

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

HOBBS OCD

OIL CONSERVATION DIVISION

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

NOV 30 2012

RECEIVED

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. 30-025-37232
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other INJECTION <input checked="" type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input 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 CENTRAL VACUUM UNIT
4. Well Location Unit Letter N: 257 feet from the NORTH line and 2519 feet from the EAST line Section 36 Township 17-S Range 34-E NMPM County LEA		8. Well Number 240
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 4323
		10. Pool name or Wildcat VACUUM GRAYBURG SAN ANDRES

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: RE-PERF & 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.

The Oil Conservation Division

MUST BE NOTIFIED 24 Hours

Prior to the beginning of operations

CHEVRON U.S.A. INC. INTENDS TO RE-PERF & ACIDIZE THE SUBJECT WELL

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, WELLBORE DIAGRAM, & C-144 INFORMATION.

Condition of Approval: notify

OCD Hobbs office 24 hours

Per Underground Injection Control Program Manual

11.6 C Packer shall be set within or less than 100

feet of the uppermost injection perfs or open hole.

prior of running MIT Test & Chart

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 11-28-2012

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

APPROVED BY: Mark Whitaker TITLE Compliance Officer DATE 11-30-2012

Conditions of Approval (if any):

DEC 03 2012

Well: Central Vacuum Unit # 240
Field: Vacuum Grayburg San Andres
API No.: 30-025- 37232
Lea County, New Mexico

Description of work: POOH with tubing and packer. Re-Perf with StimGun, acidize & RIH with injection equipment.

Pre-Work:

Check wellhead and all connections and change out anything that needs to be replaced prior to rigging up on the well

1. Check wellhead connections for pressure rating & condition. Change out if necessary.
2. Utilize the rig move check list.
3. Check anchors and verify that pull test has been completed in the last 24 months.
4. Ensure location of & distance to power lines is in accordance with MCA SWP. Complete and electrical variance and electrical variance RUMS if necessary.
5. Ensure that location is of adequate build and construction.
6. Ensure that elevators and other lifting equipment are inspected. Caliper all lifting equipment at the beginning of each day or when sizes change.
7. When NU anything over and open wellhead (EPA, etc.) ensure the hole is covered to avoid dropping anything downhole
8. 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 (attached).
9. If the possibility of trapped pressure exists, check for possible obstruction 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:

1. Rig up pulling unit. Check wellhead pressure, and pump tubing volume of 10# BW. Calculate kill mud weight.
2. Rig up wireline truck. Test lubricator on catwalk to 1,000 psi. RIH with gauge ring. Set 1.5" "F" blanking plug in profile nipple.
3. ND wellhead. NU 5,000 psi BOP with 2-3/8" pipe rams over blinds with hydrill on top.
4. Release from on/off tool. Circulate kill mud. POOH with 1 joint of tubing, install 5-1/2" test packer, RIH & set packer at ~25'. Test BOP to 250 psi low / 1,000 psi high. POH & lay down test packer.

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5. Pressure casing to 500 psi to test for a casing leak.
6. POH with 2-3/8" fiberlined injection tubing. Scan tubing coming out of the hole, laying down bad joints. Provide remedial engineer tubing scan results so a decision can be made on the amount of new 2-3/8" Fiberline tubing will need to be purchased.
7. PU & RIH with on-off shuck, 4' perf sub on 2-3/8" work string. Latch up to on-off tool. RU WL and pull plug.
8. Release AS1X packer and TOH. Lay down packer.
9. Rig up wireline truck. Test lubricator on cat walk to 500 psi. NU Lubricator. Run in hole w/ 4 3/4" gauge ring to 4,500'. If clear, continue to step 10. If cannot get down, RIH with a 4-3/4" MTB on the end of 2-3/8" work string, making a cleanout run to 4,720'. Circulate clean, kill well, & POH.
10. Get on depth with Baker Hughes Cement Bond Log dated 06/29/06 (tie in strip attached). RIH with Baker Hughes Stimgun (propellant stimulation). Perforate the 5-1/2" casing as per Baker Hughes specs. Perforations are at 4,271' – 4,414'.
11. POOH with Stimgun. Rig down wireline truck.
12. Change out BOP rams to 2-7/8". RIH with 1 joint of tubing and 5-1/2" packer. Set packer. Test BOP to 250 psi low / 1,000 psi high.
13. PU 5-1/2" treating packer & RBP (tubing retrieve) on 2-7/8" L80 workstring. Test tubing to 5,000 psi below slips while RIH.
14. Set RBP at 4,450'. Set packer at 4,170'. Prepare to acid stimulate.
15. Acidize San Andres perms from 4,271 – 4,414' with 10,000 gal 15% HCL. Pump acid in 4 equal stages and block with 5,000lbs rock salt/stage as a diverting agent. Adjust salt volumes as necessary based on pressure response. Pump acid at 6-8 BPM. Max Pressure = 4,800 psi. Load and pressure backside to 500 psi. Displace acid with FW to bottom perf at 4,686'. Monitor casing pressure for communication around packer.
16. Shut-in for 2 hours to allow acid to spend.
17. Flow load back.
18. Release packer. Kill well as necessary. RIH to release RBP. POH and laydown packer, RBP, and work string.
19. Change out BOP rams to 2-3/8". RIH with 1 joint of tubing and 5-1/2" packer. Set packer. Test BOP to 250 psi low / 500 psi high.
20. Hydro-test and RIH with 2-3/8" Fiberlined injection tubing with on-off tool and 1.43" ID 'F' profile nipple and 5-1/2" Arrow Set IX (external nickel plated, internal plastic coated) injection packer with pump out plug on bottom.
21. Set packer at 4,235' (Upper most setting depth is 4,171').
22. Unlatch tubing from packer and circulate packer fluid.
23. Latch tubing back on to packer.

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24. Pressure backside to 500 psi and hold for 30 minutes (pre-MIT).
25. Bleed off pressure. ND BOP. NU wellhead. Pressure tubing to pump out plug.
26. Install chart recorder. Pressure backside to 500 psi for 33 minutes to satisfy requirements for an official MIT. Send chart to Denise Pinkerton (Chevron Regulatory) in Midland Office.
27. Rig down pulling unit.
28. Write work order to re-connect the injection line.
29. File C-103 subsequent report with MIT chart attached (Denise Pinkerton - Chevron Regulatory).
30. Place well on injection.

RRW 10/23/2012

Contacts:

Remedial Engineer – Larry Birkelbach	(432-687-7650 / Cell: 432-208-4772)
Production Engineer – Ryan Warmke	(432-687-7452 / Cell: 281-460-9143)
Baker Hughes Rep – Doug Lunsford	(432-570-1050 / Cell: 432-559-0396)
ALCR – Danny Acosta	(Cell: 575-631-9033)
D&C Ops Manager – Boyd Schaneman	(432-687-7402 / Cell: 432-238-3667)
D&C Supt. – Heath Lynch	(432-687-7857 / Cell: 281-685-6188)
OS – Nick Moschetti	(Cell: 432-631-0646)

CVU #240 Wellbore Diagram

Updated: 08/08/07 By: HLH
 Updated: 03/14/08 By: N Cayce
 Updated: 04/16/09 By: N Cayce
 Lease: Central Vacuum Unit
 Field: Central Vacuum Unit
 Surf. Loc.: 257' FSL & 2,519' FWL
 Bot. Loc.:
 County: Lea St.: NM
 Status: Active Injector Well

Well #: 240 St. Lse:
 API: 30-025-37232
 Unit Ltr.: N Section: 36
 TSHP/Rng: S-17 E-34
 Unit Ltr.: Section:
 TSHP/Rng:
 Directions: Buckeye, NM
 CHEVNO# HT5191

Surface Casing

Size: 11 3/4"
 Wt., Grd.: 42#
 Depth: 1525'
 Sxs Cmt: 1,035
 Circulate: Yes 225sx
 TOC: Surface
 Hole Size: 14 3/4"

Intermediate Casing

Size: 8 5/8"
 Wt., Grd.: 24#
 Depth: 2,741'
 Sxs Cmt: 620
 Circulate: No
 TOC: Not Calc.
 Hole Size: 11"

Production Casing

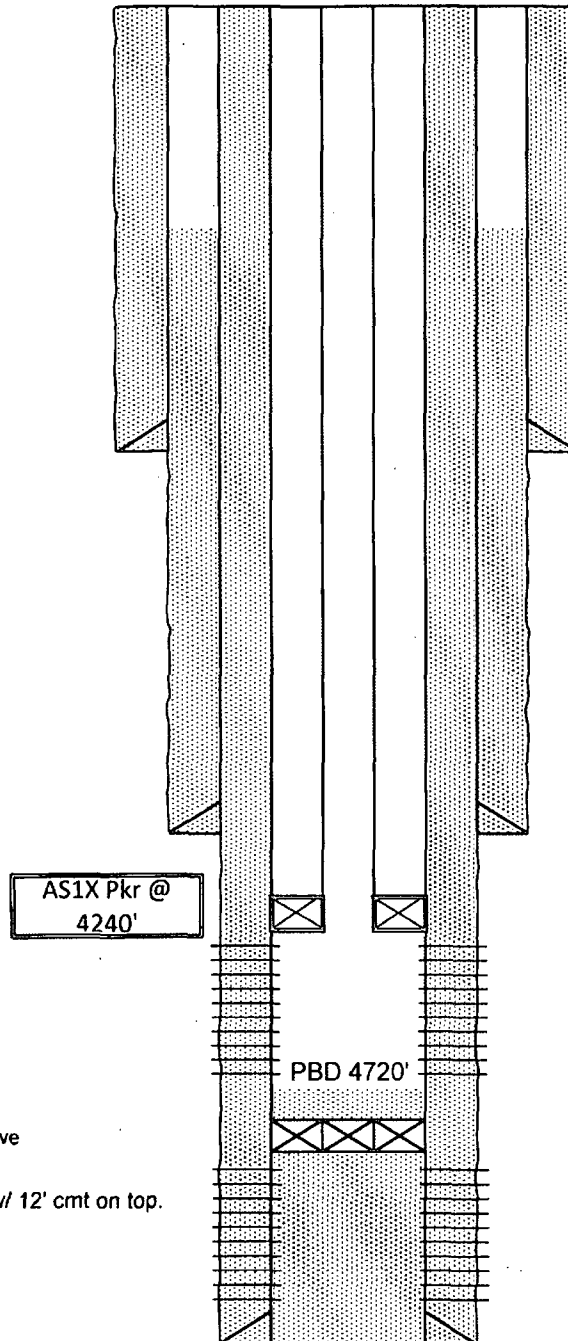
Size: 5 1/2"
 Wt., Grd.: 15.5#
 Depth: 5,014'
 Sxs Cmt: 825
 Circulate: Yes 123sx
 TOC: Surface
 Hole Size: 7 7/8"

Perforations

4,751' - 4,764' sqz'd
 4,773' - 4,793' sqz'd
 4,798' - 4,811' sqz'd
 4,825' - 4,845' sqz'd
 4,845-4862'

All 2 spf @ 90 deg
 4271-4710' 2spf 322 holes, active

8/06-CMT RTNR 4,732' w/ 12' cmt on top.



KB: 4008'
 DF: 4007'
 GL: 3,991
 Ini. Spud: 07/10/05
 Ini. Comp.: 01/18/06

1/17/06 Completion: Perforate TZ 4751-4764, 4773-4793, 4798-4811, 4829-4862 2spf 90deg, pkr 4720, acid 6000 gls 15% HCl, 3 stg, 225 ball sealers, 5-6 bpm, ISIP 1700, 5m 728, 10m 586, 15m 499, Pmax 6911#, Pavg 2126, 7.1 bpm max, 5.6 bpm avg.

6/27/06 TIH w/CIBP on wireline. Could not get past 1590'. TOH w/CIBP TIH to top of perms @4751. Hit tight spot @3700. Went through. TOH w/tbg, but & scraper. TIH w/cibp & set @ 4733. Pre-test bp to 500 psi. Circ pkr fluid. TIH w/cmt bond log.

6/29/06 TA'd.

7/27-31/06: Perf 4271-4710. PU pkr. TIH w/133 jts ws. Set pkr @4205. Stimulate w/202 bbls acid & sand. Tie in flowback line. Open to tank. Tie in second tank. Pump 40 bbls dn tbg. Unset pkr. Lower to 4216. Reset.

8/1-31/06 Approval to test as a producer for 30 days. Flowing oil.

8/18/06: Add pay. PU swivel D/O CIBP @ 4733' pushed to 4996'. Set Cmt Rtnr @ 4732'. Sqz perms 4751-4862' w/ 180 sx Cl C. D/O cmt to 4720'. Acdz perms 4271-4710' w/ 2000 gals

8/30/06 Acidize SA perms 4271-4710 w/2000 gals 155 acid.

5/07: replace on/ off tool & 136 jts 2-3/8" tbg

8/15/07 Repair tbg leak.

3/09 Could not tag (paraffin). Tbg. press 1,000.

5/09 Tag @ 800'. Tbg press 1375. Oily, sticky material; was able to obtain small sample

Wellhead Equipment

Quick Wireline Hookup Flange
 2 7/8" 8 Round

Production Equipment

5 1/2" Arrowset pkr w/ On-Off tool, 1.5" profile on 136 jts 2 3/8" Fiber-lined tbg & 1-4' nickel plated sub set with 12 pts tension

PBTD: 5,000
 TD: 5,020