

Office:

Energy, Minerals and Natural Resources

Revised August 1, 2011

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 OCD

OIL CONSERVATION DIVISION

APR 02 2012 1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

WELL API NO.

30-025-33824

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

BRUNSON ARGO

8. Well Number 21

9. OGRID 241333

10. Pool name or Wildcat

BLINEBRY OIL & GAS

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 ☐ Gas Well ☒ Other ☐

2. Name of Operator

CHEVRON MIDCONTINENT, L.P.

3. Address of Operator

15 SMITH ROAD, MIDLAND, TEXAS 79705

4. Well Location

Unit Letter F: 1700 feet from the NORTH line and 1880 feet from the WEST line

Section 10

Township 22-S

Range 37-E

NMPM

County LEA

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

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 ☐DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐

OTHER: INTENT TO SONIC HAMMER, ACIDIZE, SC SQZ

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 MIDCONTINENT L.P. INTENDS TO SONIC HAMMER, ACIDIZE, & SCALE SQUEEZE THE SUBJECT WELL.

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

TITLE: REGULATORY SPECIALIST

DATE: 03-29-2012

Type or print name: DENISE PINKERTON

E-mail address: leakejd@chevron.com

PHONE: 432-687-7375

APPROVED BY:

TITLE

STATE MGR

DATE

4-4-2012

Conditions of Approval (if any):

APR 04 2012

Brunson Argo #21

GPS: 32° 24' 32.5" N 103° 09' 12.39" W

3/22/2012

FLD-Blinebry Oil & Gas – Blinebry

Unit Letter F, T22S, R37E, Section 10

Job: Sonic Hammer, Acidize & Scale Squeeze

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. Review rig move checklist. Check road, anchors and pad location ahead of time.
2. 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.**
3. MI & RU workover unit.
4. 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/800 psi. Note testing pressures on wellview report. Release and LD packer.
5. PU additional tubing and tag for fill (TAC unknown depth, Bottom Perfs 5,841', EOT 5,931', PBTD 6,565'). POOH while scanning 2-3/8" prod tubing. LD all non-yellow band joints.

WARNING: Tubing/rod details are not reliable due to the lack of well history and information on this well. TAC depth is UNKNOWN. Discuss and take the necessary steps to mitigate possible hazards with Superintendent, Remedial Engineer and all involved personnel on location.

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.**
6. Record and notify RE fill depth to discuss the need to clean out. If clean-out is needed continue with procedure; otherwise, skip to step 9.
 7. 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 6,565'. 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 8) or foam/air unit (continue to supplemental procedure on back and discuss with Superintendent and RE the possibility of additional signatures for approval).
 8. 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 6,565'. 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.**

9. Contact sonic tool rep to be on site during job. PU and RIH with Sonic Hammer tool and work string to 5,845' 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.
10. MI & RU Petroplex. Wash all intervals from 5,439' to 5,841' with 20 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.
11. Follow the brine water wash with 3,900 gals 15% NEFE HCl of total acid for all intervals. Spot 3 bbls of acid outside tubing, shut in casing, pump 700 gallons of acid @ 5 BPM over first treating interval from 5,439' – 5,497', 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 Depth (Ft.)	Acid Volume (gal)
1	5,439'-5,497'	58	700
2	5,503'-5,566'	63	800
3	5,575'-5,638'	63	800
4	5,643'-5,694'	51	600
5	5,709'-5,765'	56	700
6	5,813'-5,841'	28	300
			3900

Table A Perforation Intervals for Acid.

12. 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.
13. Continue moving uphole with Sonic Hammer pumping at 5 BPM with a total of 350 bbls 8.6 ppg brine water containing 5 drums (275 gallons) Baker SCW-358 Scale Inhibitor Chemical. Ensure top of tubing is flushed with water before making a connection. Refer to Table B. RD and release Petroplex pump truck.

Interval	Depth	Interval Depth (Ft.)	Brine Water Volume (bbls)	SCW-358 Volume (gal)
1	5,813'-5,841'	28	30	24
2	5,709'-5,765'	56	60	47
3	5,643'-5,694'	51	60	47
4	5,575'-5,638'	63	70	55
5	5,503'-5,566'	63	70	55
6	5,439'-5,497'	58	60	47
Totals			350	275

Table B Perforation Intervals for Scale Squeeze.

14. Ensure Sonic Hammer is above all perforations. SI backside. Pump 100 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.
15. Run back in the hole and tag for fill. If fill entry was indentified clean-out to PBTD (6,565') following steps 7 or 8.
16. POOH & LD 2-7/8" WS and Sonic Hammer tool.
17. RIH with 2-3/8" production tubing hydrotesting to 6,000 psi. **Set TAC per ALCR recommendation and record it on wellview.** ND BOP. NU WH.
18. RIH with rods and pump per ALCR. Hang well on. **Record how much was the pump spaced-out.**
19. RD and release workover unit. Turn well over to production (contacts below).

Contacts:

		<u>Office</u>	<u>Cell</u>
Technical Team Leader:	Denise Wann	432-687-7380	432-238-4238
Production Engineer:	Jason Lambright	432-687-7346	432-894-5789
Remedial Engineer:	Hector Cantu	432-687-7949	432-557-1464
Geology:	Malcolm Rowland	432-687-7807	
Operations:	Bobby Hill	575-394-1245	575-631-9108
	Danny Lovell	575-394-1242	575-390-0866
	Clarence Fite	575-394-1222	575-631-9084
Peak Completions:	Randy Good		575-631-7543
Schlumberger:	Hobbs Office	575-393-6186	
Baker Petrolite:	Dexter Nichols		575-390-4356
Petroplex:	Robert Denny	432-563-1299	575-390-4510
Sonic Hammer	John Ridge		575-631-9381

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, bit sub (bore for float with dart-type float), 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 6,565' maintain circulation at optimum rate, allowing fill to clear bit before continuing to clean downhole, 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 to step 9.

Lease Name: BRUNSON ARGO
 Well No. #21
 Location: 1700' FNL & 1880' FWL
 UL: / Sec.: F / 10
 TOWNSHIP/RNGE T22S, E37
 COSTCENTER BCU46AA00

Field: BLINEBRY O & G
 Reservoir: BLINEBRY
 GE: 3406'
 KDB:
 DFE:
 Status: OIPR

API No. : 30-025-33824
 REFNO: B09664
 Spud Date: 4/5/1997
 Comp. Date: 5/2/1997
 County: LEA
 State: NM

Hole Size: 12 1/4"
 Csg. Size: 8 5/8" 24# J-55 ST&C
 Set @: 1150'
 Sks. Cmt.: 550 SKS
 TOC @: SURFACE
 Circ Y/N: Y 78 SKS

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.

WELLVIEW RUN 3/98 - TBG DETAIL

182 JTS 2 3/8" 4 7# J-55	5930
1 2" X 12" SN	11
	<u>5931.1</u>

WELLVIEW RUN 3/98 - ROD DETAIL

1 1 1/4" X 22' POLISH ROD	22
228 3/4" GR D SUCKER RODS	5700
8 1 5" K-BARS	200
1 3/4" X 6' PONY RODS	6
1 1" X 2' PONY ROD	2
1" X 16' RHBC PMP	16
2" X 1.25" X 16' RHBC PMP	
	<u>5946</u>

TAC Unknown depth

BLINEBRY PERFS 10/97

5439, 44, 53, 61, 73, 81,
 88, 91, 94, 97, 5503,
 06, 17, 24, 56, 48, 51, 66, 75, 78,
 89, 98, 5618, 22, 26, 30, 38, 43
 60, 72, 79, 94, 5709, 16, 22,
 38, 45, 60, 65, 5813, 19, 26, 41

ABO PERFS 5/97

6631-38', 6666-76', 6686-88',
 6722-32', 6752-60', 6851-56',
 6950-60', 6978-80', 7035'-38', 71'
 7174-82', 7194-7200'
 (4" DIA, 165 HOLES)

SET CIBP @ 6600'
 W/35' CMT CAP

Hole Size: 7 7/8"
 Csg. Size: 5 1/2" 17# K-55 LT&C
 Set @: 7351'
 Sks Cmt.: 2065 SKS 2 STAGES
 DV TOOL @: 3993'
 Circ Y/N: Y 63 SKS 2ND STAGE

PBTD: 6565'
 TD: 7351'

Updated: 1/10/2012

By: J Lambright