

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO. 30-025-12115
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name H.P. SAUNDERS
8. Well Number 1
9. OGRID Number 4323
10. Pool name or Wildcat BLINEBRY/TUBB/DRINKARD

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3345'

Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____
Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 ☐

OTHER: INTENT TO DHC

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

CHEVRON U.S.A. INC. INTENDS TO DOWNHOLE COMMINGLE THE SUBJECT WELL IN THE BLINEBRY OIL & GAS, TUBB OIL & GAS, & THE BRUNSON DRINKARD ABO POOLS.

THE INTENDED PROCEDURE AND WELLBORE DIAGRAM IS ATTACHED FOR YOUR APPROVAL, AS WELL AS A COPY OF THE APPLICATION FOR DHC SENT IN BY OUR ENGINEER, LONNIE GROHMAN.

DHC-408-0247

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Denise Pinkerton TITLE Regulatory Specialist DATE 06-11-2008

Type or print name Denise Pinkerton E-mail address: leakejd@chevron.com

Telephone No. 432-687-7375

For State Use Only

APPROVED BY:

Chris Williams

TITLE OCD DISTRICT SUPERVISOR/CENTRAL MANAGER DATE JUL 03 2008

Conditions of Approval (if any):

RECEIVED

JUN 19 2008

HOBBS OCD

H.P. Saunders #1
Brunson South
T22S, R38E, Section 7
Job: DHC Blinebry, Tubb, & Drinkard

WBS: UWDP5-R8073 CAP & EXP

Procedure:

- 1. This procedure 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 3/4/2008. Verify what is in the hole with the well file in the Eunice Field office. Discuss w/ WEO Engineer, Workover Rep, OS, ALS, and FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.*
2. Displace flowline with fresh water. Have field specialist close valve at header. Pressure line according to the type of line. Buried fiberglass lines will be tested with 300 psi. All polypipe (SDR7 and SDR11) will be tested w/100 psi. All steel lines will be tested w/500 psi. If a leak is found, contact Donnie Ives for repair/replacement. If test is good, bleed off pressure and **open valve** at header. Document this process in the morning report.
3. MI & RU workover unit. Bleed pressure from well, if any. Pump down csg with 8.6 PPG cut brine water, if necessary to kill well. Remove WH. Install BOP's and test as required. POH and LD 2-3/8" tbg. **Note: Well left with 15 jts, 464', of 2-3/8" tbg in hole.**
4. MI & RU WL. GIH w/ 4-3/4" gauge ring to 6440'.
5. RD & RL WL.
6. PU and GIH w/ 5-1/2" Arrow-Set 10k pkr & On-Off tool w/2.25" "F" profile and 190 jts of 3-1/2" EUE 8R L-80 workstring to 6,000' testing to **8,000 psi**. Set pkr at approximately 6,000'. Install frac head. Pressure annulus to 500 psi to test csg & pkr. Leave pressure on csg during frac job to aid in observing communication.
7. MIRU DS, Tracer-Tech Services (Mike Mathis 866-595-3115), & Rita Dickey (432-553-2526). Frac Drinkard perfs down 3-1/2" tbg at **30 BPM** with 30,000 gals YF125FT and 60,000# 20/40 SuperLC Resin Coated Sand w/a max pressure of **8,000 psi**. Tag frac with Antimony in all sand stages. Pump job as follows:

Pump 1,000 gals WF125 @ 20 BPM

Pump 11,000 gals YF125ST Pad @ 30 BPM

Pump 2,500 gals YF125ST containing 1 PPG 20/40 SuperLC @ 30 BPM

Pump 3,000 gals YF125ST containing 2 PPG 20/40 SuperLC @ 30 BPM

Pump 3,500 gals YF125ST containing 3 PPG 20/40 SuperLC @ 30 BPM

Pump 4,000 gals YF125ST containing 4 PPG 20/40 SuperLC @ 30 BPM

Pump 5,000 gals YF125ST containing 5 PPG 20/40 SuperLC @ 30 BPM

Flush to 6,458' with 2,647 gals WF125. **Do not overflush.** Shut well in. Record ISIP, 5, 10, & 15 minute SI tbg pressures. RD & release DS Services and Tracer Tech. Leave well SI overnight.

8. Open well. Bleed pressure from well, if any. Release pkr. POOH stand back 3-1/2" workstring, On-Off tool, and pkr.
9. MI & RU Baker Atlas WL. GIH w/ composite plug to 6400'. Set 5-1/2" composite @ 6400'. Pressure test composite to 500 psi. If does not test isolate leak. POOH. LD setting tool.
10. GIH with 3 3/8" Predator guns and perforate the following intervals with 4 JSPF at 120 degree phasing using 23 gram premium charges.

Top Perf	Bottom Perf	Net Feet	SPF	# Holes
6295	6305	10	4	40
6315	6325	10	4	40
6335	6340	5	4	20
6375	6385	10	4	40
6400	6410	10	4	40
6420	6430	10	4	40
6440	6450	10	4	40
6455	6460	5	4	20
	Total	70		280

11. POOH RD & RL WL.

12. PU & GIH w/ 5-1/2" Arrow-Set 10k pkr & On-Off tool w/2.25" "F" profile and 179 jts of 3-1/2" EUE 8R L-80 workstring to 5650'. Set pkr at approximately 5650'. Install frac head. Pressure annulus to 500 psi to test csg & pkr. Leave pressure on csg during frac job to aid in observing communication.
13. MIRU DS, Tracer-Tech Services (Mike Mathis 866-595-3115), & Rita Dickey (432-553-2526).
Frac Tubbs perfs down 3-1/2" tbg at **40 BPM** with 38,000 gals YF125FT and 82,000# 20/40 SuperLC Resin Coated Sand w/ max pressure of **8,000 psi**. Tag frac with Iridium in all sand stages.
Pump job as follows:

Spearhead in 1,500 gals 15% NEFE acid and SI for 15 minutes

Pump 2,000 gals WF125FT @ 20 BPM

Pump 8,000 gals YF125FT Pad @ 40 BPM w/ 5 GPT J451 Fluid Loss Additive

Pump 2,000 gals YF125FT containing 1 PPG 20/40 SuperLC @ 40 BPM w/5 GPT J451

Pump 8,000 gals YF125FT Pad @ 40 BPM w/ 5 GPT J451 Fluid Loss Additive

Pump 4,000 gals YF125FT containing 2 PPG 20/40 SuperLC @ 40 BPM

Pump 6,000 gals YF125FT containing 4 PPG 20/40 SuperLC @ 40 BPM

Pump 4,000 gals YF125FT containing 6 PPG 20/40 SuperLC @ 40 BPM

Pump 4,000 gals YF125FT containing 6 PPG 20/40 SuperLC @ 40 BPM

Flush to 5704' with 2,116 gals WF125. Do not overflush. Shut well in. Record ISIP, 5, 10, & 15 minute SI tbg pressures. RD & release DS Services. Leave well SI overnight.

14. Open well. Bleed pressure from well, if any. Release pkr. POOH stand back 3-1/2" workstring, On-Off tool, and pkr.
15. MI & RU Baker Atlas WL. GIH w/ composite plug to 6162'. Set 5-1/2" composite @ 6162'. Pressure test composite to 500 psi. If does not test isolate leak. POOH. LD setting tool.
16. GIH with 3 3/8" Predator guns and perforate the following intervals with 4 JSPF at 120 degree phasing using 23 gram premium charges.

Top Perf	Bottom Perf	Net Feet	SPF	# Holes
5700	5705	5	4	20
5749	5755	6	4	24
5760	5768	8	4	32
5774	5780	6	4	24
5812	5822	10	4	40
5832	5840	8	4	32
5850	5860	10	4	40
5865	5870	5	4	20
	Total	58		232

17. POH RD & release WL.
18. PU and GIH w/ 5-1/2" Arrow-Set 10k pkr & On-Off tool w/2.25" "F" profile and 179 jts of 3-1/2" EUE 8R L-80 workstring to 5650'. Set pkr at approximately 5650'. Install frac head. Pressure annulus to 500 psi to test csg & pkr. Leave pressure on csg during frac job to aid in observing communication.
19. MIRU DS, Tracer-Tech Services (Mike Mathis 866-595-3115), & Rita Dickey (432-553-2526). Frac Blinbry perfs down 3-1/2" tbg at **40 BPM** with 38,000 gals YF125FT and 82,000# 20/40 SuperLC Resin Coated Sand w/ max pressure of **8,000 psi**. Tag frac with Scandium in all sand stages. Pump job as follows:

Spearhead in 1,500 gals 15% NEFE acid and SI for 15 minutes

Pump 2,000 gals WF125FT @ 20 BPM

Pump 8,000 gals YF125FT Pad @ 40 BPM w/ 5 GPT J451 Fluid Loss Additive

Pump 2,000 gals YF125FT containing 1 PPG 20/40 SuperLC @ 40 BPM w/5 GPT J451

Pump 8,000 gals YF125FT Pad @ 40 BPM w/ 5 GPT J451 Fluid Loss Additive

Pump 4,000 gals YF125FT containing 2 PPG 20/40 SuperLC @ 40 BPM

Pump 6,000 gals YF125FT containing 4 PPG 20/40 SuperLC @ 40 BPM

Pump 4,000 gals YF125FT containing 6 PPG 20/40 SuperLC @ 40 BPM

Pump 4,000 gals YF125FT containing 6 PPG 20/40 SuperLC @ 40 BPM

Flush to 5704' with 2,116 gals WF125. Do not overflush. Shut well in. Record ISIP, 5, 10, & 15 minute SI tbg pressures. RD & release DS Services. Leave well SI overnight.

20. Open well. Bleed pressure from well, if any. Release pkr. POOH LD 3-1/2" workstring, On-Off tool, and pkr.
21. PU & GIH with 4-3/4" MT bit on 2-7/8" WS drill out composite plug @ continue drilling out to composite plug @ 6400'. Cleanout well to TD @ 7155'.
22. RIH w/ 2-7/8" production tubing and hang off per ALS recommendation. NDBOP NUWH. RIH w/ rods and pump per ALS.
23. RD Key PU & RU. Turn well over to production. Contact Lease Operator and inform them that the well is ready for operation.

Lonnie Grohman
Cell-432-238-9233
Office-432-687-7420
3/3/2008

H.P. Saunders # 1

Location:

S-07 T-22S R-38E, 2300 FSL & 300 FWL
Unit Letter: O
Field: Brunson South
County: Lea
State: NM
Area: Hobbs

Well Info:

Spud Date: 9/9/1954
API: 30-025-12115
Cost Center: UCU862100
WBS#:
RefNO: FB3066
Lease: Fee

Current

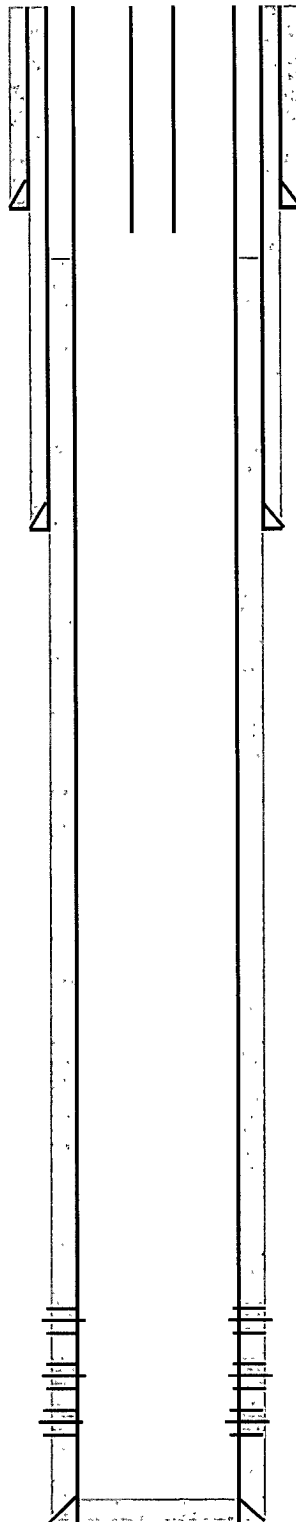
Wellbore Diagram

Elevations:

DF:
KB:
GL: 3345'

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 update date 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.

Quantity	Component	Length
15	2-3/8" J-55 4 7# tbg	462.62
1	Seat Nipple- Standard	1.1
	Total	463.72



Surface Casing

Size: 13 3/8" OD, 48#, s-40
Set @: 335'
With: 400 SKS
Hole Size: 17 1/4"
Circ: Yes
TOC @: Surface

Intermediate Casing

Size: 8 5/8", 36# & 24#, J-55 LTC
Set @: 2899'
With: 1650 sks
Hole Size: 11"
Circ: Yes
TOC: Surface

Perfs:

Drnkard 6500-6780' open
Drnkard 6913-7145' open

Production Casing

Size: 5 1/2", 14, 15 5, & 17# J-55
Set @: 7157'
With: 1250 sks

PBTD: 7155'
TD: 7158'

H.P. Saunders # 1

Location:

S-07 T-22S R-38E, 2300 FSL & 300 FWL
 Unit Letter: O
 Field: Brunson South
 County: Lea
 State: NM
 Area: Hobbs

Well Info:

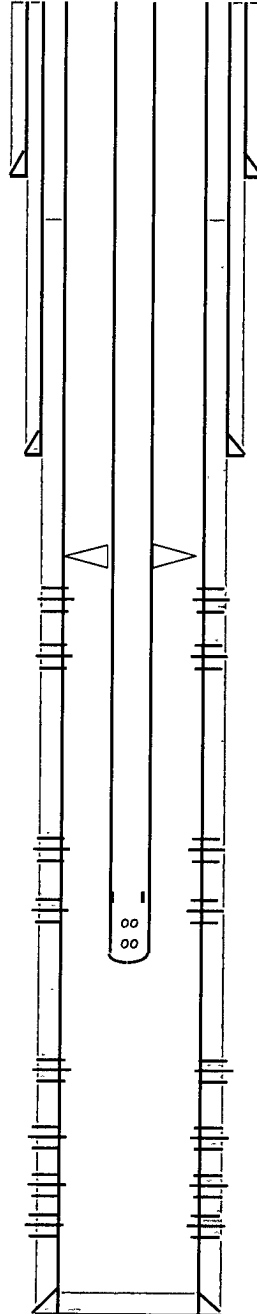
Spud Date: 9/9/1954
 API: 30-025-12115
 Cost Center: UCU862100
 WBS#: FB3066
 RefNO: Fee
 Lease: Fee

Proposed Wellbore Diagram

Elevations:

DF:
 KB:
 GL: 3345'

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, WQ Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.



Surface Casing

Size: 13 3/8" OD, 48#, s-40
 Set @: 335'
 With: 400 SKS
 Hole Size: 17 1/4"
 Circ: Yes
 TOC @ Surface

Intermediate Casing

Size: 8 5/8", 36# & 24#, J-55 LTC
 Set @: 2899'
 With: 1650 sks
 Hole Size: 11"
 Circ: Yes
 TOC: Surface

Perfs:		Status:
Blinbry	5700-05'	Proposed
Blinbry	5749-55'	Proposed
Blinbry	5760-68'	Proposed
Blinbry	5774-80'	Proposed
Blinbry	5812-22'	Proposed
Blinbry	5832-40'	Proposed
Blinbry	5850-60'	Proposed
Blinbry	5865-70'	Proposed

Perfs:		Status:
Tubb	6295-6305'	Proposed
Tubb	6315-25'	Proposed
Tubb	6335-40'	Proposed
Tubb	6375-85'	Proposed
Tubb	6400-10'	Proposed
Tubb	6420-30'	Proposed
Tubb	6440-50'	Proposed
Tubb	6455-60'	Proposed

Perfs:		Status:
Dnnkard	6500-02'	open
Dnnkard	6535-37'	open
Dnnkard	6585-87'	open
Dnnkard	6650-52'	open
Dnnkard	6738-40'	open
Dnnkard	6778-80'	Open
Dnnkard	6913-20'	open
Dnnkard	6934-64'	open
Dnnkard	7000-18'	open
Dnnkard	7054-76'	open
Dnnkard	7100-24'	open
Dnnkard	7138-45'	open

Production Casing

Size: 5 1/2", 14, 15 5, & 17# J-55
 Set @: 7157'
 With: 1250 sks
 Hole Size: 7 7/8"
 TOC: 555'

PBTD: 7155'
 TD: 7158'
 Updated: 11-Jan-08
 By: lgek