

3 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
HOBBS OCD
Energy, Minerals and Natural Resources
AUG 06 2013
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
RECEIVED 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. 30-025-21866 ✓
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 checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Chevron USA		6. State Oil & Gas Lease No. B-1520
3. Address of Operator 15 Smith Rd Midland, TX 79705		7. Lease Name or Unit Agreement Name Vacuum Glorieta West Unit ✓
4. Well Location Unit Letter <u>K</u> : <u>1880</u> feet from the <u>South</u> line and <u>1880</u> feet from the <u>West</u> line Section <u>24</u> Township <u>17S</u> Range <u>34E</u> NMPM County <u>Lea</u>		8. Well Number #3 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 4323
		10. Pool name or Wildcat Vacuum Glorieta

12. 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 OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: Intent to add Perfs <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 intends to add perfs and acidize; and return well to production

Please find attached the intended procedure.

During the procedure we plan to use the closed loop system with a steel tank and haul to the required disposal, per 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 Cindy Herrera-Murillo TITLE Permitting Specialist DATE 07/31/2013

Type or print name Cindy Herrera-Murillo E-mail address: cherreramurillo@chevron.com PHONE: 575-263-0431

For State Use Only

APPROVED BY: [Signature] TITLE DIST. MGR DATE 8-6-2013

Conditions of Approval (if any):

AUG 06 2013

Well: VGWU No. 003
API No.: 30-025-21866
Lea County, New Mexico

Description of Work: Pull equipment, add perforations & acidize. Return well to production.

Pre-Job Work:

- Utilize the rig move check list.
- Check location, anchors (if they haven't been tested in the last 24 months, retest).
- Ensure location of & distance to power lines is in accordance with MCBU SWP. Complete and electrical variance and electrical variance RUMS if necessary.
- Ensure that location is adequate build and construction.
- Ensure that elevators and other lifting equipment are inspected. Caliper all lifting equipment at the beginning of each day or when sizes change.
- When NU anything over an open wellhead (EPA, etc.) ensure the hole is covered to avoid dropping anything downhole.
- 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.
- If 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 – Consult with remedial engineer before making any dummy run. Make a dummy run through the fish/tubular with sandline, slickline, eline, 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.
- CAUTION H₂S MAY BE PRESENT, TAKE PROPER PRECAUTIONS

Well: VGWU No. 003
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Lea County, New Mexico

Procedure:

1. Rig up pulling unit & equipment. Check wellhead pressure. Kill well as required. Monitor to verify well is static.
2. Pull and lay down rods and pump. Inspect rods for signs of wear, corrosion, scale, etc. Note any rod damage in WellView.
3. ND wellhead. Nipple up 7 1/16" 5,000 psi BOP with 2 7/8" pipe rams over blinds and 7 1/16" 5,000 psi annular BOP.
4. Make up 5 1/2" test packer in production tubing string. Unset TAC. Pick up and run in hole with packer and 1 joint 2 7/8" tubing. Set packer at +/- 30'. Test BOP to 250 psi low / 500 psi high. Pull out of hole with test packer.
5. Pull out of hole with 2 7/8" production tubing. Scan out.
6. Pick up and hydrotest in hole with 4 3/4" mill tooth bit on 2 7/8" WS tubing. Pick up additional joints to tag for fill.
7. Clean out to +/- 6,179' (PBTD).
8. Move in and rig up wireline. Establish exclusion zone.
9. RU and test lubricator.
10. Perforate new perforations 5,964-67', 5,977-80', 5,985-88', 6,001-04', 6,010-13', 6,021-24', 6,034-37', 6,050-53' with 3 3/8" EHC Predator with 3 SPF as per Baker recommended procedure. Tie into PGAC's Depth Control Log dated 9/21/1966 (tie in strip included).
11. Pull out of hole with perforating gun
12. Rig down lubricator and wireline truck.

Note: Will be setting RBP between perfs 6,053' and 6,073'. Should problems arise with setting RBP an alternative would be to isolate the lower section of the wellbore with sand.

13. TIH with 5-1/2" treating packer and RBP with ball catcher on 2-7/8" EUE L-80 6.5# work string. Set RBP at 6,020'. Test tubing to 6,000 psi below slips while RIH. Set packer @ 5,950'. Load casing and test packer to 500 psi.
14. Acidize San Andres perfs from 5,964 – 6,053' with 3,500 gal 15% HCL. Divert using 7/8" RCN 1.2 gravity ball sealers 100% excess, spaced evenly in groups of 10 throughout the job. Pump acid at 6-7 BPM. Max Pressure = 6,000 psi. Load and pressure backside to 500 psi. Displace acid with FW to bottom perf at 6,053'. Monitor casing pressure for communication around packer.
15. Shut-in for 2 hours to allow acid to spend.
16. Attempt to flow back load – surge well if possible to knock ball diverters off seat.

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17. Swab back load.
18. Release Packer, retrieve RBP.
19. Kill well as necessary. POH and laydown packer, RBP, and work string.
20. PU and RIH with 2-7/8" production tubing as per ALCR recommendation.
21. ND BOP and install WH. Install wellhead connections.
22. RIH with pump and rods as per ALCR.
23. Rig down and move off pulling unit & equipment.
24. Turn well over to Operations.

SPH 06/01/13

Contacts:

Remedial Engineer – Larry Birkelbach	(432-687-7650 / Cell: 432-208-4772)
Production Engineer – Sean Heaster	(432-687-7366 / Cell: 432-640-9031)
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)