

Submit 3 copies
 to Appropriate
 District Office

DISTRICT I
 P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
 P.O. Box Drawer DD, Artesia, NM 88210

DISTRICT III
 1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
 P.O. Box 2088
 Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-35839
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	JAYHAWK 35 STATE
8. Well No.	2
9. Pool Name or Wildcat	SKAGGS DRINKARD NW
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3600'

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO 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 USA INC

3. Address of Operator: 15 SMITH ROAD, MIDLAND, TX 79705

4. Well Location
 Unit Letter E : 1650 Feet From The NORTH Line and 660 Feet From The WEST Line
 Section 35 Township 19-S Range 37-E NMPM LEA COUNTY

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPERATION <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <u>ADD ADD'L DRINKARD PAY & ACID FRAC</u> <input checked="" type="checkbox"/>		OTHER: <u></u> <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

CHEVRON U.S.A. INC. INTENDS TO ADD ADDITIONAL PAY IN THE DRINKARD FIELD & ACID FRAC, STIMULATING THE UPPER DRINKARD FORMATIONS TO INCREASE PRODUCTION FROM THE DRINKARD POOL.

THE INTENDED PROCEDURE IS ATTACHED FOR YOUR APPROVAL.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *Denise Leake* TITLE Regulatory Specialist DATE 1/30/2003

TYPE OR PRINT NAME Denise Leake Telephone No. 915-687-7375

(This space for State Use)

APPROVED GARVEW. WINK ORIGINAL SIGNED BY GARVEW. WINK DATE

CONDITIONS OF APPROVAL, IF ANY: OC FIELD REPRESENTATIVE II/STAFF MANAGER

FEB 11 2003

DeSota/Nichols 12-93 ver 1.0

**Workover Procedure f
Jayhawk 35 State #2
Lea County, New Mexico**

API NO: 30-025-35839

Well: Jayhawk 35 State #2

WBS Number(s): UWPNM-R3004-EXP \$76,600

Well Location:

Section: 35 Township: 19S Range: 37E

Surface Location: 1,650' FNL & 660' FWL

Lea County, New Mexico

Current Status:

Status: PR

Production: 24 bopd / 149 mcfpd / 10 bwpd

Formation: Drinkard

Objectives

1. Add additional perforations in the Drinkard and Tubb formations.
2. Breakdown perforation with PPI tool.
3. Acid Frac Stimulate the new perforations.
4. Turn well over to operations.

Procedure

NOTE: Use 2% KCL water for all operations.

1. MIRU PU. NDWH. POOH w/ 268 3/4" rods and pump (See Wellbore Diagram). NU BOPe and EPA. Pressure test BOPe.
2. POOH w/ 225 jts. of 2-7/8" TBG (see Wellbore Diagram). Note the presence of solids (e.g., iron sulfate, calcium sulfate scale, dolomite or other substances) on the rods or tubing.
3. PU and RIH with 4-3/4" bit on a 2-7/8" WS and C/O to PBTD (7,105). Note returns for the presence of solids (e.g., iron sulfate, calcium sulfate scale, dolomite or other substances). Circulate hole clean. POOH with 4-3/4" bit and WS. LD BHA.
4. PU and RIH with 5-1/2" CIBP and set @ +/- 6,950'. POOH with WS.

**Workover Procedure for
Jayhawk 35 State #2
Lea County, New Mexico**

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5. MIRU Baker Atlas. Run a correlation log and tie into Schlumberger Platform Express: Three Detector Litho-Density, Compensated Neutron, Natural Gamma Ray dated 17-March-2002. Perforate with 3-1/8" slick guns loaded with 4 SPF, premium charge, at 120° phasing as follows:

Top Depth	Bottom Depth	Footage	No. Holes
6708	6711	3	12
6715	6719	4	16
6730	6738	8	32
6760	6763	3	12
6770	6774	4	16
6792	6794	2	8
6806	6810	4	16
Total		28	112

6. PU and RIH with 5-1/2" PPI PKR (with 10' element spacing) and SCV on 2-7/8 WS while hydrotesting to 5500 psi.
7. MIRU Schlumberger. Perform PPI acid treatment as follows:

NOTE: Prior to treatment, pickle tubing with 500 gallons of acid (use all acid specification except the U66 – Mutual Solvent).

PPI Acid Treatment:

Acidize stimulate with **1,400 gallons of 15% HCL** at 1/2 BPM and 4,500 maximum surface treating pressure. Spot the acid to the bottom of WS at the beginning of each stage.

Pump job as follows:

Stage	Perforations (ft)		(ft)	Acid Volume (gals)	Max Rate (BPM)	PPI Setting (ft)	
1	6806	6810	4	200	1/2	6803	6813
2	6792	6794	2	200	1/2	6788	6798
3	6770	6774	4	200	1/2	6767	6777
4	6760	6763	3	200	1/2	6756	6766
5	6730	6738	8	200	1/2	6729	6739
6	6715	6719	4	200	1/2	6713	6723
7	6708	6711	3	200	1/2	6703	6713
Total Acid Volume				1400			

8. Displace acid with 2% KCL water - Do not overflush. Record ISIP, 5, 10 and 15 min. SIP. Wait 2 hrs (at least 1 hr and maximum 3 hrs).

**Workover Procedure for
Jayhawk 35 State #2
Lea County, New Mexico**

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9. RDMO Schlumberger. Send job data files to the following e-mail address:

JerryPoole@ChevronTexaco.com

10. Release PPI PKR and PUH to approximately 6,700'. Set PPI PKR and Swab or Flow back acid load (+/- 75 bbls) into frac tank catching samples from the well for Schlumberger analysis. Record recovered volumes, pressures, and fluid levels. Recover 100% of treatment and load before shutting-in well for the night, if possible.

11. Release PPI PKR and POH with 2-7/8" WS and PPI PKR. LD same.

12. PU and RIH with 5-1/2" Treating PKR, 2-7/8" mandrel, on/off tool with 2.25" F profile on 3-1/2" WS, while hydrotesting to 6,500 psi. Set PKR @ +/- 6,550'.

NOTE: Prior to treatment, set **three (3) frac tanks (1 – Acid frac and 2 – Water frac tanks)**. Water should be stored in steam cleaned, plastic-lined frac tanks. **3 lbm of Schlumberger B69 Microbiocide should be added to each water frac tank prior to filling with 2% KCL water.**

13. MIRU Schlumberger. Perform fracture stimulation as follows:

Acid Fracture Treatment:

Acid fracture stimulate with **20,000 gallons of 20% HCL and 25,000 gallons of YF130 (30 lbm gell) at 30 - 35 BPM and 5,500 PSI** maximum treating pressure using **50 - 7/8", 1.3 SG. ball sealers** for diversion (NOTE: Estimated maximum treating pressure is 2,852 psi). See Fluid Specifications.

- Hold pre-job safety meeting. Pressure test lines to 6,000 psi. Pressure annulus to 300 psi. Monitor and record annulus pressure throughout the job.

Pump job as follows:

Stage 1: Pump 1000 gallons of 20% HCL acid followed by 5000 gallons of WF-130.

Stage 2: Pump 4000 gallons of 20% HCL acid followed by 5000 gallons of WF-130.

Stage 3: Pump 5000 gallons of 20% HCL acid followed by 5000 gallons of WF-130 with 50 – 7/8" ball sealers in the lead gel.

Stage 4: Pump 5000 gallons of 20% HCL acid followed by 5000 gallons of WF-130.

Stage 5: Pump 5000 gallons of 20% HCL. Overflush with 65 bbls of slick water.

Record ISIP, 5, 10 and 15 min. SIP. Wait 2 hrs (at least 1 hr and maximum 3 hrs).

14. RDMO Schlumberger. Send job data files to the following e-mail address:

JerryPoole@ChevronTexaco.com

15. Swab or Flow back acid load (+/- 1015 bbls) into frac tank catching samples from the well for Schlumberger analysis. Record recovered volumes, pressures, and fluid levels. If well flows **significant**

Workover Procedure f
Jayhawk 35 State #2
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gas, set plug in profile, release on/off tool, and POOH with WS. RIH with 2-3/8" tubing and displace annulus with packer fluid. ND BOPe. NWH. RIH and swab FL in tubing until differential across plug is balanced. Retrieve plug & swab well to initiate flow (if needed). RDMO PU. Skip 16-19.

16. If well does not flow, release and POOH w/ 5-1/2" Treating PKR and on/off tool. LD same.

17. RIH with 4-3/4" bit on a 3-1/2" WS and C/O to COTD (7,105') NOTE: CIBP set at +/- 6,950'. Circulate hole clean. POOH with bit and WS. LD BHA and 3-1/2" WS.

18. PU and RIH with 2-7/8" WS to +/- 6,800'. RU swab equipment. Swab well to size production equipment (**NOTE:** Expecting an increase of approximately 200 - 300 mcfpd). Contact Artificial Lift Specialist for pumping design. RIH w/ Producing Equipment.

19. ND BOPe and EPA. NUWH. RDMO PU.

20. Turn over to Operations. Report daily oil and water volume produced and fluid level until well stabilizes.

Jerry D. Poole

November 14th, 2002

January 9th, 2003 - Revised

Well: Jayhawk 35 State #2

Field: Skaggs Drinkard NW

Reservoir: Drinkard

Location:
 1650' FNL & 660' FWL
 Section: 35 (SW/4 NW/4)
 Township: 19S
 Range: 37E Lot: E
 County: Lea State: NM

Elevations:
 GL: 3600'
 KB: 3614'
 DF: 3613'

Estimated Formation Tops	
Rustler	1395'
Top Salt	1487'
Base Salt	2675'
Yates	2704'
Seven Rivers	2971'
Queen	3524'
Gravburg	3794'
San Andres	4175'
Glorieta	5302'
Blinbry	5796'
Tubb	6369'
Drinkard	6644'
Abo	7045'

Tubing Detail:

#Jts.	Size:	Footage
	KB Correction	14.00
221	2 7/8" J-55 8rd Bare	6894.35
	TAC	3.70
3	2 7/8" J-55 8rd Bare	94.48
1	2 7/8" J-55 8rd IPC	31.63
	SN	1.1
225	Pump Intake >>>	7039.26
	2 7/8" Perf. Sub	4.10
	2 7/8" BPMAJT	31.70
	EOT >>>	7075.06

Rod Detail:

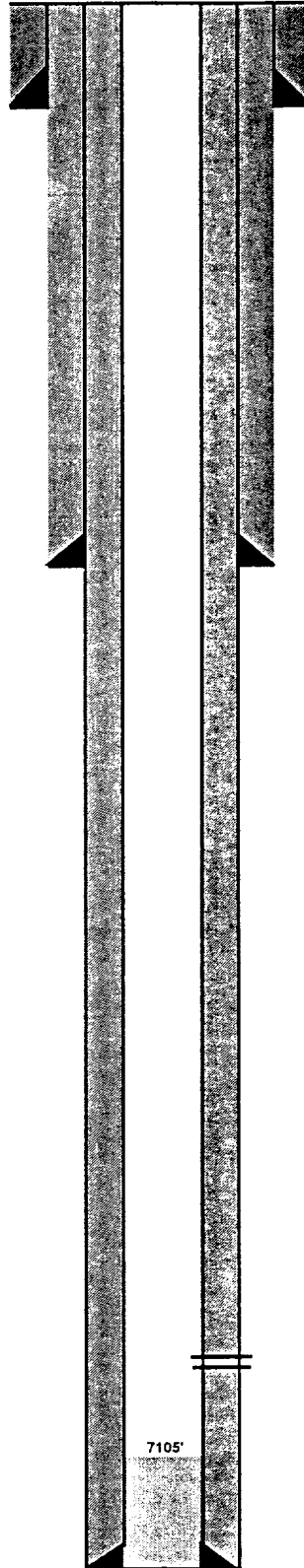
#Rods:	Size:	Footage
	1 1/2"x22' Polish Rod	22.00
	3/4"x4' Grade N-97 Cl. 'B' Pony	4.00
268	3/4" Grade N-97 Cl. 'B' Rods	6700.00
12	1 1/2" Grade 'C' Cl. 'B' Bars	300.00
	2 1/2"x1 1/2"x20' Pump	20.00
280		7046.00

Pump: 2.5x1.50x20.4 RHBC #MGEN 3003
 Barrel: 20' BRNAX W/ +.001 FIT
 Plunger: 51" AXMP W/ -.008 FIT

TD: 7149'
 PBTD: 7105'
 COTD: 7105'

Updated: 5-28-02

Current Wellbore Diagram



TD 7149'

By: LPW

Well ID Info:
 Chevno:
 API No: 30-025-35839
 L5/L6:
 Spud Date: 3/4/02
 Rig Released: 3/20/02
 Compl. Date: 4-22-02

Surface Csg: 11 3/4", 42#, H-40 STC
Set: @ 454' w/ 330 sx cmt
Hole Size: 14 3/4" to 454'
Circ: Yes **TOC:** Surface
TOC By: Circulation (83 sx cmt)

Initial Completion:

4/02 - Run GR/CCL/CBL from 7105' to 2747'.
 Perf. Drinkard @ 6974'-80' (6' & 24 holes).
 Acdz with 1000 gals. 15% anti-sludge HCL - Maxp 4500 -
 MinP 2350 - AIR 6/10 BPM.
 Well flowing on 18/64" choke between 150 & 180 psi - 4
 BPH 100% Oil.
 5/02 - Add Drinkard perfs (6960'-70', 6990'-94', 7003'-11'
 & 7006'-11'), 2900 gal PPI acid job, all perfs comm'd - Put
 well on rod pump.

Subsequent Workovers/Reconditionings/Repairs:

Intermediate Csg: 8 5/8", 32#, J-55 STC
Set: @ 2750' w/ 940 sx Class C cmt
Hole Size: 11" to 2750'
Circ: Yes **TOC:** surface
TOC By: Circulation (285 sx cmt)

Drinkard Perfs. 6960'-7011" (4 JSPF)

Prod. Csg: 5 1/2", 17#, K-55 LTC
Set: @ 7149' w/ 520 sx cmt
Hole Size: 7 7/8" to 7149'
Circ: Yes **TOC:** surface
TOC By: Circulation (66 sx cmt)