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

HOBBS OCD
OCT 17 2012
RECEIVED

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
Revised August 1, 2011

WELL API NO.
30-025-24084

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
H.T. MATTERN NCT-B

8. Well Number 15

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: N 660 feet from the SOUTH line and 1820 feet from the WEST line
Section 30 Township 21-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:		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 REPAIR CSG LEAK		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 REPAIR A CASING LEAK IN 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 10-16-2012

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

For State Use Only

APPROVED BY [signature] TITLE Dist Mgr DATE 10-19-2012
Conditions of Approval (if any):

H.T. Mattern B #15 **10.4.2012**
Penrose Skelly- Grayburg
T21S, R37E, Section 30
N 32° 26' 39.588", W -103° 12' 15.12" (NAD27)
Job: Identify Csg leak

PREWORK:

1. Utilize the rig move check list.
2. Check anchors and verify that pull test has been completed in the last 24 months.
3. Ensure location of & distance to power lines is in accordance with MCA SWP. Complete and electrical variance and electrical variance RUMS if necessary.
4. Ensure that location is of adequate build and construction.
5. Ensure that elevators and other lifting equipment are inspected. Caliper all lifting equipment at the beginning of each day or when sizes change.
6. When NU anything over and open wellhead (EPA, etc.) ensure the hole is covered to avoid dropping anything downhole.
7. For wells to be worked on or drilled in an H_2S field/area, include the anticipated maximum amount of H_2S that an individual could be exposed to along with the ROE calculations for 100 ppm and 500 ppm.
8. If the possibility of trapped pressure exists, check for possible obstructions by:
   - Pumping through the fish/tubular – this is not guaranteed with an old fish as the possibility of a hole above the obstruction could yield inconclusive results
   - Dummy run – make a dummy run through the fish/tubular with sandline, slickline, eline or rods to verify no obstruction. Prior to making any dummy run contact RE and discuss.

   If unable to verify that there is no obstruction above the connection to be broken, or if there is an obstruction:

   - Hot Tap at the connection to check for pressure and bleed off

   Observe and watch for signs / indicators of pressure as connection is being broken. Use mud bucket (with seals removed) and clear all non-essential personnel from the floor.

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).

3. MI & RU workover unit. ND W.H., NU BOP, blinds on bottom, pipe rams then annular.

4. POOH and LD 1 jt, cut and strap cable to tbg. PU 5.5" packer and set ~ @ 25', test BOP pipe rams to 250 psi/500 psi. Test annular to 250/500 psi. Note testing pressures on WellView report. Release and LD packer.

5. POOH with 2-7/8" prod tubing. LD ESP and tbg. Send ESP to Centrilift for testing. (EOT- 3,807', ESP- 3,758').

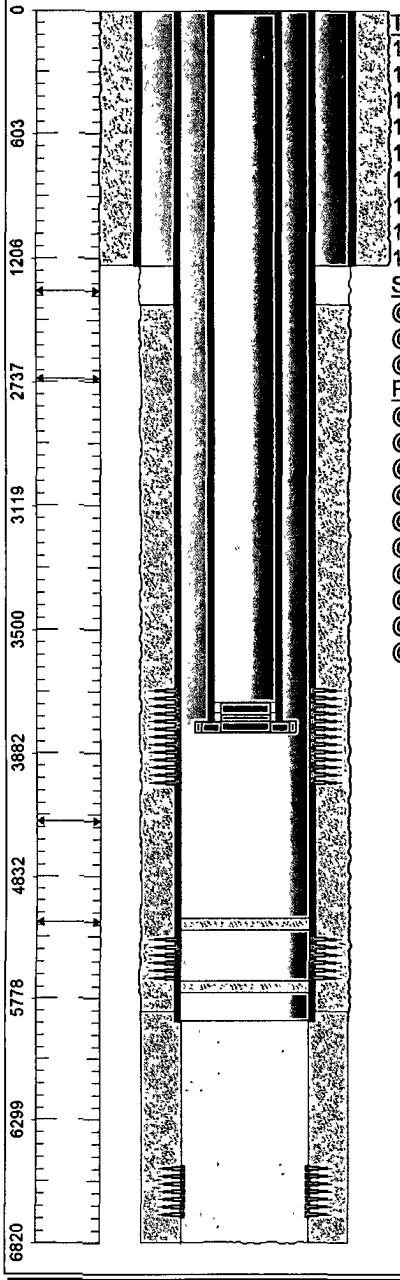
6. PU and GIH with 4-3/4" MT bit, 4 (3-1/2") drill collars on 2-7/8" 6.5# L-80 WS to top of cmt on CIBP at 5,400'. POOH with work string and 4-3/4" bit. LD bit.

7. PU and GIH with 5-1/2" RBP and pkr on 2 7/8" WS'. Set RBP at ~3,600'. PUH w/ pkr to ~ 3,570' and pressure test RBP to 500 psi. Pressure test annulus to 500 psi. If there is a leak PUH w/ pkr and pressure test backside until leak is pinpointed.

8. Once leak is identified, establish a PI rate and pressure. Sqz procedure and drill out will be provided. Contact RE with info.

Chevron U.S.A. Inc. Wellbore Diagram : MATB15G

Lease: OEU EUNICE	**Well No.:** MATTERN H T /NCT-B/ 15 15	**Field:** PENROSE SKELLY	
Location: 660FSL1820FWL	**Sec.:** N/A	**Blk:**	**Survey:** N/A
County: Lea **St.:** New Mexico	**Refno:** FG9728	**API:** 3002524084	**Cost Center:** UCU490300
Section: 30	**Township:** 021 S		**Range:** 037 E
Current Status: ACTIVE		**Dead Man Anchors Test Date:** NONE	
Directions:			



Tubing String Quantity (Top-Bottom Depth) Desc
1 @(11-15) J-55 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2.347 Drift
118 @(15-3722) J-55 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2.347 Drift
1 @(3722-3723) Drain Valve
1 @(3723-3754) J-55 2.875 OD/ 6.40# T&C External Upset 2.441 ID 2.347 Drift
1 @(3754-3758) J-55 2.875 OD/ 6.40# T&C External Upset 2.441 ID 2.347 Drift
1 @(3758-3777) ESP Pump
1 @(3777-3780) ESP Gas Separator
1 @(3780-3786) ESP Seal
1 @(3779-3807) ESP Motor

Surface Casing (Top-Bottom Depth) Desc
@(0-1240) Cement
@(0-1240) Unknown 8.625 OD/ 24.00# Round Short 8.097 ID 7.972 Drift
@(0-1240) Wellbore Hole OD-11.0000 - N/A

Production Casing (Top-Bottom Depth) Desc
@(3678-3982) Perforations-Grayburg
@(5400-5435) Plug Back-Cement on Top of Bridge Plug
@(5514-5690) Perforations-Blinebry
@(5701-5704) Bridge Plug Cast Iron 5.500"
@(1240-5870) Wellbore Hole OD- 7.8750
@(0-5870) K-55 5.500 OD/ 14.00# Unknown Thread 5.012 ID 4.887 Drift
@(1560-5870) Cement
@(6491-6696) Perforations-Drinkard
@(5870-6819) Wellbore Hole OD- 4.7500
@(5830-6820) Cement

Ground Elevation (MSL):: 3507.00	**Spud Date:** 04/10/1972	**Compl. Date:** 01/01/1970
Well Depth Datum:: CSI0000N	**Elevation (MSL)::** 0.00	**Correction Factor:** 11.00
Last Updated by: mccurbg	**Date:** 05/22/2006	