

proposed 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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised July 18, 2013

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

WELL API NO. 30-015-29322
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Skelly Unit
8. Well Number 902
9. OGRID Number 229137
10. Pool name or Wildcat SWD; Wolfcamp-Cisco
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3868 GR

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> SWD	
2. Name of Operator COG Operating LLC	
3. Address of Operator 600 W Illinois Avenue Midland, TX 79701	
4. Well Location Unit Letter <u>E</u> : <u>1650</u> feet from the <u>North</u> line and <u>990</u> feet from the <u>West</u> line Section <u>15</u> Township <u>17S</u> Range <u>31E</u> NMPM County <u>Eddy</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3868 GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

This well is currently down for a failed MIT. COG Operating LLC respectfully requests to run the blanking plug to the packer and determine whether we have a hole in tubing or other issue. If it is a HIT, TOO H w/tbg, replace any failed joints of IPC, trip back in hole, pressure test tbg every 500'. If we have a packer leak, pull blanking plug, shut in casing, kill well. TOO H w/tbg and packer, repair packer. Run back in hole with tbg and packer. Contact NMOCD to witness the MIT. If we pump mud, acidize well prior to turning it back on. Will not acidize if we don't pump mud/pull packer. Turn SWD back on, clean location and turn over to operations.

Please see attached proposed procedure, WBD and submitted 3160-5.

RECEIVED

MAY 22 2019

Spud Date:

Rig Release Date:

DISTRICT II-ARTESIA O.C.D.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Dana King TITLE Permit Specialist DATE 5/21/2019

Type or print name Dana King E-mail address: dking@concho.com PHONE: (432) 818-2267

For State Use Only Dan Smolik

APPROVED BY: Dan Smolik TITLE Compliance Officer DATE 5-23-19

Conditions of Approval (if any):

Discussion

The Skelly #902 was drilled to the Morrow in 1997. It was converted to an SWD in 2011 by Chevron. This well has not been pulled since 2011. The well is currently down for a failed MIT.

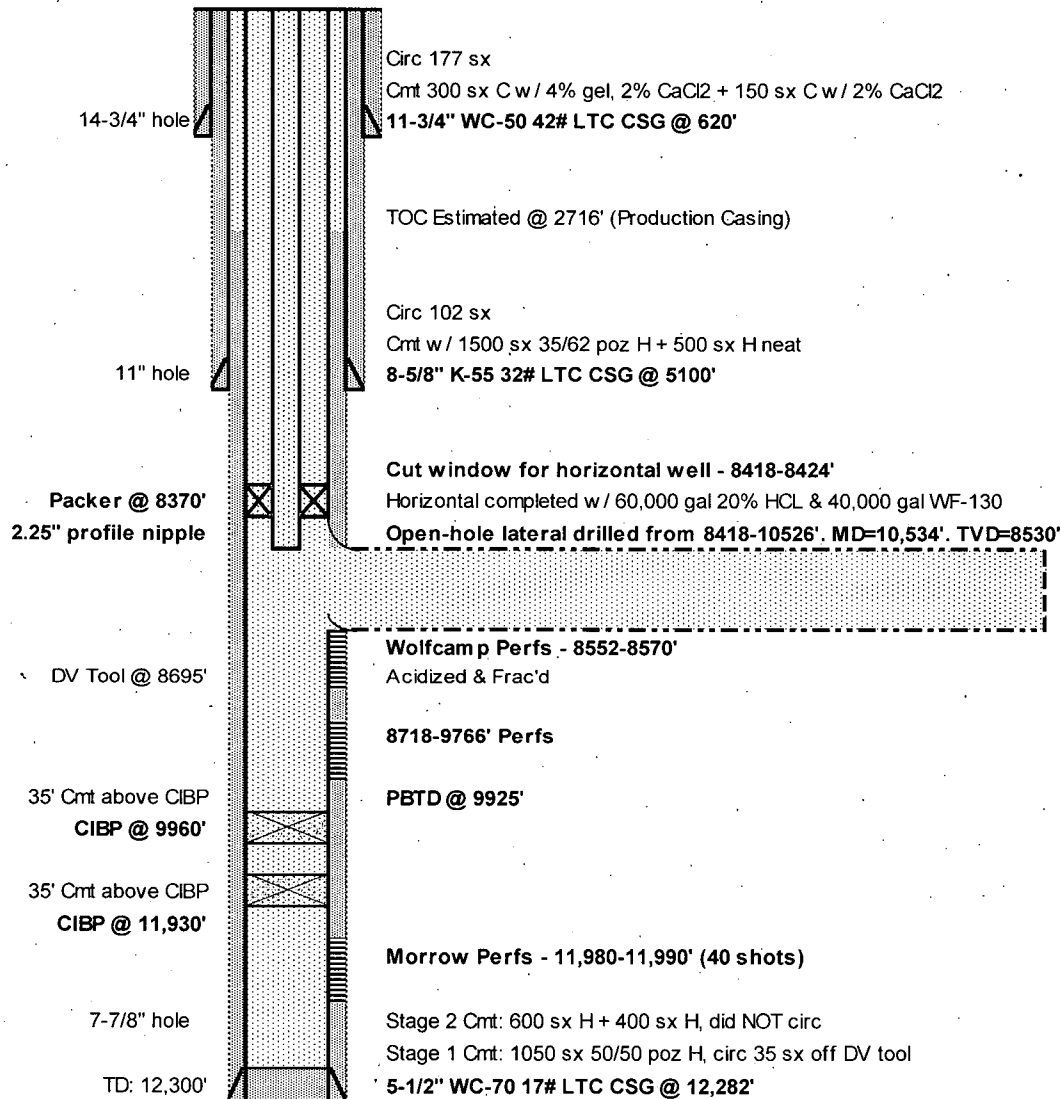
Set the blanking plug and determine whether we have a hole in tubing or other issue. If it is a HIT, Engineer would like to replace any failed joints of IPC and continue utilizing this string if possible. We have 50 joints of 3-1/2" L80 IPC w/ turn down collars in stock at the BKU Yard.

Wellbore Diagram

Well: Skelly Unit #902(SWD)
API No: 30-015-29322
Lat/Long: 32.8372917,-103.8629456

E-15-17S-31E, 1650 FNL & 990 FWL
Eddy County, NM

Spud - 01/26/1997
Elevation - 3,868' GR



General Information

Well Name: Skelly Unit #902

API#: 30-015-29322

Date Procedure Prepared: 5/16/2019

Procedure

- Notify OCD of intent to start work 24 hours prior to rigging up
- RU (3) 500 bbl frac tanks to flow back into
- RU flowline to frac tanks and attempt to flow down casing
- If pressure doesn't quickly bleed down then check the SICP and the SITP to verify communication
- RU wireline to run a blanking plug to the packer. Engineer believes the bottom landing nipple is a 2.225 F
 - Once set we should have a pretty good idea as to what the issue is
 - If the SICP and SITP go to zero, then we have a HIT
 - If the SICP doesn't change, but the SITP goes to zero then we likely have a packer leak
- If we have a HIT, then ND the WH and NU BOP
 - TOO H w/ tubing
 - Please notify engineer once you find the hole
 - If you don't identify the hole while tripping out then put on a bull plug on the bottom jt of tbg and trip back in the hole and pressure test the tbg every 500'
 - Please notify Engineer once you find the hole
 - We have only have about 20 joints of 2-7/8" IPC tubing in inventory, so we may need to order more depending on how many joints are laid down
- If we have a packer leak, then pull the blanking plug, shut in the casing and pump approximately 80 bbls of 10 LB brine down the tbg
 - Please call Engineer with the SITP so we can discuss the kill mud weight we need to order
 - We will need a total of 220 bbls of mud
 - 75 bbls of mud will need to be bull headed down the tubing
 - 100 bbls of mud will need to be bull headed down the csg
 - 45 bbls extra for safety factor
 - Once the well is dead TOO H w/the tbg and packer
 - Please have Kenco take the packer in for repair
 - Run back w/ the same tubing design and setting depths

Tubing Details			
Joints	Description	Depth	Length
	KB	17	17
260	3-1/2" EUE 9.3# L-80 IPC Tubing	8,352	8,335
	3-1/2" EUE B x 2-7/8" EUE P XOVER	8,352	0.43
	On/Off Tool (2.5 T-2 Nipple)	8,354	1.5
	5-1/2" Packer	8,362	7.8
	2-7/8" EUE B x 3-1/2" EUE P XOVER	8,362	0.3
	3-1/2" x 8' Pup Joint (IPC)	8,368	6.18
	3-1/2" EUE B x 2-7/8" EUE P XOVER	8,369	0.57
	2.25" Profile Nipple (F/SS/PN)	8,370	0.85
	P/O Plug	8,370	0.6

- Get off O/O tool and reverse circulate annulus w/ approximately 120 bbls of packer fluid
- Latch onto injection packer
- ND BOP, NU WH

- Pressure up on the tbg to rupture the pump out plug
- Contact NMOCD to witness the MIT
 - Once MIT has been performed and witnessed, send the chart to Concho Artesia East Office.
- IF WE PUMP MUD, Engineer would like to acidize the well prior to turning it back on
 - DO NOT acidize if we don't have to pump mud/pull the packer
- Backflow the well 500-1000 bbls
- RU Stone to acidize the SWD w/ 4,500 gal 15% HCL
- Pump acid on the well at a rate of 2 BPM
- Displace acid with 75 bbls of produced water at a rate of 2 BPM. Please do not over displace
- Shut well in for four hours to let acid work
- Notify SWD Foreman when you are ready to turn the well on
- Turn SWD back on
- Record post-job injection rate and pressure after acidizing
- Clean location and turn over to operations