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
JUL 13 2012
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OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised August 1, 2011

WELL API NO. 30-025-06856	
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) 1. Type of Well: Oil Well ☒ Gas Well ☐ Other	7. Lease Name or Unit Agreement Name EUNICE KING
	8. Well Number 19
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 PENROSE;SKELLY, GRAYBURG
4. Well Location Unit Letter C: 660 feet from the NORTH line and 1980 feet from the WEST line Section 28 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 CLEAN OUT, AND ACIDIZE				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 CLEAN OUT & ACIDIZE THE SUBJECT WELL.

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

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: 07-11-2012

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

APPROVED BY: TITLE Dist. Mgr DATE 7-16-2012
Conditions of Approval (if any):

JUL 16 2012

Eunice King #19 **6.26.2012**
Penrose Skelly- Grayburg
T21S, R37E, Section 28
N 32° 27' 19.08", W -103° 10' 10.128" (NAD27)
Job: Clean out, N_2 Acidize

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 possible MOC.

1. Ensure location is in appropriate conditions, anchors have been tested within the last 24 months, power line distance has been verified to determine if variance is needed and the right tools are scheduled for the energized job.

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) *Well has low bottom hole pressure so try to minimize amount of fluid pumped into well.*

   - **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 and capture any samples for analysis. Do not hot water unless necessary. ND wellhead, unset TAC, NU BOP. POOH and LD 1 jt, PU 7" packer and set ~ @ 25', test BOP pipe rams to 250 psi/500 psi. Note testing pressures on WellView report. Release and LD packer.

5. POOH while scanning 2-7/8" prod tubing (TAC 3,662, EOT 3,857', PBTD 3,907'). LD TAC and 2-7/8" tbg, remove all non-yellow band tbg.

   Note: Strap pipe out of the hole to verify depths and note them on Wellview report.
   Send scan log report to lgbi@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. PU and RIH 6-1/8" MT bit, 3-1/2" drill collars on 2-7/8" L-80 WS hydrotesting to 6000 psi to match maximum pressure. Tag and record fill depth. RU power swivel and clean out to 3,907' (PBTD). 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 7) or foam/air unit (continue to supplemental procedure on back).

7. PU and RIH with 6-1/8" MT and Bulldog bailer on 2-7/8" 6.5# L-80 WS. Tag and record fill depth. Clean out to 6,907' (PBTD). POOH and 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.**

8. POOH. LD bit & BHA.

9. PU and RIH with 7" treating packer on 2-7/8" 6.5# L-80 WS. Set packer ~ 3,660'. Load and test backside to 500 psi.

10. Prep location for N2 Acid Treatment. RU 2 open tanks (equipped with gas buster) and set them on opposite sides of the prevailing wind on location if possible. This is to ensure the flow is directed downwind at all times. Steel lines are to be secured with safety restraints as shown on **Image A**. If Service Company lacks safety restrains contact Guardian for rental. NU TIW valve rated for 10,000 psi **(newly-tested and functioned).** Have flowback crew and choke manifold ready for flowback stage. Ensure all flowback equipment has current inspection and is properly secure.

11. Pressure up and maintain 300 psi on backside throughout acid job, monitor it and bleed down as necessary. If leak is detected go to flush and take necessary steps to correct.

12. MI & RU Service Company (Schlumberger, Halliburton or Baker). **Test lines to 6,000 psi**. Treat perfs from 3,680' to 3,858' per schedule on Table A.

    Maximum treating pressure at surface is 5,000 psi. Set pop-off to less than 5,000 psi.

13. Pump 3 bbls of Brine water ahead @ 2 BPM. **Set maximum rate @ 5 BPM.**

    Acidize following Table A below

    Note: Please refer to the attached N2 Acid Job Procedure for full details.

Table A. Treatment Schedule (Schlumberger example)

PUMPING SCHEDULE

STAGE 1

Step Name	Pump Rate bbl/min	Fluid Name	Step volume gal	Proppant	Prop. Conc. PPA
Circulate	5.0	Brine (2% KCl)	100		0.0
Acid	5.0	15% HCl (50% Q N2)	800		0.0
Acid	5.0	15% HCl (75% Q N2)	1,900		0.0
Acid	5.0	15% HCl (50% Q N2)	800		0.0
Acid	5.0	15% HCl (75% Q N2)	1,800		0.0
Acid	5.0	15% HCl (50% Q N2)	800		0.0
Acid	5.0	15% HCl (75% Q N2)	1,900		0.0
Acid	5.0	15% HCl (50% Q N2)	800		0.0
Spacer	5.0	Brine (2% KCl)	200		0.0

Stage Descriptions / Flush Volumes

Stage Description	Fluid Name	Fluid volume gal	Stage Time min
Stage 1 (Perf MD = 3650.00 - 3900.00 ft)	Nitrogen Flush	924	4.4

Fluid Totals	
15% HCl (50% Q N2)	3,200 gal
15% HCl (75% Q N2)	5,600 gal
Brine (2% KCl)	300 gal

Proppant Totals

****If other service company is used refer to their attached pump schedule*

Pump a total of 8,800 gals (209 barrels) of anti-sludge **15% HCl foamed acid*** per attached procedure.

14. Displace acid to bottom perf (3,858') with 100% Nitrogen as indicated on last stage.

15. RDMO. Shut in well for 4 hrs for the acid to spend. Monitor casing pressure to keep it below 300 psi. Bleed off excess pressure if necessary.

    Note: Acid job MUST start in the morning. If acid job is deferred, contact Remedial Engineering to discuss postponing job until the following day.

16. Flow well back to open tank. **If necessary, discuss flowing the well 24 hours a day as long as all the safety precautions are in place. Ensure light towers and a 2-man flowback crew are in place.**

17. Flowback well dead (may take 1 or 2 days), **Notify Derek Nash @ 432-687-7506 before pumping any kill fluid.**

    - **Ensure all personnel on location are aware of N2/H2S release and proper hazard mitigation and discussion is in place. Gas is to be vented downwind to either open tank at all times during flowback.**

    - **Consider a safety trailer and 4-way monitor system to monitor well flowback.**

18. Release packer, POOH and LD packer.

19. PU and RIH with 6-1/8" MT bit on 2-7/8" L-80 WS tag for fill. If fill entry was indentified @ 3,907' (PBTD)or above, clean-out to (3,907').

20. POOH & LD 2-7/8" WS and BHA.

21. RIH with 2-7/8" production tubing hydrotesting to 5,000 psi. **Set TAC per ALCR recommendation and record it on WellView.**

22. ND BOP. NU WH. **RIH with rods and pump per ALCR and record how much the pump was spaced-out on WellView.** Hang well on.

23. RD and release workover unit. Turn well over to production (contacts on back). Clean location.

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 w/ 6-1/8" MT bit, bit sub (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 PBTD (3,907') 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.
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 8.

WELL DATA SHEET

FIELD: Penrose Skelly
FORMATION: Grayburg
LOC: 660' FNL 1980' FWL
TOWNSHIP: 21S
RANGE: 37E
LOT: C

WELL NAME: Eunice King #19
SEC: 28 GL: 3466'
COUNTY: Lea KB:
STATE: NM DF:

CURRENT STATUS: PR
API NO: 30-025-06856
REFNO: FA7953
Spud Date: 9/27/49
Date Completed: 11/22/49
SAP: UCU462300
Originally produced in Monument/McKee
McKee Perfs: 7610-7780'
N 32° 27' 19.08", W -103° 10' 10.128" (NAD27)

Surface Casing
13-3/8", 48# Csg
Hole size: 17-1/4"
Set @ 297' w/300 sx cmt
Circ cmt to surface

Intermediate Casing
9-5/8", 36# H-40 Csg
Hole size: 12-1/2"
Set @ 2800' w/1300 sx cmt
TOC @ 460' by TS.

Tubing Detail:

#Jts:	Size:	Footage
118	2 7/8" J-55 Cl 'A'	3662.45
1	TAC	2.70
4	2 7/8" J-55 Cl 'A'	124.40
1	2 7/8" J-55 IPC	32.10
1	2 7/8" API S N.	1.10
125	Pump Intake >>>	3822.75
1	2 7/8" Perf Sub	4.10
1	2 7/8" BPMA Jt.	30.13
	EOT >>>	3856.98

Rod Detail:

#Rods:	Size:	Footage
1	1 1/2" Polish Rod	22.00
1	7/8" 'D' Cl 'B' Rod 2'	2
1	7/8" 'D' Cl 'B' Rod 6'	6
1	7/8" 'D' Cl 'B' Rod 8'	8
55	7/8" 'D' Cl 'B' Rods	1375.00
92	3/4" 'D' Cl. 'B' Rods	2300.00
4	1 1/2" 'K' Bars Cl 'B'	100.00
1	2 1/2"x2" Insert Pump	20.00
1	Gas Anchor	12.00
157		3845.00

Pump: 25-200-RHBC-20-1.5 #EGEN-3045
Plunger: 18" Lubri
Barrel: 20' BRCP

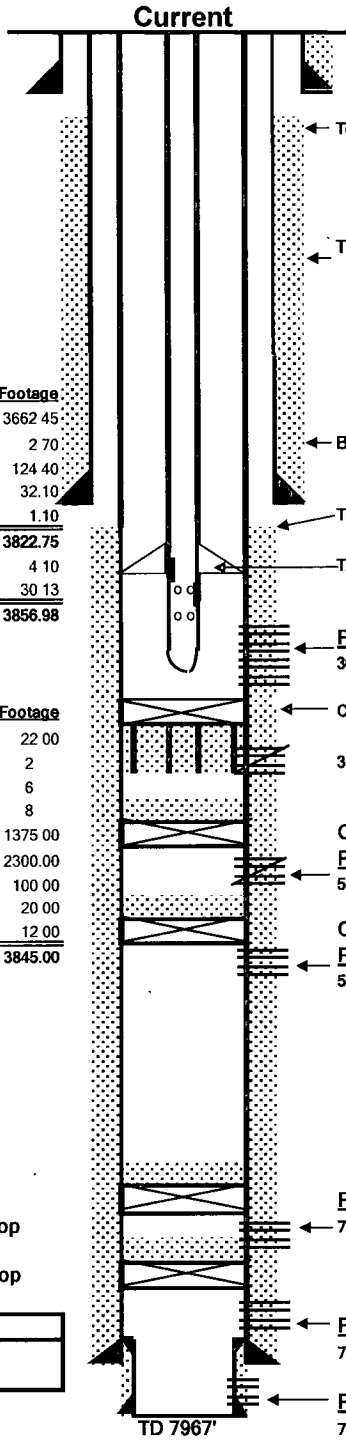
Production Casing
7", 23# & 26#, N-80 Csg
Hole size: 8-3/4"
Set @ 7834' w/700 sx cmt
TOC @ 2600' by TS

CIBP set @ 7000' w/2 sx cmt on top

CICR set @ 7300' w/2 sx cmt on top

5-1/2" Liner, 17#, N80 set @ 7967'
Top of liner @ 7807'
Circ w/18 sx cmt

Updated: Sam Sirgo 4-06-12



Perfs	Status
3680-3858'	Grayburg - Open
3,930'-3,931'	Sqeeze Perfs. - sqzd w/122 sx cmt
5114-5182'	Paddock - sqzd w/100 sx cmt and below CIBP
5466-5856'	Blinebry - below CIBP
7162-7224'	Wantz Abo - below CIBP
7610-7780'	McKee - below CIBP
7928-7952'	Connell - below CIBP

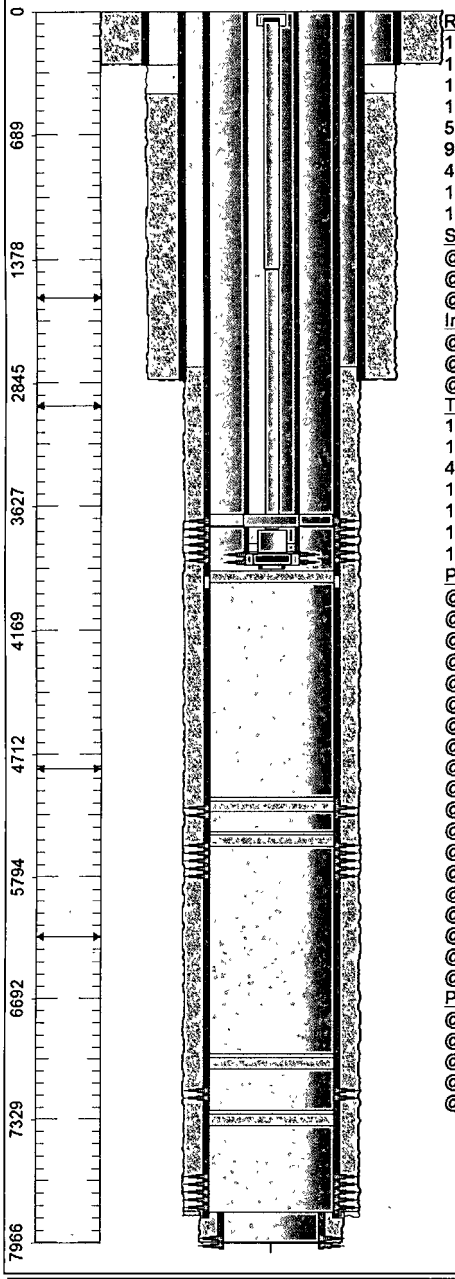
History

11/54 - Deepened to 7967'. Perf'd Connell (7928-7952').
11/59 - Set CICR @ 7300'. Perf'd Wantz Abo (7162-7224').
11/60 - Set CIBP @ 7000'. Set CICR @ 3900'. Perf'd Penrose Skelly (3685-3741').
9/61 - Sqzd Penrose Skelly. Drld out CICR set @ 3900'. Perf'd Paddock (5114-5182') and Blinebry (5803-5856').
7/82 - Sqzd Paddock
8/90 - Perf'd Blinebry (5466-5745')

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.

Chevron U.S.A. Inc. Wellbore Diagram : KINGEUN 19P

Lease: OEU EUNICE FMT	**Well No.:** KING EUNICE 19P	**Field:** FLD-PENROSE SKELLY	
Location: 660FNL1980FWL	**Sec.:** N/A	**Blk:**	**Survey:** N/A
County: Lea **St.:** New Mexico	**Refno:** FA7953	**API:** 3002506856	**Cost Center:** UCU491600
Section: 28	**Township:** 021 S		**Range:** 037 E
Current Status: ACTIVE		**Dead Man Anchors Test Date:** 01/03/2007	
Directions:			



Rod String (Top-Bottom Depth) Desc
1 @(12-34) 1 500 (1 1/2 in) Spray Metal x 22
1 @(34-36) 0.875 (7/8 in.) N-78 (D) x 2 Rod Sub
1 @(36-42) 0.875 (7/8 in.) N-78 (D) x 6 Rod Sub
1 @(42-50) 0.875 (7/8 in.) N-78 (D) x 8 Rod Sub
55 @(50-1425) 0 875 (7/8 in.) N-78 (D) x 25 Rod
92 @(1425-3725) 0.750 (3/4 in.) N-78 (D) x 25 Rod
4 @(3725-3825) 1.500 (1 1/2 in.) K x 25 Sinker Bar
1 @(3825-3845) Rod Pump (Insert) (NON-SERIALIZED) - 25-125-RHBC-20-4 (Bore = 1 25)
1 @(3845-3857) Gas Anchor (Rod) 1 250 OD x 12'
Surface Casing (Top-Bottom Depth) Desc
@(0-297) H-40 13 375 OD/ 48 00# Unknown Thread 12.715 ID 12.559 Drift
@(0-297) Cement
@(0-297) Wellbore Hole OD-17.2500
Intermediate Casing (Top-Bottom Depth) Desc
@(297-2800) Wellbore Hole OD-12 5000
@(460-2800) TOC by TS
@(0-5600) H-40 9.625 OD/ 36.00# Unknown Thread 8.921 ID 8 764 Drift
Tubing String Quantity (Top-Bottom Depth) Desc
118 @(0-3662) J-55 2 875 OD/ 6 50# T&C External Upset 2.441 ID 2.347 Drift
1 @(3662-3665) Tubing Anchor-Mechanical 7 000" Elder 'B'
4 @(3665-3790) J-55 2.875 OD/ 6.50# T&C External Upset 2 441 ID 2.347 Drift
1 @(3790-3822) J-55 2 875 OD/ 6.50# T&C External Upset 2.441 ID 2.347 Drift - Internal Plastic Ctg
1 @(3822-3823) Seat Nipple - Standard (2.875") Cup Type
1 @(3823-3827) Perforated Tubing Sub 2.875"
1 @(3827-3857) Bull Plug Mud Anchor 2.875"
Production Casing (Top-Bottom Depth) Desc
@(3680-3858) Perforations-Grayburg
@(3907-3910) Cement Retainer
@(3910-3931) Plug Back-Cement
@(3930-3931) Cement Squeeze Perfs
@(5040-5075) Plug Back-Cement on Top of Bridge Plug
@(5075-5078) Bridge Plug Cast Iron 7.000"
@(5114-5182) Perfs-Paddock sqzed with 100sxs cmt
@(5365-5400) Plug Back-Cement on Top of Bridge Plug
@(5400-5403) Bridge Plug Cast Iron 7 000"
@(5466-5826) Perforations-Blinebry
@(6980-7000) Plug Back-Cement on Top of Bridge Plug
@(7000-7003) Bridge Plug Cast Iron 7.000"
@(7162-7224) Perforations-Wantz Abo
@(7280-7300) Plug Back-Cement on Top of Bridge Plug
@(7300-7303) Bridge Plug Cast Iron 7 000"
@(7610-7780) Perforations-McKee
@(0-7834) N-80 7 000 OD/ 23 00# Unknown Thread 6 366 ID 6 241 Drift
@(2600-7834) TOC by TS
@(2800-7834) Wellbore Hole OD- 8.7500
Production Liner (Top-Bottom Depth) Desc
@(7928-7952) Perforations-Connell
@(7807-7967) Cement
@(7807-7967) Wellbore Hole OD- 7 0000
@(7960-7967) Plug Back-Cement
@(7807-7967) N-80 5.500 OD/ 17.00# Round Long 4.892 ID 4.767 Drift

Ground Elevation (MSL):: 3466.00	**Spud Date:** 09/28/1970	**Compl. Date:** 07/01/2003
Well Depth Datum:: CSI0000N	**Elevation (MSL)::** 0.00	**Correction Factor:** 12.00
Last Updated by: dncu	**Date:** 06/26/2012	