HOBBS OCD

OCD-HOBBS

Form 3160-5
(March 2012)

JUL 12 2012

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No 1004-0137
Expires October 31, 2014

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on page 2

5 Lease Serial No

6 If Indian, Allottee or Tribe Name

7 If Unit of CA/Agreement, Name and/or No

1 Type of Well

☑ Oil Well ☐ Gas Well ☐ Other

8 Well Name and No
C P. FALBY B FEDERAL #4

2 Name of Operator
CHEVRON U S A. INC

9 API Well No
30-025-10106

3a Address
15 SMITH ROAD
MIDLAND, TEXAS 79705

3b Phone No *(include area code)*
432-687-7375

10 Field and Pool or Exploratory Area
PENROSE SKELLY; GRAYBURG

4 Location of Well *(Footage, Sec , T ,R ,M , or Survey Description)*
1980' FSL & 660' FWL, UL L, SEC 8, T-22S, R-37E

11 County or Parish, State
LEA COUNTY, NEW MEXICO

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☑ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13 Describe Proposed or Completed Operation Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA Required subsequent reports must be filed within 30 days following completion of the involved operations If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection)

CHEVRON U S.A. INC INTENDS TO ACIDIZE & SCALE SQUEEZE THE SUBJECT WELL.

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

THIS INTENT IS FOR INFORMATIONAL PURPOSES ONLY, AND TO FULFILL NMOCD REQUIREMENTS

14 I hereby certify that the foregoing is true and correct Name *(Printed/Typed)*
DENISE PINKERTON

Title REGULATORY SPECIALIST

Signature Denise Pinkerton

Date 04/25/2012

APPROVED
JUL 10 2012
/s/ Chris Walls
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

Conditions of approval, if any, are attached Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon

Office

Title 18 U S C Section 1001 and Title 43 U S C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false fictitious or fraudulent statements or representations as to any matter within its jurisdiction

(Instructions on page 2)

C.P. Falby B #4 **3.28.2012**
Penrose Skelly – Grayburg, San Andres
T22S, R37E, Section 8
N 32° 24' 15.948", W -103° 11' 27.528" (NAD27)
Job: Sonic Hammer, Acidize & Scale Squeeze

Procedure:

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 MOC

1 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.**

2 MI & RU workover unit.

3 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 7-5/8" packer and set ~ @ 25', test BOP pipe rams to 250 psi/1000 psi Note testing pressures on wellview report. Release and LD packer.

Note: Prior to ND WH, e-mail or call Remedial Engineer to summarize what it was done to mitigate the well control hazard.

4. PU tubing and tag for fill (TAC 3,565, Bottom Perfs 4,015', EOT 3,895', PBTD 6,265', Liner top 3,849') POOH while scanning 2-7/8" prod tubing LD all non-yellow band joints. If fill is tagged
   A. Above 4,115' continue to step 5.
   B Below 4,115' continue to step 7.

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.**

5 PU and RIH with 3-7/8" MT bit, 4 (3-1/2") drill collars on 2-7/8" 6.5# L-80 WS. RU power swivel and clean out to 4,200'. 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 6) or foam/air unit (continue to supplemental procedure on back).

6 PU and RIH with 3-7/8" MT and Bulldog bailer on 2-7/8" 6.5# L-80 WS Clean out to 4,200'. 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.**

7 Contact sonic tool rep to be on site during job. PU and RIH with Sonic Hammer tool and work string to 4,020' 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.

8. MI & RU Petroplex. Titrate acids and verify concentration (HCl ±1 5%). Treat all intervals from 3,760' to 4,015" with 50 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.

   - **There are squeezed perfs above Grayburg (3,462'-3,732'). Make sure that perfs take water at a good rate before switching to acid.**

9 Follow the brine water wash with 4,500 gals 15% NEFE HCl of total acid for all intervals
Spot 3 bbls of acid outside tubing, shut in casing, pump 1,200 gallons of acid @ 5 BPM over first treating interval from 3,760' – 3,823', 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.

Table A: Perforation Intervals for acid.

Interval	Depth	Interval (Ft)	Acid Volume (gal)
1	3760' - 3823'	63	1,500
2	3885' - 3937'	52	1,500
3	3987' - 4018'	31	1,500
			4,500

10. 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.

11. Scale squeeze will with a total of 200 bbls 8 6 ppg brine water and 4 drums (220 gallons) Baker SCW-358 Scale Inhibitor Chemical. Continue moving uphole with Sonic Hammer. Pump at max rate of 5 BPM per pump schedule Ensure top of tubing is flushed with brine water before making a connection.

Table B: Scale Sqz Pump Schedule

Step		Interval (ft)	Max Rate (BPM)	Volume Brine (bbl)	Volume Scale Chem (Gal)	Cum Volume (bbl)
1	Pump Chemical/brine while moving from	4018' - 3987'	5	17	73	18.7
2	Pump Brine while moving from	4018' - 3987'	5	33		52
3	Pump Chemical/brine while moving from	4018' - 3987'	5	17	73	70
4	Pump Brine while moving from	4018' - 3987'	5	5		75
5	Move pipe to next interval of	3937' - 3885'				75
6	Pump Brine while moving from	3937' - 3885'	5	28		103
7	Pump Chemical/brine while moving from	3937' - 3885'	5	18	74	123
8	Pump Brine while moving from	3937' - 3885'	5	3		126
9	Move pipe to next interval of	3823' - 3760'				126
10	Pump Brine while moving from	3823' - 3760'	5	79		205

12 Ensure Sonic Hammer is above all perforations Do not exceed 500 psi casing pressure or 5 BPM while pumping scale squeeze or casing flush RD and release pump truck

13. Run back in the hole and tag for fill If fill entry was indentified @ 4,115' or above, clean-out to 4,200' following steps 5 or 6.

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

15. RIH with 2-7/8" production tubing hydrotesting to 6,000 psi Set TAC per ALCR recommendation ND BOP. NU WH. RIH with rods and pump per ALCR Hang well on. RD and release workover unit.

    Note: Prior to ND BOP, e-mail or call Remedial Engineer to summarize what it was done to mitigate the well control hazard.

16 Turn well over to production.

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 3-7/8" MT bit, 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.

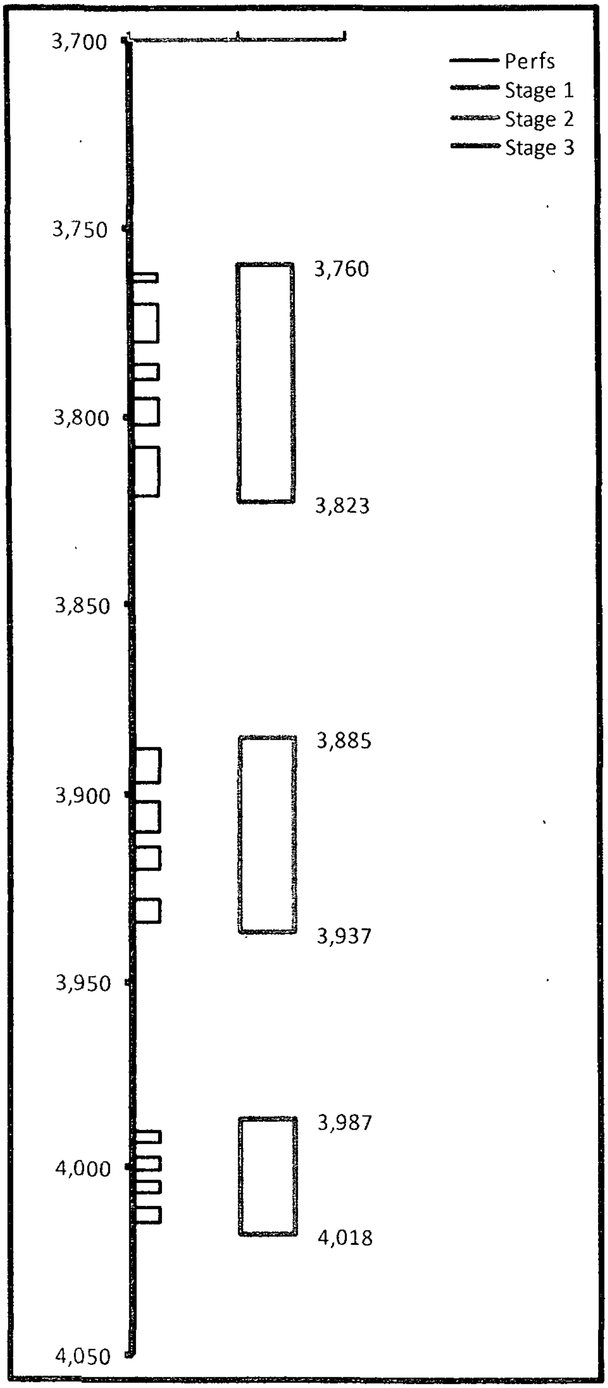
7. Clean out fill to 4,200' with low RPM's rotation and circulation, always keep pipe moving Short trips can be beneficial to hole cleaning. Circulate well clean for at least 1 hour at the end of the day, and pull up above the perforations before shut down for night. If the foam/air unit goes down, pull 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 on with original procedure for completion.

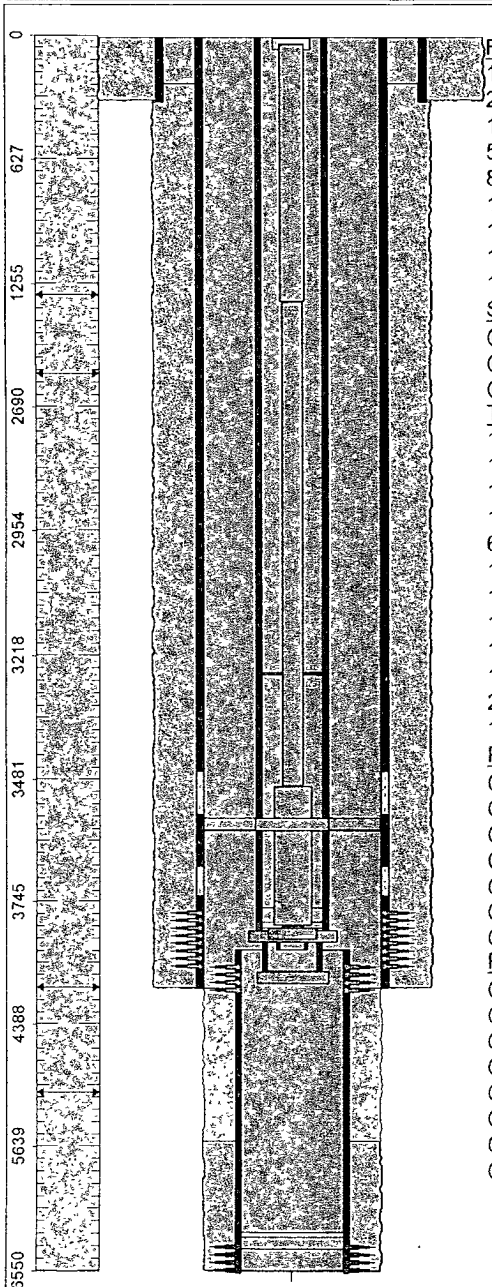
Falby B #4



Perfs Detail				
Top *ft*	Bottom *ft*	Interval Length *ft*	Status	Reservoir
3,762	3,764	2	Open	Grayburg
3,770	3,780	10	Open	Grayburg
3,786	3,790	4	Open	Grayburg
3,795	3,802	7	Open	Grayburg
3,808	3,821	13	Open	Grayburg
3,888	3,897	9	Open	San Andres
3,902	3,910	8	Open	San Andres
3,914	3,920	6	Open	San Andres
3,928	3,934	6	Open	San Andres
3,990	3,993	3	Open	San Andres
3,997	4,001	4	Open	San Andres
4,004	4,007	3	Open	San Andres
4,011	4,015	4	Open	San Andres
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
		0		
Total				
3,762	4,015	79		

Chevron U.S.A. Inc. Wellbore Diagram : CPFALBYB4DHC

Lease: OEU EUNICE FMT	**Well No.:** FALBY, C. P. -B- FED 4 PARE 4	**Field:** PENROSE SKELLY	
Location: 1980FSL660FWL	**Sec.:** N/A	**Blk:**	**Survey:** N/A
County: Lea **St.:** New Mexico	**Refno:** FB1112	**API:** 3002510106	**Cost Center:** UCU496100
Section: 8	**Township:** 022 S		**Range:** 037 E
Current Status: ACTIVE		**Dead Man Anchors Test Date:** 01/04/2007	
Directions:			



Rod String Quantity (Top-Bottom Depth) Desc
1 @(11-37) 1 500 (1 1/2 in.) Spray Metal x 26 - Spray Metal
2 @(37-41) 1 000 (1 in) N-78 (D) x 2 Rod Sub - N/A
1 @(41-45) 1.000 (1 in.) N-78 (D) x 4 Rod Sub - N/A
55 @(45-1420) 1 000 (1 in.) N-78 (D) x 25 Rod
83 @(1420-3495) 0.875 (7/8 in.) N-78 (D) x 25 Rod
12 @(3495-3795) 1 500 (1 1/2 in.) K x 25 Sinker Bar
1 @(3795-3799) 0 875 (7/8 in.) D x 4 Rod Sub - Rod Guides-Molded (3 per.
1 @(3799-3823) Rod Pump (Insert) (NON-SERIALIZED) - 25-200-R H BC -2
1 @(3823-3835) Gas Anchor 1.250 OD x 12'

Surface Casing (Top-Bottom Depth) Desc
@(11-332) Unknown 10 750 OD/ 32.75# Round Short 10 192 ID 10 036 Drift
@(11-332) Cement
@(11-332) Wellbore Hole OD-12.2500 - N/A

Tubing String Quantity (Top-Bottom Depth) Desc
104 @(11-3253) J-55 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2.34
1 @(3253-3257) J-55 2.875 OD/ 6.50# T&C External Upset 2 441 ID 2.34
10 @(3257-3565) J-55 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2 3
1 @(3565-3567) Tubing Anchor/Catcher 2.875" x 7 625"
6 @(3567-3758) J-55 2 875 OD/ 6.50# T&C External Upset 2 441 ID 2.34
1 @(3758-3789) J-55 2 875 OD/ 6.50# T&C External Upset 2 441 ID 2.34
1 @(3789-3801) J-55 2.875 OD/ 6 50# T&C External Upset 2.441 ID 2 34
1 @(3801-3802) Seat Nipple - Standard (2 875") Cup Type - Bare
1 @(3802-3806) J-55 2.875 OD/ 6.50# T&C External Upset 2 441 ID 2 34
1 @(3806-3832) Slotted Mud Anchor 3.500"
2 @(3832-3894) J-55 2.375 OD/ 4.60# T&C External Upset 1 995 ID 1 90
1 @(3894-3895) Bull Plug (Unknown Type & Size) - Bare

Production Casing (Top-Bottom Depth) Desc
@(3464-3556) Cmt Sqz Perfs- Eumont
@(3668-3732) Cmt Sqz Perfs-Penrose
@(3762-3880) Perforations - Grayburg - Open
@(3762-3880) Producing Interval (Completion) - Grayburg - Open
@(246-3934) Cement
@(332-3934) Wellbore Hole OD-10.7500
@(11-3935) H-40 7 625 OD/ 24.00# Round Short 7 025 ID 6 900 Drift

Production Liner (Top-Bottom Depth) Desc
@(3880-4015) Perforations - San Andres - Open
@(6265-6300) Plug Back-Cement on Top of Bridge Plug
@(6300-6303) Bridge Plug Cast Iron 4 500"
@(6353-6536) Perforations-Drinkard Isolated
@(3934-6550) Wellbore Hole OD- 6.7500
@(3849-6550) J-55 4 500 OD/ 9.50# Unknown Thread 4 090 ID 3 965 Drift
@(5594-6550) Cement
@(6540-6550) Plug Back-Cement

Ground Elevation (MSL):: 3412.00	**Spud Date:** 10/28/1970	**Compl. Date:** 01/01/1970
Well Depth Datum:: CSI0000N	**Elevation (MSL)::** 0.00	**Correction Factor:** 11.00
Last Updated by: srqi	**Date:** 07/18/2011	