

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 OGD
DEC 05 2011

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

<p>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)</p>		<p>WELL API NO. 30-025-38848 ✓</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/></p>
<p>2. Name of Operator CHEVRON U.S.A. INC.</p>		<p>6. State Oil & Gas Lease No.</p>
<p>3. Address of Operator 15 SMITH ROAD, MIDLAND, TEXAS 79705</p>		<p>7. Lease Name or Unit Agreement Name V.M. HENDERSON ✓</p>
<p>4. Well Location Unit Letter G : 1660 feet from the NORTH line and 2200 feet from the EAST line Section 30 Township 21-S Range 37-E NMPM County LEA</p>		<p>8. Well Number 26 ✓</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.)</p>		<p>9. OGRID Number 4323 ✓</p>
<p>10. Pool name or Wildcat PENROSE; SKELLY GRAYBURG</p>		

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

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/></p>
<p>OTHER INTENT TO ACIDIZE & SCALE SQUEEZE</p>	<p>OTHER:</p>

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.

CHEVRON U.S.A. INC. INTENDS TO ACIDIZE & SCALE SQUEEZE THE GRAYBURG FORMATION IN THE SUBJECT WELL, USING THE SONIC HAMMER TOOL.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, WELLBORE DIAGRAMS, & C-144CLEZ INFO.

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: 12-02-2011

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

For State Use Only

APPROVED BY: PETRA ETIM TITLE: PETRA ETIM DATE: DEC 13 2011
Conditions of Approval (if any):

DEC 13 2011

VM Henderson # 26
Penrose Skelly - Grayburg
T21S, R37E, Section 30
Job: Sonic Hammer, Acidize & Scale Squeeze

11.22.2011

Procedure:

1. Verify that well does not have pressure or flow. If well has pressure, record tubing and casing pressures. 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. POOH with rods & pump. 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.
3. TAG for fill (TAC 3,582', Bottom Perfs 3,920', EOT 4,116', PBTD 4,261'). POOH while scanning 2-7/8" prod tbg. LD all non-yellow band joints. If fill is tagged above 4,150' continue to step 4; otherwise, skip to step 6. **Strap pipe out of the hole to verify depths.** 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.**
4. PU and RIH with 4-3/4" MT bit, 3-1/2" drill collars on 2-7/8" 6.5# L-80 WS. RU power swivel and clean out to PBTD at 4,261'. POOH w/ 2-7/8" tbg string and bit. LD bit & BHA.

Note: if circulation is not expected, notify Remedial Engineer to discuss CO with air/foam unit or bailer (skip to step 5).
5. PU and RIH 4-3/4" MT bit and bailer on 2-7/8" 6.5# L-80 WS to CO to 4261' or as deep as possible. POOH and LD bit and bailer.
- **Expect trapped pressure inside tubing while breaking connections during bailing, discuss on JSA and mitigate the hazard. Use mudbucket (remove bottom seals) while breaking connections.**
6. Contact sonic tool rep to be on site during job. PU and GIH with Sonic Hammer tool and 2-7/8" L-80 6.5#, work string to 3,920' or below the perforations. Hydro test tbg to 6,000 psi while GIH. Stand back tbg to top perfs. Install stripper head and stand pipe with sufficient treating line to move tools vertically ~ 65'. Rig up pressure gauges to allow monitoring of tbg and csg pressure.
7. MI & RU Petroplex. Treat 5 intervals from 3,643' to 3,920' with 45 bbls of 8.6 ppg cut brine water per interval (stand). Pump down 2-7/8" WS and through Sonic Hammer tool at **5 BPM** while reciprocating tool across the perforating interval. Do not exceed 500 psi casing pressure. Leave annulus open in circulation mode while treating the perforated interval with water.

Follow the 8.6 ppg cut brine water w/ 1,000 gals 15% NEFE HCl acid per interval. Ensure that enough tbg is made up to cover each ~65' treating interval. Spot 3 bbls of acid outside tbg, shut in and close csg flowback line, pump acid @ 5 BPM over first treatment interval from 3,643' to 3,690', monitor csg pressure and do not exceed 500 psi on backside. Ensure that 1,000 gal of acid is pumped across each ~65' perfs treatment interval. Flush tbg w/ 8.6 cut brine, make a connection and continue w/ next intervals. See the table below for intervals.

Interval	Depth	Volume
1	3,643' - 3,690'	1,000 Gal
2	3,709' - 3,753'	1,000 Gal
3	3,771' - 3,821'	1,000 Gal
4	3,826' - 3,870'	1,000 Gal
5	3,875' - 3,920'	1,000 Gal

Shut in for 1 hrs for the acid to spend. Bleed excess pressure off at surface if necessary to keep casing pressure below 500 psi. Release Petroplex.

8. Pump down 2-7/8" tbg and through Sonic Hammer tool at **5 BPM** from 3,920'-3,875' with 200 bbls Brine water (8.6) containing 3 drums Baker SCW-358 Scale Inhibitor. Ensure top of tbg is flushed with water before making a connection. Continue with next interval.

Interval	Depth	Volume
1	3,920' - 3,875'	40 bbl
2	3,870' - 3,826'	40 bbl
3	3,821' - 3,771'	40 bbl
4	3,753' - 3,709'	40 bbl
5	3,690' - 3,643'	40 bbl

PU to top of perfs. 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.

9. POH & LD 2-7/8" WS and Sonic Hammer tool.
10. RIH w/ 2-7/8" production tubing and hang off per ALS recommendation. NDBOP. NUWH. RIH w/ rods and pump per ALS. RD and release workover unit.
11. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

Well: **V.M. Henderson #26**Field: **Penrose Skelly**Reservoir: **Grayburg****Location:**

1660' FNL & 2200' FEL
 Section 30 Unit Letter G
 Township 21S
 Range. 37E
 County Lea State NM

Elevations:

KB. 11'
 GL 3489'

Current
Wellbore Diagram

Well ID Info:

Chevno LE5257
 API No: 30-025-38848
 L5/L6: UCU493800
 WBS: UWDPS-D8515
 Spud Date: 5/21/2008
 Compl Date:

Surf. Csg: 8 5/8", 24#, J-55
Set: @ 469' w/ 470 sks
Hole Size: 12 1/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

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

Tubing Detail:

#Jts.	Size:	Footage
	KB Correction	11 00
112	2-7/8" 6 5# J-55 tbg	3567 94
	TAC	2 78
15	2-7/8" 6 5# J-55 tbg	477 89
1	2-7/8" 6 5# J-55 tbg IPC	31 47
	SN	1 10
1	Sand screen	23 88

129 Bottom Of String >> 4116.06

Rod Detail:

#Jts.	Size:	Footage
1	1 5" Polished Rod	26 00
3	1" N-90 Rod sub	16 00
60	1" N-90 x 25' Rod	1500 00
83	7/8" N-90 x 25' Rod	2075 00
18	1 5" K x 25' Sinker	450.00
1	7/8" N-90 Rod guide	4 00
1	25-200-RHBC-26-4	26 00
1	Strainer Nipple	1 00

168 Length Of String >> 4098.00

Perfs: 4 jspf @ 120 phasing
Status: Active - total holes 504
 Grayburg

3643-46' Grayburg
 3672-75' Grayburg
 3685-90' Grayburg
 3709-16' Grayburg
 3719-28' Grayburg
 3743-53' Grayburg
 3771-81' Grayburg
 3799-3805' Grayburg
 3811-21' Grayburg
 3826-32' Grayburg
 3835-41' Grayburg
 3849-59' Grayburg
 3862-70' Grayburg
 3875-84' Grayburg
 3890-98' Grayburg
 3901-09' Grayburg
 3912-20' Grayburg

COTD: 4261'
 PBTD: 4261' (PBTD)
 TD: 4303'

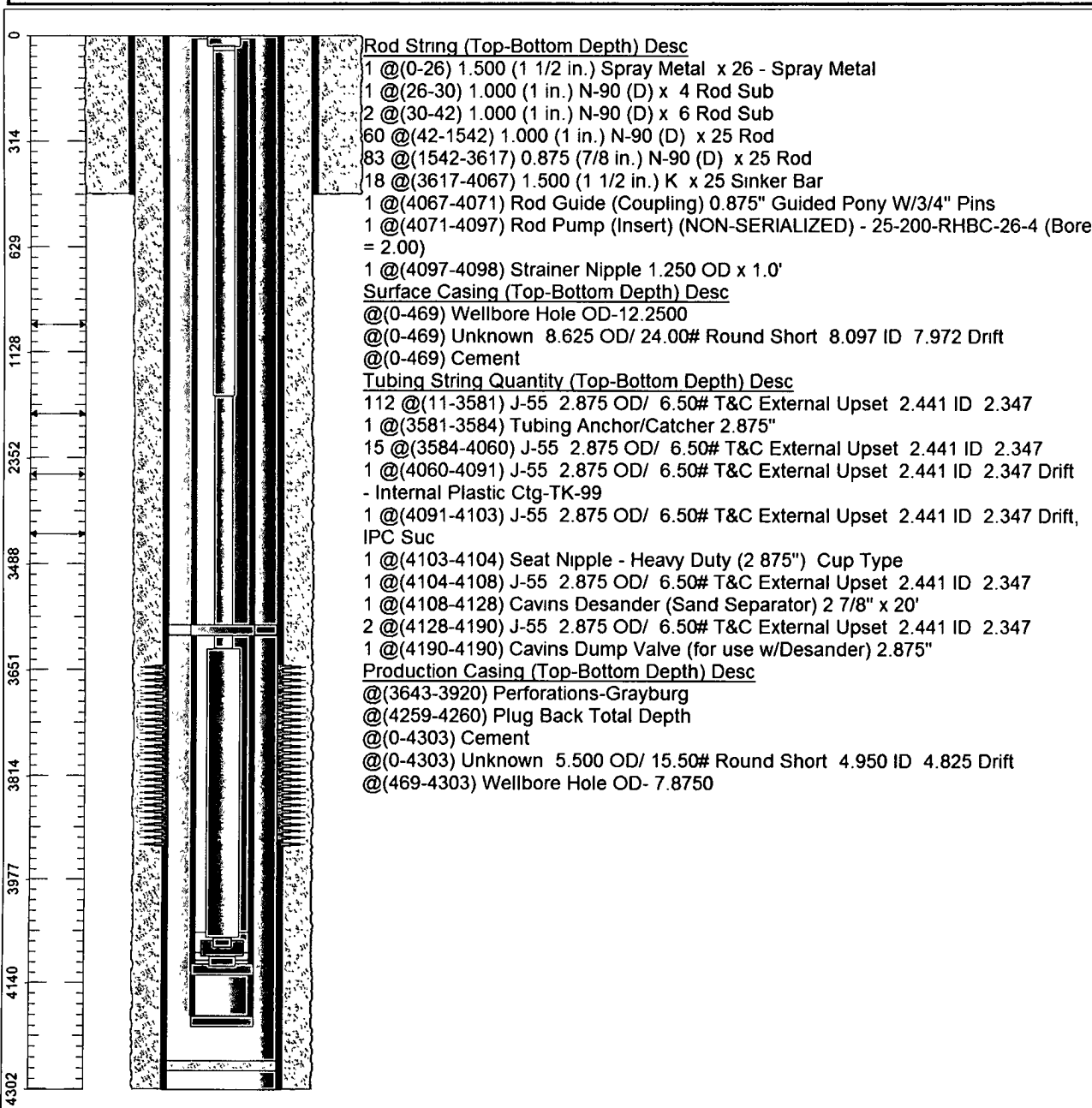
Updated: 10 19 2011

By: DNCU

Prod. Csg: 5 1/2", 15.50#, J-55
Set: @ 4303' w/ 1250 sks
Hole Size: 7 7/8"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Chevron U.S.A. Inc. Wellbore Diagram : VMHENDERSON26G

Lease: OEU EUNICE		Well No.: HENDERSON, V. M. 26G		Field: FLD-PENROSE SKELLY	
Location: 1660FNL2200FEL		Sec.: N/A		Blk:	Survey: N/A
County: Lea	St.: New Mexico	Refno: LE5257		API: 3002538848	Cost Center: UCU493800
Section:		Township: N/A			Range: N/A
Current Status: ACTIVE				Dead Man Anchors Test Date: NONE	
Directions:					



Ground Elevation (MSL):: 0.00	Spud Date: 05/11/2008	Compl. Date: 06/20/2008
Well Depth Datum:: CSI0000N	Elevation (MSL):: 0.00	Correction Factor: 0.00
Last Updated by: jackssl	Date: 09/22/2008	