OCD-HOBBS

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD
MAR 27 2012
RECEIVED

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

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
USA LC-033706 B

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
C.P. FALBY 'B' FEDERAL #6

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

9 API Well No
30-025-39981

3a. Address
15 SMITH ROAD
MIDLAND, TEXAS 79705

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

10 Field and Pool or Exploratory Area
BLINEBRY/DRINKARD

4 Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
660' FSL, & 1880' FWL, UL N, SECTION 8, T-22S, R-37E

11 Country or Parish, State
LEA 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
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other ACIDIZE & SCALE SQUEEZE
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ 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 ACIDIZE & SCALE SQUEEZE THE BLINEBRY & DRINKARD FORMATIONS IN THE SUBJECT WELL

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

SEE ATTACHED FOR CONDITIONS OF APPROVAL

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

Title REGULATION SPECIALIST

Signature Denise Pinkerton

Date 03/06/2012

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

PETROLEUM ENGINEER

Title

MAR 23 2012

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 5-28-2012

Office

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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)

C.P. Falby Fed B#6 **1.31.2012**
Blinebry Oil & Gas (DHC) – Blinebry/Drinkard
T22S, R37E, Section 8
Job: Sonic Hammer, Acidize & Scale Squeeze

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 possible MOC

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. 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

   Note: Prior to ND WH, e-mail or call Remedial Engineer to summarize what it was done to mitigate the well control hazard.

4. PU tubing and tag for fill (TAC 5,449', Bottom Perfs 6,612', EOT 6,725', PBTD 6,770'). POOH while scanning 2-7/8" prod tubing LD all non-yellow band joints. If fill is tagged:

   A Above 6,770' continue to step 5.
   B Below 6,770' 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 6,770'. 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 6,770' 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 6,612' 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 5,537' to 6,612' with 50 bbls of 8 6 ppg cut brine water per interval (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 5,000 gals 15% NEFE HCl of total acid for all intervals.
Spot 3 bbls of acid outside tubing, shut in casing, pump 1,050 gallons of acid @ 5 BPM over first treating interval from 5,537' – 5,599', 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	Interval (Ft.)	Acid Volume (gal)
1	5537' - 5599'	62	1,050
2	5625' - 5661'	36	650
3	5701' - 5766'	65	850
4	5841' - 5906'	65	550
5	6459' - 6522'	63	850
6	6547' - 6611'	64	1,050
			5,000

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. Scale squeeze will with a total of 250 bbls 8 6 ppg brine water and 3 drums (165 gallons) Baker SCW-358 Scale Inhibitor Chemical. Continue moving uphole with Sonic Hammer. For the first interval of 6,611' – 6,547' pump pill made up of 30 gal SCW-358 mixed with 20 bbls brine (1.5 gals/bbl concentration) followed by a displacement of 30 bbls of brine. Pump at 5 BPM Continue to next interval referring to Table B.

Interval	Depth	Interval (Ft)	Brine Pill Volume (bbls)	SCW-358 Vol (gal)	Brine Flush Vol (bbls)
1	6611' - 6547'	64	20	30	30
2	6522' - 6459'	63	20	30	20
3	5906' - 5841'	65	13	20	25
4	5766' - 5701'	65	20	30	20
5	5661' - 5625'	36	16	25	19
6	5599' - 5537'	62	20	30	30
		Totals	109	165	141

Table B Perforation Intervals for Scale Squeeze

12. Ensure Sonic Hammer is above all perforations. Pump 50 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 @ 6,770' or above, clean-out to PBTD (6,770') 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.

    Note: Prior to ND BOP, e-mail or call Remedial Engineer to summarize what it was done to mitigate the well control hazard.

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 (6,770') 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 **C.P.Falby B Federal #6** Field **Blinebry Oil & Gas Drinkard** Reservoir **Blinebry & Drinkard**

Location:
660' FSL & 1880' FWL
Section 8
Township 22S
Range. 37E
County Lea State NM

Elevations:
GL 3408'
KB 3424'
DF

This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of the update date below. Verify what is in the hole with the well file in the Eunice Field Office. Discuss w/ WEO Engineer, WO Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

Current Wellbore Diagram

Well ID Info:
Chevno MV9297
API No 30-025-39981
L5/L6
Spud Date. 3/9/2011
Compl Date
GPS (NAD27)
N 32 4006238, W -103 1871509

Surf. Csg: 8 5/8", 24#, J-55
Set: @ 1220' w/ 640 sks
Hole Size: 12 1/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Tubing Detail:

#Jts:	Size:	Footage
	KB Correction	16 00
159	Jts. 2 7/8" EUE 8R J-55 Tbg 6 5#	5104 90
1	Jts 2 7/8" J-55 Tbg 6.5# Sub	4 00
10	Jts 2 7/8" EUE 8R J-55 Tbg 6 5#	321 19
1	2-7/8" TAC	2 75
35	Jts 2 7/8" EUE 8R J-55 Tbg 6 5#	1123 21
2	Jts 2 7/8" J-55 Tbg 6 5# IPC	63 31
1	2-7/8" SN	1 10
1	Jts 2 7/8" J-55 Tbg 6 5# Sub	4 00
1	2-7/8" Cavins Desander	19 25
2	Jts 2 7/8" EUE 8R J-55 Tbg 6 5#	64 07
1	Cavins Dump Valve	0 80
214	Bottom Of String >>	6724 58

Rod Detail:

#Jts:	Size	Footage
1	1 5" Polished Rod	26 00
1	7/8" N-97 Rod sub	2 00
1	7/8" N-97 Rod sub	8 00
1	7/8" N-97 Rod sub	10 00
124	7/8" N-97 x 25' Rod	3100 00
124	3/4" N-97 x 25' Rod	3100 00
14	1 5' K x 25' Sinker	350 00
1	7/8' N-97 Guided Rod sub	4 00
1	Rod Pump 25-200-RHBC-24-5	24 00
268	Length Of String >>	6624.00

Top Grayburg 3,624'
Top San Andres 3,950'
Top Glorietta 5,059'
Top Blinebry 5,388'

Perfs:	Status:
5542' - 5551'	Blinebry Open
5562' - 5571'	Blinebry Open
5585' - 5594'	Blinebry Open
5630' - 5637'	Blinebry Open
5641' - 5648'	Blinebry Open
5652' - 5656'	Blinebry Open
5702' - 5707'	Blinebry Open
5726' - 5734'	Blinebry Open
5756' - 5765'	Blinebry Open
5841' - 5844'	Blinebry Open
5878' - 5882'	Blinebry Open
5899' - 5906'	Blinebry Open

Top Tubb 6,080'
Top Drinkard 5,360'

6464' -6469'	Drinkard Open
6494' -6502'	Drinkard Open
6508' -6517'	Drinkard Open
6546' -6552'	Drinkard Open
6572' -6577'	Drinkard Open
6584' -6592'	Drinkard Open
6604' -6612'	Drinkard Open

Top Abo 6,635'

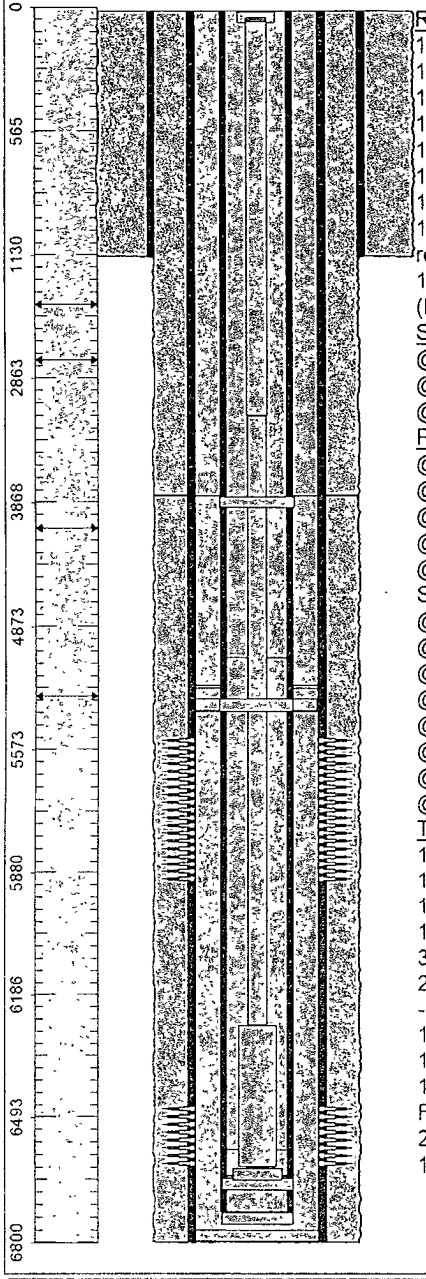
COTD: 6770'
PBTD 6700' (float collar)
TD: 6800'

Prod. Csg: 5 1/2", 17# L-80
Set: @ 6800' w/ 1325 sks
Hole Size: 7 7/8"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Updated: 1 27 2011 **By:** DNCU

Chevron U.S.A. Inc. Wellbore Diagram : CPFALBYB6DHC

Lease: OEU EUNICE FMT	**Well No.:** FALBY, C. P. -B- FED 6	**Field:** FLD-DRINKARD	
Location: 660FSL1880FWL	**Sec.:** N/A	**Blk:**	**Survey:** N/A
County: Lea **St.:** New Mexico	**Refno:** MV9297	**API:** 3002539981	**Cost Center:** UCU467900
Section:	**Township:** N/A		**Range:** N/A
Current Status: ACTIVE		**Dead Man Anchors Test Date:** NONE	
Directions:			



Rod String Quantity (Top-Bottom Depth) Desc
1 @(16-42) 1.500 (1 1/2 in.) Spray Metal x 26
1 @(42-44) 0 875 (7/8 in.) N-97 (HS) x 2 Rod Sub
1 @(44-52) 0.875 (7/8 in.) N-97 (HS) x 8 Rod Sub
1 @(52-62) 0 875 (7/8 in) N-97 x 10 Rod Sub
124 @(62-3162) 0.875 (7/8 in) N-97 (HS) x 25 Rod
124 @(3162-6262) 0 750 (3/4 in) N-97 (HS) x 25 Rod
14 @(6262-6612) 1 500 (1 1/2 in.) K x 25 Sinker Bar
1 @(6612-6616) 0 875 (7/8 in.) N-97 (HS) x 4 Rod Sub - Rod Guides-Molded (3 per rod)
1 @(6616-6640) Rod Pump (Insert) (NON-SERIALIZED) - 25-200-R H BC -24-5 (Bore = 2 00)

Surface Casing (Top-Bottom Depth) Desc
@(16-1140) Cement (behind Casing) - Bare
@(16-1140) Wellbore Hole OD-12 2500 - Bare
@(16-1140) J-55 8 625 OD/ 24.00# Round Short 8.097 ID 7 972 Drift - Bare

Production Casing (Top-Bottom Depth) Desc
@(16-3811) L-80 5 500 OD/ 17 00# Round Long 4 892 ID 4 767 Drift - Bare
@(3811-3812) DV Tool (Diverter Tool) - Bare
@(16-3812) Cement (behind Casing) - Bare
@(3811-5353) L-80 5.500 OD/ 17.00# Round Long 4 892 ID 4 767 Drift - Bare
@(5353-5376) L-80 5 500 OD/ 17 00# Round Long 4 892 ID 4.767 Drift - Marker Sub
@(5542-5906) Producing Interval (Completion) - Blinebry
@(5542-5906) Perforations - Open
@(6464-6612) Perforations - Open
@(6464-6612) Producing Interval (Completion) - Drinkard
@(5376-6793) L-80 5 500 OD/ 17 00# Round Long 4 892 ID 4.767 Drift - Bare
@(1140-6800) Wellbore Hole OD- 7 8750 - Bare
@(3812-6800) Cement (behind Casing) - Bare
@(6770-6800) Plug - Cement - Bare

Tubing String Quantity (Top-Bottom Depth) Desc
159 @(16-5121) J-55 2 875 OD/ 6 50# T&C External Upset 2 441 ID 2 347
1 @(5121-5125) J-55 2 875 OD/ 6 50# T&C External Upset 2 441 ID 2.347
10 @(5125-5446) J-55 2.875 OD/ 6 50# T&C External Upset 2 441 ID 2.347
1 @(5446-5449) Tubing Anchor/Catcher 2.875"
35 @(5449-6572) J-55 2 875 OD/ 6 50# T&C External Upset 2 441 ID 2 347
2 @(6572-6635) J-55 2 875 OD/ 6.50# T&C External Upset 2 441 ID 2 347 Drift - Internal Plastic Ctg-TK-99
1 @(6635-6636) Seat Nipple - Standard (2.875") Cup Type
1 @(6636-6640) J-55 2 875 OD/ 6 50# T&C External Upset 2 441 ID 2 347
1 @(6640-6660) Cavins Desander 2 7/8" x 20' D-2707 G PC 185-375 Bbls/Day Frac Sand w/Gas
2 @(6660-6724) J-55 2 875 OD/ 6 50# T&C External Upset 2 441 ID 2 347
1 @(6724-6725) Cavins Dump Valve (for use w/Desander) 2 875" - Bare

Ground Elevation (MSL):: 3408.00	**Spud Date:** 03/11/2011	**Compl. Date:** 12/31/1969
Well Depth Datum:: CSI00004	**Elevation (MSL)::** 0.00	**Correction Factor:** 16.00
Last Updated by: fitecl	**Date:** 11/22/2011	