. POOH with 2-7/8" WS and bit. LD bit & BHA.
   Note: If circulation is not expected, notify Remedial Engineer to discuss CO with bailer (continue to step 6) or foam/air unit (continue to supplemental procedure on back).

6. PU and RIH with 4-3/4" MT and Bulldog bailer on 2-7/8" 6.5# L-80 WS. Clean out to PBTD at 6,985'. POOH with 2-7/8" WS and bit. LD bit & BHA.

   - **Expect trapped pressure inside tubing while breaking connections during bailing operations, discuss on JSA and mitigate hazard. Use mudbucket (remove bottom seals if applicable) while breaking connections.**

7. Contact sonic tool rep to be on site during job. PU and RIH with Sonic Hammer tool and work string to 6,865' or enough to cover the bottom perforations with a whole stand. Hydrotest tubing to 6,000 psi. 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.

8. MI & RU Petroplex. Treat all intervals from 5754' to 6,852' with 8.6 ppg cut brine water per interval stand (refer to Table A). 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 intervals with brine water.

9. Follow the brine water wash with 9,400 gals 15% NEFE HCl of total acid for all intervals.
Spot 3 bbls of acid outside tubing, shut in casing, pump 2400 gallons of acid @ 5 BPM over first treating interval from 5754'-5844', monitor casing pressure not exceeding 500 psi.
Flush tubing with brine water after every acidized interval, make a connection and continue with remaining interval. Refer to Table A.

Interval	Depth	Holes	Interval Depth (Ft.)	Pre Acid Brine Wash (bbls)	Acid Volume (gal)
1	5754'-5844'	52	54	80	2400
2	6327'-6567'	288	240	200	5000
3	6662'-6852'	142	70	150	2000
			Total	430	9400

Table A Perforation Intervals for Acid.

10. 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.

11. Continue moving uphole with Sonic Hammer pumping at 5 BPM with a total of 470 bbls 8.6 ppg brine water containing 8 drums (440 gallons) Baker SCW-358 Scale Inhibitor Chemical. Ensure top of tubing is flushed with water before making a connection. Refer to Table B.

Interval	Depth	Interval Depth (Ft.)	Brine Water Volume (bbls)	SCW-358 Volume (gal)
1	5754'-5844'	54	100	110
2	6327'-6567'	240	270	220
3	6662'-6852'	70	100	110
		Totals	470	440

Table B Perforation Intervals for Scale Squeeze.

12. Ensure Sonic Hammer is above all perforations. Pump 470 bbls 8.6 PPG cut brine water to scale squeeze well. Do not exceed 500 psi casing pressure or 5 BPM while pumping scale squeeze or casing flush. RD and release pump truck.

13. Run back in the hole and tag for fill. If fill entry was indentified @ 6,925' or above, clean-out to PBTD (6,925') following steps 5 or 6.

14. POOH & LD 2-7/8" WS and Sonic Hammer tool.

15. RIH with 2-7/8" production tubing hydrotesting to 6,000 psi. Set TAC per ALCR recommendation.
ND BOP. NU WH. RIH with rods and pump per ALCR. Hang well on. RD and release workover unit.

16. 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 4-3/4' MT bit, 4 (3-1/2") drill collars on 2-7/8" 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 PBTD (6495') 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.

Chevron U.S.A. Inc. Wellbore Diagram : KERSHAW15DHC

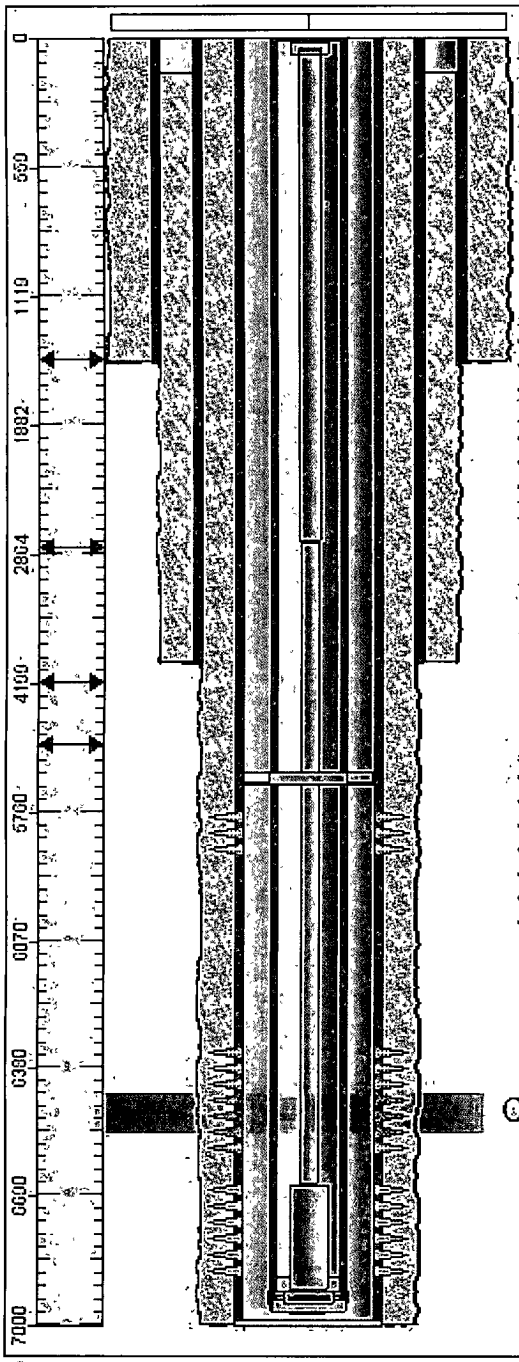
Lease: KERSHAW 15 PARENT FOR DHC **Well No.:** KERSHAW 15 PARENT FOR DHC **Field:** FLD:WEIR EAST

Location: 330FNL2305FEL **Sec.:** N/A **Blk:** **Survey:** N/A

County: Lea **St.:** New Mexico **Refno:** IZ6674 **API:** 3002530806 **Cost Center:**

Current Status: ACTIVE **Dead Man Anchors Test Date:** N/A

Directions:



Rod String (Top-Bottom Depth) Desc
1@(13-39) 1.500 (1 1/2 in.) Spray Metal x 26
1@(39-47) 0.875 (7/8 in.) KD x 8' Rod Sub
2@(47-59) 0.875 (7/8 in.) KD x 6 Rod Sub
1@(59-61) 0.875 (7/8 in.) KD x 2 Rod Sub
107@(61-2736) 0.875 (7/8 in.) KD x 25 Rod
157@(2736-6661) 0.750 (3/4 in.) KD x 25 Rod
10@(6661-6911) 1.500 (1 1/2 in.) K x 25 Sinker Bar
1@(6911-6915) 0.875 (7/8 in.) C x 4 Rod Sub - Rod Guides-Molded (2 per rod)
1@(6915-6939) Rod Pump (Insert) (NON-SERIALIZED) - 25-150-HHBC-24-5 (Bore = 1.50)
1@(6939-6951) Gas Anchor 1.250 OD x 12'

Surface Casing (Top-Bottom Depth) Desc
@(0-1420) Unknown 11.750 OD/ 38.00# Round Short 11.150 ID 10.994 Drift
@(0-1420) Cement
@(0-1420) Wellbore Hole OD-14.7500 - N/A

Intermediate Casing (Top-Bottom Depth) Desc
@(1420-4000) Wellbore Hole OD-11.0000 - N/A
@(153-4000) Cement
@(0-4000) Unknown 8.625 OD/ 24.00# Round Short 8.097 ID 7.972 Drift - N/A

Tubing String Quantity (Top-Bottom Depth) Desc
176 @(13-5663) J-55 2.875 OD/ 6.50# T&C External Upset, 2.441 ID 2.347
1 @(5663-5666) Tubing Anchor/Catcher 2.875"
35 @(5666-6586) J-55 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2.347
1 @(6586-6918) J-55 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2.347 Drift - Internal Plastic Ctg-TK-99
1 @(6918-6928) Armco-95 2.875 OD/ 4.36# Integral 2.579 ID 2.455 Drift - N/A
1 @(6928-6929) Seat Nipple - Heavy Duty (2.875") Cup Type
1 @(6929-6933) J-55 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2.347
1 @(6933-6965) Bull Plug Mud Anchor 2.875"

Production Casing (Top-Bottom Depth) Desc
@(5754-5844) Perforation-Open Weir East Blinebry
@(6327-6567) Perforation-Open Monument Tubb
@(6662-6965) Perforations - Open - Skaggs Drinkard
@(4000-7000) Wellbore Hole OD- 7.8750
@(0-7000) Unknown 5.500 OD/ 15.00# Round Short 4.974 ID 4.849 Drift - N/A
@(0-7000) Cement
@(6985-7000) Plug Back-Cement

Ground Elevation (MSL): 3556.00 **Spud Date:** 04/07/1990 **Compl. Date:** 01/01/1970

Well Depth Datum: Kelly Bushing **Elevation (MSL):** 0.00 **Correction Factor:** 13.00

Last Updated by: ruthadk **Date:** 05/09/2009