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 District I - (575) 393-6161
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 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
 OIL CONSERVATION DIVISION
 OCT 10 2013
 220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103

Revised July 18, 2013

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.)		WELL API NO. 30-025-29734
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator CHEVRON U.S.A. INC.		6. State Oil & Gas Lease No.
3. Address of Operator 15 SMITH ROAD, MIDLAND, TEXAS 79705		7. Lease Name or Unit Agreement Name M.B. WEIR "B"
4. Well Location Unit Letter: M 990 feet from the SOUTH line and 330 feet from the WEST line Section 12 Township 20S Range 37E NMPM County <u>LEA</u>		8. Well Number 12
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 4323
10. Pool name or Wildcat BLINEBRY/DRINKARD		10. Pool name or Wildcat BLINEBRY/DRINKARD

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
 CLOSED-LOOP SYSTEM
 OTHER: ACIDIZE & SCALE SQUEEZE

SUBSEQUENT REPORT OF:

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

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 ACIDIZE & SCALE SQUEEZE THE SUBJECT WELL.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE & WELLBORE DIAGRAM.

DURING THIS PROCEDURE WE PLAN TO USE THE CLOSED LOOP SYSTEM WITH A STEEL TANK & HAUL TO THE REQUIRED DISPOSAL, PER THE OCD RULE 19.15.17.

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 10/08/2013

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

APPROVED BY: [Signature] TITLE DIST. MGR DATE 10-15-2013
 Conditions of Approval (if any):

OCT 15 2013



Workover/ Completion Program

Date: 8/29/2013

Well: M. B. Weir B #12
Reservoir/Field: Reservoir: E. Weir/Blinebry Perfs and Skaggs Drinkard Perfs Field - Monument
Surface Location: M-12-20S-37E 990 FSL 330 FWL
GPS (NAD27) – (Long, Lat): N 32° 34' 58.692", W -103° 12' 43.236" (NAD27)
API No: 30-025-29734
Cost Center: UCU936900
Chevron Ref. No.: IF7235
WBS #: UWDPS-R3169

Job: Clean out, acidize using the Sonic Hammer tool and Scale Squeeze

BRIEF BACKGROUND OF THE JOB:

It is proposed to clean out fill, acidize and Scale Squeeze the Weir Blinebry East (5,714'-5,810'), Skaggs Drinkard formation (6,607' - 6,903') of the M B WEIR B # 012 using the Sonic Hammer tool. The oil production dropped in April 2013 through now from 14 BOPD to 8 BOPD. Gas production fell from 121 mscf/d to 87 mscf/d.

The well was last tested on 08/11/2013, producing 8 BOPD, 123 BWPD & 87 MCF/D. Economics are based on achieving a deterministically incremental IP of 5 BOPD declined exponentially at 16%.

CURRENT HOLE CONDITION:

Total Depth: 7,100' TAG: 6,855' (4/12/2011- Wellview) 219' of fill (Production Sand, fish, etc.) GL: 3,560' KB: 13' PBTB: 7,074'

In the last WellView WO report, tag fill recorded was at 6,855' (219' of fill from PBTB).

Also, according to WellView report (2/18/2010), a mud joint was parted, leaving the bottom 3ft and bull plug in the hole. The anticipated fish depth is around 6,860'. The fish is most likely corroded and scaled from sitting in the well for a few years, so we will plan on running a bladed-junk mill to drill it up.

Casing Record:

- 11 3/4", 42#, J-55, ST&C set @ 1,401'
- 8 5/8" 32#, J-55, LT&C casing set @ 3,990' w/1,365 sks cement (Circ.-No). TOC- 3,186' - 3,990' & 1,672' - 1,694' (Squeezed backside w/1100 sx cmt)
- 5 1/2" 17# & 15.5#, K-55 LT&C casing set @ 7,100'. Cemented 1st stage w/400 sks LW CL "H" w/5#/sx Gilsonite and 1/4" sx flocele. Tail w/300 sx CL "H" w/0.6% Halod 9 & 1/4" sx flocele. 2nd stage, 200 sx LW CL "H" w/10#/sx Gilsonite & 1/4" sx flocele. Tail w/800 sx LW CL "H" & 1/4" sx flocele. TOC – Surface. DV tool @ 5243'.

Existing Perforations:

E. Weir/Blinebry Perfs – 5,714'-5,810'

Skaggs Drinkard Perfs - Perf Depth – 6,607-6,903'

REGULATORY REQUIREMENTS:

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

Prepared by: Prasanna K Chandran (8/29/2013)

Reviewed by: Evan Asire (9/10/13)

PREWORK:

1. Utilize the rig move check list, **verifying route and power line heights with FMT.**
2. Check anchors and verify that pull test has been completed in the last 24 months.
3. Ensure location of & distance to power lines (from wellhead) 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, and will support operations.
5. Ensure that elevators and other lifting equipment are inspected. 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 ppm and 500 ppm.
6. Review JSA and hazards with rig crew. Visually inspect wellhead, casing and tubing valves. Decide whether tubing and casing valves can be used; replace as needed.
7. Scout location and mark off anything that might be hazardous to daily operations.

Reminders:

8. Caliper all lifting equipment at the beginning of each day or when sizes change. **Note in JSA and record on Elevator Change-out Log when and what items are callipered.**
9. When NU anything over an open wellhead (BOP, EPA, etc.) ensure the hole is covered to avoid dropping anything downhole.
10. Ensure well is secure/shut in with blind rams between job stages (nothing in well).
11. If pumping any cement, plugging back a well or changing producing intervals, always contact the OCD and give the details.
12. Hold safety meetings with all personnel on location prior to any major or abnormal operation.

Procedure:

This procedure is meant to be followed. It is up to the WSM, Workover Engineer and Production Engineer to make decisions necessary to SAFELY do what is best for the well. In the extent that this procedure does not reflect actual operations, please contact WE, PE and Superintendent for MOC/RUMS assessment.

RIG UP WO UNIT/ PULL WELL EQUIPMENT OUT OF HOLE

1. MIRU workover unit & associated surface equipment (i.e. tanks, reverse unit, pipe racks).
2. Verify that well does not have pressure or flow. If the well has pressure, note tubing and casing pressures on WellView report. Bleed down well and verify no H₂S is present. If necessary, kill well with cut brine.
3. Unseat pump, POOH laying down rods and pump. Examine rods for wear/pitting/paraffin. Do not hot water unless necessary.
4. **Caliper elevators and tubular EACH DAY prior to handling tubing/tools and anytime size changes (Use elevator change out log as well). Note in JSA when and what items are callipered within the task step that includes that work.**
5. ND wellhead, unset TAC, NU BOP dressed with 2 7/8" pipe rams on top and blind rams on btm. POOH and LD 1 jt. PU 5 1/2" 17# rated packer along with a joint of 2 7/8" tubing and set ~ @ 25', test BOP pipe rams to 250/500 psi. Note testing pressures on WellView report (Time log and safety/inspections). Release and LD packer.

6. PU 1-2 joints of 2 7/8" tubing and tag for fill (TAC - 6,364'- 6,367'). **Do not push TAC into perfs. Tag lightly due to fish downhole.** Top of Skaggs Drinkard perfs: 6,607', EOT 6,838 (this is according to LOWIS), PB: 6,855', anticipated fish depth 6,860' and PBTB: 7,100'. Notify WE of tag depth to determine if cleanout/fishing run is necessary.
7. TOOH scanning and standing back 2 7/8" prod tubing. Tally out with tubing and LD all non-yellow band joints. Acquire additional tubing if needed to reach PBTB if a cleanout run is necessary. Note in WellView any drag or abnormalities while TOH. Secure well.

CLEAN OUT/FISHING

8. PU the following BHA and RIH on 2-7/8" 6.5# L80 workstring to tag depth:
4-3/4" bladed-junk mill
6 jts 3-1/2" drill collars
9. RU power swivel and clean out / mill through fish. Continue cleaning out to 7,074', using foam/air unit if necessary (**continue to supplemental procedure and in accordance with attached SOG**). Notify WE if you cannot get to PBTB 7,074'.

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.

10. Circulate clean and POOH with 2 7/8" WS and milling BHA. LD BHA. Secure well.

SONIC HAMMER OPERATION

11. Contact sonic tool rep to be on site during job. *Verify that WS is clean, inspect for excessive rust.* PU and RIH with Sonic Hammer tool, seat nipple, and work string to 6,903' or enough to cover the bottom perforations with a whole stand. Hydrotest tubing to 5,000 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.
12. MI & RU Petroplex and pressure test surface lines. Titrate acids and verify concentration (HCl ±1.5%) report results in daily work summary. If well will circulate proceed to step 12.b).
 - a) **Sonic Hammer for non circulating wells.** Treat all 8 intervals from 5,710' to 6,911' with the following procedure from the top interval to the bottom interval. Shut in the annulus. Do not exceed 5,000 psi tubing pressure.
 - i) While reciprocating over the perf interval, pump 30 bbls of cut brine, followed by 15% NEFE HCL and then flush tubing with cut brine pumping at 5 BPM. Repeat with all intervals listed in Table A using the acid volumes listed for each interval.

Table A: Perforation Intervals for acid.

Interval	Depth	Interval (Ft.)	Acid Volume (gal)
1	5,710' - 5,764'	54	1,200
2	5,764' - 5,819'	55	1,300
3	6,602' - 6,661'	59	1,300
4	6,661' - 6,716'	55	1,300
5	6,716' - 6,771'	55	1,300
6	6,771' - 6,826'	55	1,300
7	6,826' - 6,881'	55	1,300
8	6,881' - 6,911'	30	1,000
			10,000

- ii) R/D Petroplex Acidizing, drop Sonic Hammer circulating port opening ball, shut in well for 1 hr for the acid to spend.

- ❖ If WSM believes that the formation may take longer to spend the acid, wait until appropriate to open circulating ports and attempt swabbing.

- iii) Pressure up the tubing to ~2000 psi to open the sonic hammer tool circulating port.
- iv) R/U swab equipment and swab well back to flowback tank until the load is recovered or returns are produced fluid and no longer spent acid.

Before/During Swabbing:

Inspect sandline to be sure it's free of excessive rust, bird's nests, frays, kinks, knots, etc.

- v) R/D swab equipment and POOH w/ tubing to top perf.
- vi) Pump 260 bbls cut brine mixed w/ 4 drums Baker SCW-358 scale inhibitor down the tubing through the circulating ports on the Sonic Hammer at a max rate of 5 bpm.
- vii) Displace scale squeeze w/ 110 bbls of cut brine.
- viii) Run back in the hole and tag for fill. If fill entry was indentified, clean-out to PBTD, 7074', following step 8
- ix) TOOH w/ sonic hammer. Proceed to step 13.

b) Sonic Hammer treatment w/ a circulating well.

- i) Treat interval #1 (referring to Table B) with 30 bbls of cut brine. 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.
- ii) Pick up enough pipe to reach the next interval and repeat step 12.b)i) until all intervals are washed.

Table B: Perforation Intervals for acid.

Interval	Depth	Interval (Ft.)	Acid Volume (gal)
1	5,710' - 5,764'	54	1,200
2	5,764' - 5,819'	55	1,300
3	6,602' - 6,661'	59	1,300
4	6,661' - 6,716'	55	1,300
5	6,716' - 6,771'	55	1,300
6	6,771' - 6,826'	55	1,300
7	6,826' - 6,881'	55	1,300
8	6,881' - 6,911'	30	1,000
			10,000

- iii) Starting at interval #8 fill tubing w/ acid and shut in backside. Pump the volume of acid specified in Table B at 5 BPM reciprocating over the perf interval. Flush tubing with cut brine. Casing pressure should not exceed 500 psi. If necessary, bleed off or slow pumping rate.
- iv) TOOH w/ tubing to the next interval and repeat step 12.b)iii) acidizing each interval according to Table A.

- v) 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.
- vi) Kill well and POOH Sonic Hammer Tool and WS. LD Sonic Hammer.
- vii) PU & RIH with 5 1/2" packer and WS. Set treating packer at 5,650', above the top perf.
- viii) RU swab crew and flowback tank.

Before/During Swabbing:

Inspect sandline to be sure it's free of excessive rust, bird's nests, frays, kinks, knots, etc.

- ix) Swab well until returns indicate formation fluid and not spent acid, or fluid level drops enough to make swabbing non productive.
 - x) Pump 260 bbls cut brine mixed with 4 drums of scale inhibitor (220 gals) Baker SCW-358 Scale Inhibitor Chemical down the packer. Pump at a max rate of 5 BPM.
 - xi) Displace scale squeeze with 110 bbls of cut brine.
 - xii) Ensure Sonic Hammer is above all perforations. Do not exceed 500 psi casing pressure or 5 BPM while pumping scale squeeze or casing flush. Shut in well overnight.
 - xiii) Run back in the hole and tag for fill. If fill entry was indentified, clean-out to PBTD, 7074', following step 8
 - xiv) POOH packer and WS. LD 2 7/8" WS and packer.
13. RIH with 2 7/8" production tubing hydrotesting to 5,000 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.
14. 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. **Set up an exclusion zone around flowback line.**
 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 4 ³/₄" MT bit, four (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 7,074' 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.

CURRENT WELL DATA SHEET

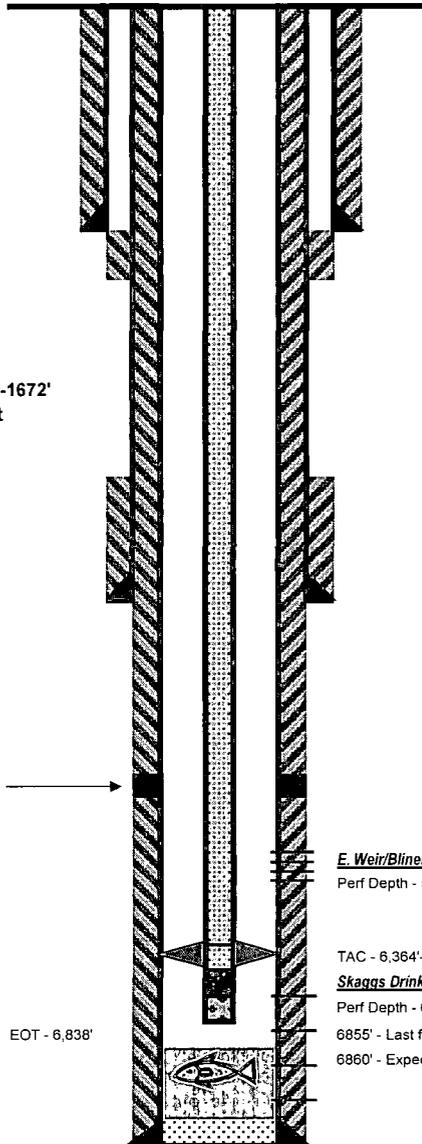
Field: <u>Monument</u>	Well Name: <u>M. B. Weir "B" #12</u>	Lease Type: <u>State</u>
Pay: <u>Weir E. Blinebry & Skaggs Drink</u>	Sec: <u>12-M</u> Township: <u>20S</u>	Range: <u>37E</u>
Location: <u>990' FSL & 330' FWL</u>	Refno: <u>IF7235</u> API: <u>30-025-29734</u>	Working Int.: <u>100%</u>
County: <u>Lea</u> State: <u>New Mexico</u>	Current Status: <u>PR</u>	Well Bore #: <u>428634</u>
Current Producing Formation(s): <u>Blinebry & Drinkard DHC</u>		
Initial Producing Formation: <u>Skaggs Drinkard</u>		

165 Surface Csq.
 330 Size: 11 3/4"
 495 Wt.: 42#
 660 Set @: 1401'
 826 Sxs cmt: 1000
 991 Circ: Yes - 250 sx
 1156 TOC: Surface
 1321 Hole Size: 14 3/4"
 1486

1651 Intermediate Csq.
 1816 Size: 8 5/8"
 1981 Wt.: 32#
 2147 Set @: 3990'
 2312 Sxs Cmt: 1365
 2477 Circ: No
 2642 TOC: 3990-3186' & 1694-1672'
 2807 Sqzd backside w/1100 sx cmt
 2972 Hole Size: 11"
 3137

3302 Production Csq.
 3467 Size: 5 1/2"
 3633 Wt.: 17# & 15.5#
 3798 Set @: 7100'
 3963 Sxs Cmt: 1790
 4128 Circ: Yes - 230 sx
 4293 TOC: Surface
 4458 Hole Size: 7 7/8"
 4623
 4788
 4953
 5119
 5284 DV Tool @ 5243' →
 5449
 5614
 5779
 5944
 6109
 6274
 6440
 6605
 6770

6935 PBTD: 7074'
 7100 TD: 7100'



KB:	<u>3573'</u>
DF:	<u>3572'</u>
GL:	<u>3560'</u>
Spud Date:	<u>8/20/1986</u>
Compl. Date:	<u>9/10/1986</u>

E. Weir/Blinebry Perfs
 Perf Depth - 5714-5810'
 TAC - 6,364'-6,367'
Skaggs Drinkard Perfs
 Perf Depth - 6,606'-6,903'
 6855' - Last fill tag depth (12/4/2011)
 6860' - Expected fish depth

Prepared by: <u>K M Jackson</u>	Updated by: <u>Prasanna Chandran</u>
Date: <u>6/4/2004</u>	Date: <u>9/4/2013</u>