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

HOBBS OCD
NOV 16 2011

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

Form C-103
Revised August 1, 2011

WELL API NO. 30-025-06705	
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 C.L. HARDY
1. Type of Well: Oil Well ☒ Gas Well ☐ Other	8. Well Number 4
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 GRAYBURG/BLINEBRY
4. Well Location Unit Letter M: 660 feet from the SOUTH line and 660 feet from the WEST line Section 20 Township 21-S Range 37-E NMPM County LEA	
[redacted]	11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* [redacted]

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 TA BLINEBRY, ACIDIZE GRAYBURG		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.

CHEVRON U.S.A. INC. INTENDS TO TEMPORARILY ABANDON THE BLINEBRY ZONE, & SONIC HAMMER ACIDIZE & SCALE SQUEEZE THE GRAYBURG.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, THE WELLBORE DIAGRAMS, AND THE C-144 CLEZ 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: 11-15-2011

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

For State Use Only

APPROVED BY: TITLE PETROLEUM ENGINEER DATE JAN 17 2012

Conditions of Approval: ***Notify OCD district office 24 hours prior to running the TA pressure test.***

JAN 23 2012

C.L. Hardy #4 **11.14.2011**
Penrose Skelly & Blinebry Field: Grayburg & Blinebry
T21S, R37E, Section 20
Job: TA Blinebry & Sonic Hammer Acidize & Scale Squeeze Grayburg

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 11/14/2011. 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.***

   - Well is down on failure, rig found bad scaling in tubing, it was decided to perform sonic hammer and scale squeeze. ***This procedure starts at the beginning of the sonic hammer because rig is currently RU and tubing will be pulled at start of SH. Please refer to Lowis procedure for prep details.***

   - **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.**

   - **Notify OCD to witness CIBP pressure test 24 hours before test. OCD phone number: 575.393.6161**

2. Perform JSA for wireline operations. MI & RU wireline unit. NU lubricator. Test lubricator to 1,000 psi. PU 7" CIBP and RIH on wireline. Tie to Schlumberger GR/CCL Log dated 4.8.1959. Set CIBP at ~5,525' (must be within 50' of the top Blinebry perf at 5,570'). Tag and record depth of CIBP. Run wireline bailer with cement dumping 35' of cement (~ 7.8 cubic feet, must have 35' per OCD) on top of CIBP. POOH. RD & MO wireline unit.

3. **Notify OCD to witness CIBP pressure test 24 hours before test. OCD phone number: 575.393.6161.** PU and GIH with 7" pkr on 2-7/8" L-80 6.5# WS. Set pkr at ~5,400. Pressure test CIBP with 500 psi for 30 minutes (chart-recorded). If CIBP does not hold pressure, discuss with Engineer before continuing. Send original chart to Derek Nash in Midland.

4. If casing holds pressure, Unset pkr POOH with pkr and 2-7/8" WS.

5. 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 3,870'. Hydro test tbg to 5,500 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.

6. MI & RU Petroplex. Treat interval 3,666'-3,870' with 50 bbls of 8.6 ppg cut brine water per 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 350 psi. Leave annulus open in circulation mode while treating the perforated interval with water.

Follow the 8.6 ppg cut brine water w/ 1,500 gals 15% NEFE HCl acid. 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 3,666' – 3,730', monitor csg pressure and do not exceed 350 psi on backside. Ensure that 1,500 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 interval. See the below example of intervals.

Interval	Depth	Volume
1	3,666' – 3,730'	1,500 Gal
2	3,739' – 3,803'	1,500 Gal
3	3,805' – 3,868'	1,500 Gal

Shut in for 1 hrs for the acid to spend. Bleed excess pressure off at surface if necessary to keep casing pressure below 350 psi. Release Petroplex.

7. Using a total of 150 bbls Brine containing 2 drums (110 gallons) Baker SCW-358 Scale Inhibitor. Pump 50 bbls down 2-7/8" tbg and through Sonic Hammer tool at **5 BPM** for the first interval from 3,868'-3,805'. Ensure top of tbg is flushed with water before making a connection. Continue with next interval as follows.

Interval	Depth	Volume
1	3,868' - 3,805'	50 bbl
2	3,803' - 3,739'	50 bbl
3	3,730' - 3,666'	50 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.

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

9. RIH w/ 2-7/8" production tubing and hang off per RRW recommendation (see Lowis plan). NDBOP. NUWH. RIH w/ rods and pump per RWW. RD and release workover unit.

10. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

WELL DATA SHEET

FIELD: Penrose Skelly & Blinebry (DHC) **WELL NAME: C. L. Hardy #4**

FORMATION: Gbrg/Blbr SEC: 20 GL: 3494' PROPOSED STATUS:
LOC: 660' FSL & 660' FWL COUNTY: Lea KB: API NO: 30-025-06705
TOWNSHIP: 21S STATE: NM DF: REFNO: FA7806
RANGE: 37E LOT: M Spud Date: 6/20/48
Date Completed: 8/4/48
SAP: UCU493600

Current

Surface Casing
13-3/8", 48#, H-40 casing
17-1/2" hole
Set @ 290' w/300 sx cmt
Circ cmt to surface

Initially completed as Drinkard OH completion
Later dually produced in the
Penrose Skelly and the Paddock

TOC @1315'

Intermediate Casing
9-5/8", 36#, H-40 casing
12-1/4" hole
Set @ 2913' w/1300 sx cmt
TOC @ 1315' by TS

TOC @ 2915'

Tbg Detail:
BP @ 5675'
1 jt. 2 7/8" EUE 8R J-55 tbg
2 7/8" x 4' perf sub
SN @ 5640'
1 jt. 2 7/8" EUE 8R J-55 IPC tbg
64 jts. 2 7/8" EUE 8R J-55 tbg
TAC @ 3625'
117 jts. 2 7/8" EUE 8R J-55 tbg

Perfs	Status
3667-3867'	Penrose Skelly - Open (10.10.2003)

Perfs	Status
5162-70'	Paddock - squeezed

TAC@5,292'

5219' sqzd to close off water

Perfs	Status
5570-5670'	Blinebry - Open

Perfs	Status
5743-5857'	Blinebry - below cmt plug

Production Casing
7", 23#, J-55 casing
8-3/4" hole
Set @ 6563' w/700 sx cmt.
TOC @ 2915' by TS

Junk in the well @ 6530
PBTD @ 6540'

CIBP @ 6550' w/ 2 sx cmt on top
OH Interval: 6-1/4" f/ 6563-6670'

TD 6670'

WELL DATA SHEET

FIELD: Penrose Skelly & Blinebry (DHC) **WELL NAME: C. L. Hardy #4**

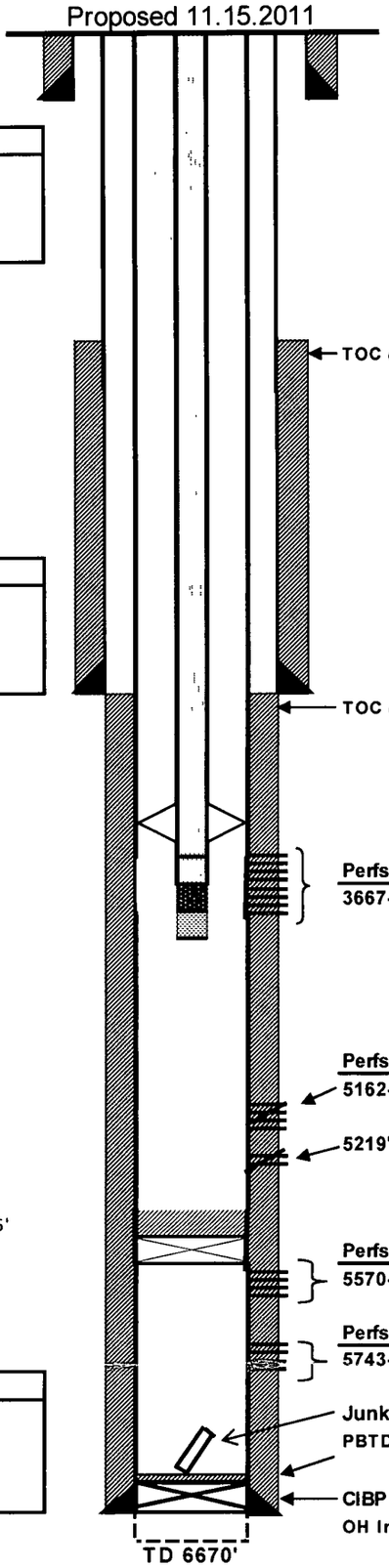
FORMATION: Gbrg/Blbr
LOC: 660' FSL & 660' FWL
TOWNSHIP: 21S
RANGE: 37E

SEC: 20
COUNTY: Lea
STATE: NM
LOT: M

GL: 3494'
KB:
DF:

PROPOSED STATUS:
API NO: 30-025-06705
REFNO: FA7806
Spud Date: 6/20/48
Date Completed: 8/4/48
SAP: UCU493600

Proposed 11.15.2011



Initially completed as Drinkard OH completion
Later dually produced in the
Penrose Skelly and the Paddock

Surface Casing
13-3/8", 48#, H-40 casing
17-1/2" hole
Set @ 290' w/300 sx cmt
Circ cmt to surface

TOC @1315'

Intermediate Casing
9-5/8", 36#, H-40 casing
12-1/4" hole
Set @ 2913' w/1300 sx cmt
TOC @ 1315' by TS

TOC @ 2915'

Tbg Detail:

Perfs	Status
3667-3867'	Penrose Skelly - Open (10.10.2003)

Perfs	Status
5162-70'	Paddock - squeezed

5219' sqzd to close off water

CIBP @ 5,525'
W/ 35' Cmt

Perfs	Status
5570-5670'	Blinebry - Open

Perfs	Status
5743-5857'	Blinebry - below cmt plug

Production Casing
7", 23#, J-55 casing
8-3/4" hole
Set @ 6563' w/700 sx cmt.
TOC @ 2915' by TS

Junk in the well @ 6530
PBTD @ 6540'

CIBP @ 6550' w/ 2 sx cmt on top
OH Interval: 6-1/4" f/ 6563-6670'

TD 6670'