

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

Form C-103

Revised August 1, 2011

HOBBS OCD
 MAY 03 2013
 RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
 Santa Fe, NM 87505

| |
|---|
| WELL API NO. 30-025-32767 |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No. |
| 7. Lease Name or Unit Agreement Name WEST DOLLARHIDE DRINKARD UNIT |
| 8. Well Number 110 |
| 9. OGRID Number 4323 |
| 10. Pool name or Wildcat DOLLARHIDE TUBB DRINKARD |

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 J : 2630 feet from the SOUTH line and 1945 feet from the EAST line
 Section 32 Township 24S Range 38E 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
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

OTHER: CLEAN OUT, ACIDIZE & SAND FRAC STIM

SUBSEQUENT REPORT OF:

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

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. intends to clean out acidize & sand frac stimulate subject well.

Please find attached the intended procedure, well bore diagram and C-144 w/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 Scott Haynes

TITLE Permit Specialist

DATE 05/01/2013

Type or print name Scott Haynes

E-mail address: tox@chevron.com

PHONE: 432-687-7198

For State Use Only

APPROVED BY [Signature]

TITLE DIST MGR

DATE 5-6-2013

Conditions of Approval (if any):

MAY 06 2013

**Workover Procedure
West Dollarhide Drinkard Unit
Dollarhide Field**

WBS # UWDOL - R3
WDDU 110

API No: 30-025-32767
CHEVNO: KZ1045

04/04/2013

Description of Work: Cleanout, Acidize and Sand Frac stimulate the Drinkard/Abo

Current Hole Condition:

Total Depth: 7575' PBSD: 6606' GL: 3190' KB: +15'

Casing Record:

8-5/8" 24# csg set @ 1200' w/ 600 sx, circ 126 sx
5-1/2" 15.5 & 17# WC-50 & L-80 csg, set @ 7575' w/ 2610 sx, TOC @ 2169' by TS

Junk at 6593' -Guiberson UNI-VI 10K packer (mandrel was jarred off and attempted to mill over top slips, top slips were then fished), jt of tubing?, 10K RBP (most likely Guiberson, but no records)

Existing Perforations:

Tubb: 6486-6553'

CONTACT INFORMATION:

| | | |
|-------------------|-----------------------|--------------------|
| Jamie Castagno | Production Engineer | Cell: 432-530-5194 |
| Femi Esan | Geologist | Ph: 432-687-7731 |
| Jonathan Paschel | D&C Engineer | Cell: 432-557-1464 |
| Phillip R Minchew | ALCR | Cell: 432-208-3677 |
| Dante Valenzuela | PTL | Cell: 432-208-8356 |
| Aaron Dobbs | Production Specialist | Cell: 505-631-9071 |

REGULATORY REQUIREMENTS:

Submit C-103 Notice of Intent & Subsequent Reports (to be done by engineering staff)

Prepared by: Jamie Castagno (04/04/13)

Reviewed by: Jonathan Paschel (4/23/13)

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 it safely and do what is best for the well. In the extent that this procedure does not reflect actual operations, please contact RE, PE and Superintendent.

1. Complete rig move checklist. Check road, ensure anchors have been tested in the last 24 months, and verify powerline for need of variance ahead of time.
2. MIRU. Bleed well down or kill as necessary. Record SICP and SITP. POOH with rods & pump lying down. **Note: Inspect rods while POOH for damage and plan ahead of time to replace.**
 - **Caliper elevators and tubular EACH DAY prior to handling tubing/tools and anytime size changes. Note in JSA when and what items are callipered within the task step that includes that work.**
3. Kill well and monitor. ND wellhead. Release TAC, NU dual Hydraulic BOP with blind rams on bottom and 2-7/8" pipe rams on top. LD 1 joint, PU/RIH with 5-1/2" 15-17# rated packer and set it ~ @ 25', test BOP pipe rams to 250 psi/ 1000 psi. Note testing pressures on wellview report. Release and LD packer.
4. POOH scanning and laying down 2-7/8" production tubing per attached tubing detail. **Caliper elevators and tubular EACH DAY prior to handling tubing/tools.** Tally out with tubing and plan to replace bad joints (green and red).
5. PU/RIH with 4-1/2" shoe (4-1/2" shoe joint built up to 4-3/4" smooth OD, diamond inlay, flat rough bottom and rough ID), 4-1/2" short jt washpipe (10-15' of swallowing length), Jars, 6 Drill collars, and 2-7/8" 6.5# L80 workstring. PU power swivel and attempt to wash over packer at 6593'.
 - a. Have 2 shoes made to begin the process
 - b. Due to the possible length of this job, try to reduce all daily rentals that will not be used every day. E.g. no P/U machine and no bored pay for Kerry
 - c. Consult with RE about further action as the milling progresses. The proposed plan is to wash over packer, retrieve, and then attempt to retrieve RBP or wash over. RE will work with production to determine a stopping point depending on the results of the milling. If milling is stopped, the well will not be frac'd but instead acidized. Follow steps 9 to 15 and 28 to 34.

Recover and send samples in a timely manner to Baker Chemical rep and ALCR for analysis (if possible at location). Discuss treatment recommendation with Chemical rep and ALCR. If there is evidence of sulfate scale treat well accordingly; otherwise, continue per procedure.

6. POOH/LD milling assembly. Prepare to perforate.
7. MIRU perforating contractor. Install lubricator and test to 1000 psi. Make a gauge ring run. RIH w/ guns and perforate the following intervals w/ 3 JSPF, 3-1/8" gun, 90 deg phasing. Correlate w. GR/CCL log dated 3/6/95.

Drinkard: 6695-6705' (10'), 6712-20' (8'), 6730-35' (5'), 6742-52' (10'), 6800-10' (10'), 6820-30' (10')

Ensure that fluid level is at least 100' above perforations

8. POOH/LD perforating guns. RDMO perforating contractor.
9. PU/RIH with 5-1/2" treating PKR on 2-7/8" tubing hydrotesting all tubing to 6000 psi. Set PKR @ ~ 6425'. Load backside and pressure test to 500 psi.
10. If recommended by chemical rep, spot scale converter/water mix per Chemical rep recommendation. SI to soak scale converter overnight.
 - a. Swab back load of scale converter.
11. MIRU acid contractor. Conduct safety meeting, set up an exclusion zone. RU choke manifold to open top flowback tank. Test lines and equipment to 6000 psi. Pressure up backside to 500 psi. Monitor tubing/casing annulus pressure throughout acid job. Bleed off if casing pressure exceeds 500 psi or flush and shut down if communication occurs. **Set pop-off valve to 5500 psi. Maximum surface pumping pressure of 5800 psi.**
12. Acidize Clfk perforations from 6486-6923' (-6553' if milling was stopped) with 12,000 gal 15% NEFe HCl in 4 stages dropping GRS between stages to divert at 1-2 PPG per attached Petroplex procedure.
 - a. Load tubing and establish injection rate. Pump 3,000 gal acid (~72 bbls).
 - b. Pump 1000# GRS in Gelled Brine-Water.
 - c. Pump 3,000 gal acid. Monitor pressure for salt action.
 - d. Pump 1000# GRS in Gelled Brine-Water...repeat for a total of 4 acid stages and 3 GRS.
13. Flush tubing to bottom perforations. SI well for 1 hour allowing acid to spend. Record ISIP, 5, 10, & 15 minute SIP's.
14. Swab or flow back to recover 100% of treatment and load volumes or until returns indicate formation fluid and not spent acid, if possible. Kill tubing if necessary. Report acid volumes and pressures on morning wellview report.
15. Release treating packer, TOO and LD packer. PU/RIH with notched collar and C/O any rock salt to PBTD. Circulate well with fresh water to dissolve remaining GRS. POOH/LD tubing.
16. Close blind rams. Change pipe rams from 2-7/8" to 3-1/2". Test BOP w/ 5-1/2" 15.5-17# rated tension set packer to 250/1000 psi for 5 minutes each. LD packer.
17. PU/RIH with 10K 5-1/2" AS-1X treating packer, on-off tool, hardened profile nipple and blast joint on 3-1/2" 9.3# L-80 workstring. Hydrotest tubing to 8000 psi while RIH. Set packer at 6375' (approx 110' above top perfs). Pressure test annulus to 500 psi. Nipple up 10K frac valve to BOP. Test frac valve to 8500 psi.
18. RDMO pulling unit.
19. Prior to job, verify compatibility with Service Company of all frac fluids to reservoir fluids at temperature of 135 ° F. Send results to Production and Remedial Engineers.

20. RU flowback crew if location permits. MIRU frac equipment. Conduct safety meeting and set up an exclusion zone. Install pop-off valves downstream of frac crew check valve with manually operated valve below pop-off. Test all service company pressure shutdowns on each pump truck and surface lines to 8000 psi. **Set pop-off in pump to less than 8,000 psi. Install pop-off on 5-1/2" x 3-1/2" annulus and set to 500 psi. Pressure to 300 psi and monitor during frac job.**
21. Establish pump rate into perforations with treated water. Complete sand fracture treatment as per attached frac procedure.

DO NOT OVERDISPLACE (EVEN TO TOP PERF) UNDER ANY CIRCUMSTANCES.

22. RDMO frac crew. Shut in at least 24 hours to allow sand to cure and X-linked fluids to break.
23. Flow back well through choke manifold until well dies. Bring well on at 20 bbls/hr and bring up to 50 bbls/hr over the first 12 hours. Continue flowing until well is dead or returns can be put into the flowline.
24. MIRU pulling unit. Test 3-1/2" pipe rams to 500 psi against packer.
25. ND frac valve, release packer, and circulate kill weight fluid. POOH and lay down 5-1/2" packer and 3-1/2" WS.
26. Close Blind rams. Change 3-1/2" to 2-7/8" pipe rams. Open blind rams. PU/RIH and set packer @ ~ 25' to test 2-7/8" pipe rams to 250 psi / 1000 psi. Release and LD packer.
➤ **Caliper elevators and tubular EACH DAY prior to handling tubing/tools and anytime size changes. Note in JSA when and what items are callipered within the task step that includes that work.**
27. PU/ RIH with 4-3/4" skirted milled tooth bit on good 2-7/8" production tubing. Tag top of sand and drill out any sand that has set up in wellbore to PBTD determined previously in the job. Circulate well clean. TOOH and LD bit and BHA.
28. PU 5-1/2" treating PKR on 2-7/8" tubing hydrotesting to 5000#. Set PKR @ ~ 6425'
29. Bullhead scale inhibitor across perms per Chemical rep recommendation.. Flush scale inhibitor per Chemical rep recommendation. SI to soak overnight.
30. Release PKR. TOOH & LD PKR.
31. PU and RIH with production tubing as per ALCR recommendation.
32. ND BOP, set TAC per ALCR recommendation and NU WH.
33. RIH with rods, weight bars and pump per ALCR recommendation. RDMO pulling unit
34. Turn well over to production (see contacts on first page of procedure).

