

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 July 18, 2013

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

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. 30-025-06577
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 NAOMI KEENUM
4. Well Location Unit Letter: J 1980 feet from SOUTH line and 1980 feet from the EAST line Section 14 Township 21S Range 37E NMPM County LEA		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 4323
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: FIND AND ISOLATE LEAK

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 LOCATE & ISOLATE A CASING LEAK FROM 5700' TO SURFACE VIA CEMENT SQUEEZE.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE.

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

C.O.A.-SUBMIT WELLBORE DIAGRAM

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 08/08/2014

Type or print name DENISE PINKERTON

E-mail address: leakejd@chevron.com

PHONE: 432-687-7375

For State Use Only

APPROVED BY: *Mary Brown*

TITLE Dist. Supervisor

DATE 8/11/2014

Conditions of Approval (if any):

AUG 11 2014

Handwritten initials



WELL NAME: Naomi Keenum #1

API #: 30-025-06577 CHEVNO: FA7682

OPERATOR: Chevron Midcontinent, L.P.

LOCATION: 1980' FSL & 1980' FEL Sec.14 TownShip: 21S Range: 37E

COMPLETION: 01/24/1953

The plan is to locate and isolate a casing leak from 5700' to surface via cement squeeze. It is up to the WSM, Workover Engineer and Production Engineer to make the decisions necessary to do safely what is best for the well. PLEASE REFER TO THE H2S SHEET AND TAKE ALL NECESSARY PRECAUTIONS TO MITIGATE THAT AND ANY OTHER RISKS.

Contacts: Omar Visairo (PE) 432-687-7768, 432-254-2326 (C)
Danny Hunt (OS) 575-394-1242, 817-526-2322 (C)
Bobby Hill (PTTL) 575-394-1245, 575-631-9108 (C)
Clarence Fite (ALCR) 575-394-4001, 575-390-9084 (C)
Kevin Jones(WE) 432-687-7388, 575-631-4407 (C)
Victor Bajomo (DS) 432-687-7953, 432-202-3767 (C)
Gabriel Garcia (LWSM) 575-390-7220 (C)

Wellbore Information:

Surface Casing – H-40 12.750 OD/ 50# Round Short 10.906 ID set at 200', TOC Surf
Intermediate Casing – J-55 8.625 OD/ 32.00# Round Long 7.921 ID set at 2999', TOC Surf
Production Casing – J-55 5.500 OD/ 15.50# Round Short 4.950 ID set at 7325', TOC Surf
NOTE: WBD form submitted to OCD shows 17, 15.5, and 14# casing in the hole
Currently there is a CIBP set at 5700-5704' above the Blinbry perms
PBSD: 6465' (CMT Plug on top of CIBP)

Tubing Detail: Well TA'd

183 Jnts - J-55 2 3/8" 4.60#
Seat Nipple

PRE-WORK:

1. Complete the rig move checklist & Well Handover Sheet w/Production Rep.
2. Ensure location is in appropriate condition, anchors have been tested within the last 24 months, and power line distance has been verified to determine if a variance and RUMS are necessary.
3. When NU anything over an open wellhead (EPA, etc.) ensure the hole is covered to avoid dropping anything downhole.
4. Review H2S calculations in H2S tab included.
5. Any equipment installed at the wellbore, including wellhead (Inside Diameter), is to be visually inspected by the WSM to insure no foreign debris or other restrictions are present.
6. DO NOT! Flow back CO2 to non CO2 rated vessels.



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PROCEDURE:

1. 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; if necessary, kill with cut brine fluid (10 ppg).
2. MIRU workover unit & associated surface equipment (i.e. tanks, reverse unit, pipe racks).
3. Bleed off casing pressure to tank. If casing flowing fluid, pump known weight fluid down casing, shut in for 30 mins, calculate KWM, and pump to kill well if applicable.
4. Kill tubing if needed.
5. Monitor well for 30 minutes to ensure it is dead. ND WH.
6. NU **Chevron Class III configured 7-1/16" 5M** remotely-operated hydraulically-controlled BOP, **2-3/8"** pipe rams over blind rams. NU EPA pan.
7. RU floor. POOH and LD 1 jt 2-3/8" tbg. PU 5-1/2", 15.5# rated packer along with a joint of 2-3/8" tubing and set below WH @ ~25'. Test BOP pipe rams to **250/1000** psi. Note testing pressures on Wellview report. Release and LD packer.

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.

8. POOH laying down 2-3/8" production tubing.

Note: Strap pipe out of the hole to verify depths and note them on Wellview report. Send tubing to 1788 yard once out of hole.

9. MI & Strap 2 7/8" L-80 WS.
10. PU/RIH with PKR to **5700'** & Tag CIBP, PUH one joint and set PKR.
11. Test CIBP to **500** psi, **Note test results in Well View.**
12. Test backside casing from PKR to Surface to **500** psi. **Note test results in Well View.**
 - ❖ If Backside does **NOT** test, continue PUH testing to isolate leaking interval.
 - Make sure to test to CIBP (Down) every setting as you test backside PUH (Up).
 - ❖ If CIBP does **NOT** test, and backside test good.
 - POOH and Set CIBP @ **5685'** & dump 35' cmt. Retest Casing for MIT.
13. Upon locating leaking interval in Casing, Establish injection rate and pressure of leak.
14. POOH standing back WS.
15. PU/RIH w/CICR and set 10' above leaking interval.



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16. Establish Injection rate and pressure with CICR.
17. MIRU Cement Crew and Equipment.
18. Pump Cement squeeze as Recommended by Cement Contractor.
19. Sting out of CICR and leave ~10' cement on top of retainer.
20. Circulate tubing clean.
21. WOC for min. of 12 hours.
22. PU/RIH drilling out cement to **5700'**.
23. Circulate wellbore clean.
24. Shut BOP and pressure test cement squeeze to 500 psi for 30 min.
 - ❖ If test passes, chart additional test for State of NM.
 - ❖ If test fails, contact WOE for further direction.
25. POOH L/D workstring.
26. Clean location, RDMO, Notify ALCR and production, Complete Wellwork Ownership Transfer Form with Production Rep. . (contacts on first page).
27. RDMO Pulling Unit, Turn well over to production (See contacts). Clean location prior to moving rig.



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STANDARD GUIDELINES

Maximum Anticipated H2S Exposures (RRC H9 / NM Rule 36)

All personnel on location must be made aware of each of the following values (values vary by field):

Maximum anticipated amount of H2S that an individual could be exposed to is 2,000 ppm at the maximum anticipated escape volume (of wellbore gas) of 500 MCF/D

100 ppm Radius of Exposure is 86 feet.

500 ppm Radius of Exposure is 39 feet.

Elevators

At every tubing size change, the elevators must be calipered and all lifting equipment must be visually inspected for the correct sizing, and rechecked daily. The elevators must also be checked for proper sizing by placing a pony sub in the elevators. Prior to picking up power swivel, caliper and visually inspect elevators and bail on swivel. Checks are to be documented in the JSA and elevator log.

ND/NU

Prior to N/D, N/U operations, if only one mechanical barrier to flow will be in place, visual monitoring of well condition by the WSM is necessary for 30 minutes or more to ensure that the well is static **before** removing or replacing well control equipment. For all deviations to 2B policy, check that MOC for exemption from 2B policy is in place and applicable. During ND/NU operations with only one barrier to flow in-place, constant visual monitoring of well condition **during ND/NU** by the WSM is necessary.

Installed Equipment

Any and all equipment installed at the surface on the wellbore is to be visually inspected (internally) by the WSM prior to N/U to the wellhead by the service provider to ensure no debris or other potential restrictions are present. During any NU ops over an open wellhead (BOP, EPA, etc.), ensure the hole is covered to avoid dropping anything downhole.

Hazard ID

Identify hazards with the crew as they come up during the job. Stop and review and discuss JSAs.

Scale and Paraffin Samples

When removing rods and/or tubing from a well, collect samples of any paraffin and/or scale.

When drilling, note, report and sample significant returns of scale or paraffin, or anything other significant returns. Assume that samples that come from different areas/environments in the well are different and require a different sample; e.g. top/bottom of well, inside outside of tubing. Always collect enough sets of samples for both Production and D&C Chemical Reps. Send any samples to Chemical Reps., both for

- 1) Production (many times Baker), as well as for
- 2) D&C (many times PetroPlex).

Discuss D&C's Chemical Rep's recommendations with Engineering, or simply implement as practical.

Trapped Pressure

Recognize whether 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, e-line or rods to verify no obstruction. 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.



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Wireline

For all wireline and slickline jobs (except in new, cemented, tested and unperforated casing) install wireline packoff and lubricator. Follow Standard Guideline for installing equipment over wellhead. Test to 250 on the low end, and test on the high end based on SITP or max. anticipated pressure. Establish exclusion zone around wellhead area. Observe and enforce radio silence as needed for explosives. All wireline tools are to be calipered and documented on a diagram prior to PU and RIH. This is critical information in the event of fishing operations.

Foam clean out hazard mitigation

- 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.
- 2 Run dart type float in bit sub bored for a float. Install open top flowback tank downwind from rig.
- 3 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 use for foam operations.
- 4 Clear floor of all personnel while breaking circulation and anytime they are not required.
- 5 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
- 6 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.
- 7 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.
- 8 Ensure that high quality, stiff foam is pumped while circulating in lateral. Stiff foam is required to prevent segregation while circulating along lateral. Monitor flow and pressures carefully when cleaning out the lateral as well will begin to unload very rapidly when foam "turns the corner".
- 9 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. Visually inspect and caliper elevators and bail on swivel.
- 10 POOH LD workstring & bit. Pump kill fluid down tubing to put tubing on vacuum to help eliminate trapped pressure before breaking out string floats. Have foam-air hand on location during this process. He should employ a special tool to check for pressure under floats.