

District I - (575) 393-6161
1625 N French Dr., Hobbs, NM 88248
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

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

WELL API NO. 30-025-38851
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name EAVES
8. Well Number 9
9. OGRID Number 4323
10. Pool name or Wildcat PENROSE; SKELLY GRAYBURG

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 U.S.A. INC.

3. Address of Operator
15 SMITH ROAD, MIDLAND, TEXAS 79705

4. Well Location
Unit Letter H: 1395 feet from the NORTH line and 330 feet from the EAST 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: REQUEST TO CLEAN OUT, N2 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, & N2 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: 10-16-2012

Type or print name: DENISE PINKERTON

E-mail address: leakejd@chevron.com

PHONE: 432-687-7375

APPROVED BY:

Dist. Mgr.

TITLE

Dist. Mgr.

DATE

10-19-2012

Conditions of Approval (if any):

Eaves 9

10.1.2012

Penrose Skelly- Grayburg

T22S, R37E, Section 10

N 32° 24' 31.916", W -103° 8' 34.886 (NAD27)

Job: Clean out, N₂ Acidize

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 H₂S field/area, include the anticipated maximum amount of H₂S that an individual could be exposed to along with the ROE calculations for 100' and 500'.
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) *Well has low bottom hole pressure so try to minimize amount of fluid pumped into well.*

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 5 1/2" packer and set ~ @ 25', test BOP pipe rams to 250 psi/500 psi. Note testing pressures on WellView report. Release and LD packer.
5. PU 1 jt tubing and tag for fill. POOH while scanning 2-7/8" prod tubing (TAC 3,555', EOT 3,940', PBTD 4,238'(WL)). LD TAC and 2-7/8" tbg, remove all non-yellow band tbg.
 - A. Above 3,970' continue to step 6.
 - B. Below 3,970' continue to step 9.

Note: Strap pipe out of the hole to verify depths and note them on Wellview report.
Send scan log report to lqbi@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 4-3/4" 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 3,970'. 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 4-3/4" MT and Bulldog bailer on 2-7/8" 6.5# L-80 WS. Tag and record fill depth. Clean out to 3,970'. 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 5-1/2" treating packer on 2-7/8" 6.5# L-80 WS. Set packer ~ 3,572'. 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 restraints 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.
 12. MI & RU Service Company (Schlumberger, Halliburton or Baker). **Test lines to 6,000 psi.** Treat perms from 3,612' to 3,828' per schedule on Table A.

Maximum treating pressure at surface is 5,000 psi. Set pop-off to less than 6,000 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 (Halliburton example)

Treatment 1		N2 Foamed Acid			
Well Name	EVA3	2% KCL Water	500 Gal		
Job Name	N2 Foamed Acid	Nitrogen (N2) - Gas	228.39 Mscf		
Estimated Pump Time	1.28 hrs	15% Ferchek SC Acid (0.6%)	3779.98 Gal		
BHST	110 degF				
Acidize the Grayburg interval with 4,000 gallons of 15% Ferchek SC Acid (0.6%) foamed alternating with 50% and 95% Nitrogen. Flush with 100% Nitrogen. Treat via 2-7/8" tubing at 5 bpm with a maximum wellhead treating pressure of 5,000 psi. Monitor 300 psi on backside.					
Tubing (Surface)					
Trt Stage	Stage Desc	Flow Path	Fluid Desc	Rate, Lit/Prop	Clean Vol
1-1	Load Well	IN	2% KCL Water	5.01	500
1-2	Spacer	IN	Nitrogen (N2) - Gas	0	0
1-3	Acid	IN	15% Ferchek SC Acid (0.6%)	2.5	851.12
1-4	Acid	IN	15% Ferchek SC Acid (0.6%)	0.25	125.16
1-5	Acid	IN	15% Ferchek SC Acid (0.6%)	2.5	851.12
1-6	Acid	IN	15% Ferchek SC Acid (0.6%)	0.25	125.16
1-7	Acid	IN	15% Ferchek SC Acid (0.6%)	2.5	851.12
1-8	Acid	IN	15% Ferchek SC Acid (0.6%)	0.25	125.16
1-9	Acid	IN	15% Ferchek SC Acid (0.6%)	2.5	851.12
1-10	Flush	IN	Nitrogen (N2) - Gas	0	0
Totals					4279.98
Flush volume to be determined on location.					

Tubing (Foam)							
Trt Stage	Stage Desc	Fluid Desc	BH Clean Vol	BH Rate	N2 Rate	N2 Vol	Quality IPF
1-1	Load Well	2% KCL Water	500	5	0	0	0
1-2	Spacer	Nitrogen (N2) - Gas	349.98	2.51	2144	7	100
1-3	Acid	15% Ferchek SC Acid (0.6%)	1700	5	2137.6	23.7	50
1-4	Acid	15% Ferchek SC Acid (0.6%)	2500	5	4061.44	64.5	95
1-5	Acid	15% Ferchek SC Acid (0.6%)	1700	5	2137.6	23.7	50
1-6	Acid	15% Ferchek SC Acid (0.6%)	2500	5	4061.44	64.5	95
1-7	Acid	15% Ferchek SC Acid (0.6%)	1700	5	2137.6	23.7	50
1-8	Acid	15% Ferchek SC Acid (0.6%)	2500	5	4061.44	49.35	95
1-9	Acid	15% Ferchek SC Acid (0.6%)	1700	5	2137.6	9.2	50
1-10	Flush	Nitrogen (N2) - Gas	349.93	2.55	2144	7	100
Totals			15499.91			300.00	

14. Displace acid to bottom perf (3,850') 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 4-3/4" MT bit on 2-7/8" L-80 WS tag for fill. If fill entry was indentified @ ³⁹⁷⁰4,050' or above, clean-out to ³⁹⁷⁰(4,050').
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 in 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.

Well: **Eaves #9**Field: **Penrose Skelly**Reservoir: **Grayburg****Location:**

1395' FNL & 330' FEL
 Section: 10 Unit Letter: H
 Township: 22S
 Range: 37E
 County: Lea State: NM

Elevations:

KB: 11'
 GL: 3377'

N 32° 24' 31.916",
 W -103° 8' 34.886 (NAD27)

Well ID Info:

Chevno: LE5464
 API No: 30-025-38851
 L5/L6: UCU493400
 Spud Date: 7/16/08
 Compl. Date:

Surf. Csg: 8 5/8", 24#, J-55

Set: @ 475' w/ 225sks

Hole Size: 11"

Circ: Yes TOC: Surface

TOC By: Circulated 125 SKS

Tubing Detail WELLVIEW:

#Jts:	Size:	Footage
None	KB Correction	11 00
104	Jts 2 7/8" J-55 6 5# T&C EUE	3236 08
1	SUB 2 7/8" J-55 6 5# T&C EUE	4 00
10	Jts 2 7/8" J-55 6 5# T&C EUE	309.18
	TAC @ 3555'	2 70
9	Jts 2 7/8" J-55 6 5# T&C EUE	287 05
1	Jts 2 7/8" J-55 6 5# T&C IPC EUE	32 58
	SN @ 3871'	1 10
	2 7/8" x 4' Perf Tbg Sub	4 10
	CAVINS DESANDER 2/78 X 20'	20 2
	MA	31 7
1	CAVINS DUMP VALVE	0 8
126	Bottom Of String >>	3940.49

ROD Detail WELLVIEW:

#	Size:	Footage
1	1 5" SPRAY METAL PR	26 00
1	1" X 2' N-90 ROD SUB	2 00
1	1" X 6' N-90 ROD SUB	6 00
52	1" N-90 (D) SUCKER RODS	1300 00
83	7/8" N-90 (D) SUCKER RODS	2075 00
18	1 5" K SINKER BARS	450 00
1	7/8" N-90 (D) 4' ROD SUB	4 00
1	ROD PUMP 1 25"	20 00
1	STRAINER NIPPLE	
126	Bottom Of String >>	3883.00

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.

TAC @ 3555'

Perfs:

Perfs:	Status:
3612'-3618'	Grayburg - Open
3622'-3626'	Grayburg - Open
3629'-3632'	Grayburg - Open
3642'-3647'	Grayburg - Open
3650'-3658'	Grayburg - Open
3664'-3669'	Grayburg - Open
3674'-3684'	Grayburg - Open
3696'-3701'	Grayburg - Open
3710'-3713'	Grayburg - Open
3716'-3724'	Grayburg - Open
3729'-3739'	Grayburg - Open
3746'-3750'	Grayburg - Open
3762'-3766'	Grayburg - Open
3776'-3785'	Grayburg - Open
3789'-3794'	Grayburg - Open
3810'-3816'	Grayburg - Open
3824'-3828'	Grayburg - Open

SN @ 3871'

COTD: 4238'

PBDT: 4238' (WL)

TD: 4302'

Prod. Csg: 5 1/2", 15.50#, J-55

Set: @ 4302' w/ 1250 sks

Hole Size: 7 7/8"

Circ: Yes TOC: Surface

TOC By: Circulated 84 SKS

Updated: 5/18/2012

By: SEHE