

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

HOBBS OGD

AUG 19 2013

RECEIVED

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.  
30-025-31259

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name  
West Lovington Unit

8. Well Number 75

9. OGRID Number  
4323

10. Pool name or Wildcat  
West Lovington Upper San Andres

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.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator  
Chevron USA Inc

3. Address of Operator  
15 Smith Rd Midland, TX 79705

4. Well Location

Unit Letter I : 2625 feet from the South line and 1305 feet from the East line  
Section 5 Township 17S Range 36E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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: Intent to Workover ☒

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 USA Inc intends to Sand frac the San Andres 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 08/15/2013

Type or print name Cindy Herrera-Murillo E-mail address: cherreramurillo@chevron.com PHONE: 575-263-4031

For State Use Only

APPROVED BY: [Signature] TITLE DET. MGR DATE 8-21-2013  
Conditions of Approval (if any):

AUG 21 2013

**Well:** West Lovington Unit #75  
**Field:** Lovington – San Andres  
**API No.:** 30-025-31259  
**Lea County, New Mexico**

**Description of work:** Sand frac the San Andres.

**Pre-Work:**

1. Check Wellhead connections for pressure ratings and 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 an 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 kill well as necessary.
2. Pull rods and pump. Inspect rods for signs of wear, corrosion, scale, etc. Note any rod damage in WellView. Lay down all rods and pump.
3. ND wellhead. NU 5,000 psi BOP with 2-7/8" pipe rams over blinds. Unset TAC. RIH with 1 joint of 2-7/8" tubing and 5-1/2" packer. Set packer at ~25'. Test BOP to 250 psi low / 500 psi high.
4. POOH with packer & continue to TOH with 2-7/8" tubing while scanning.
5. Change out pipe rams from 2 7/8" to 3 1/2".

**Well:** West Lovington Unit #75  
**Field:** Lovington – San Andres  
**API No.:** 30-025-31259  
**Lea County, New Mexico**

**Note:** Ensure that elevators and other lifting equipment are inspected. Caliper all lifting equipment at the beginning of each day or when sizes change.

6. Rig up hydrotester, pick up and run in hole with 5 ½" treating packer on 1 joint 3 ½" tubing. Set packer at +/- 30'. Load and test BOP to 250 psi low, 500 psi high. Continue hydrotesting in the hole to 8,000 psi below slips with 3 ½" workstring.
7. Set packer at +/- 4,630'. Load and test the 3 ½" X 5 ½" casing annulus to 500 psi.
8. Nipple down BOP equipment.
9. Nipple up and land tubing with 3 ½" 10,000 psi frac valve assembly.
10. Load and test the 3 ½" X 5 ½" casing annulus to 500 psi.
11. Rig down and move off pulling unit & equipment.
12. Move in, spot and load frac tanks as per Baker's recommendations.
13. Move in and rig up Baker frac equipment. Install pop off valve on 3 ½" X 5 ½" casing annulus set at 400 psi. Pressure up on annulus to 200 psi and monitor throughout job.
14. Frac well as per Baker design. (6,500 psi maximum treating pressure.)
15. Rig down and move off Baker frac equipment. Leave well shut in 24 hours for gel to break.
16. Open well, check pressures. Rig up flow back equipment. Flow well until dead.
17. MIRU pulling unit.
18. Kill well as required. Monitor to verify well is static.
19. Nipple down 3 ½" frac head. Nipple up 7 1/16" 5,000 psi BOP with 3 1/2" pipe rams over blind rams.
20. Test BOP equipment against treating packer and 3 ½" workstring to 250 psi low, 500 psi high.
21. Release packer. Pull out of hole laying down 3 ½" workstring and packer.
22. Change out pipe rams from 3 ½" to 2 7/8". Nipple up 7 1/16" annular BOP
23. Pick up and run in hole with 5 ½" tension packer on 1 joint 2 7/8" tubing. Set packer at +/- 30'. Load and test BOP equipment to 250 psi low, 500 psi high. Release and pull out of hole with test packer.
24. Pick up and run in hole with 4 ¾" mill tooth bit and 6 ea. 3 1/8" drill collars with 2 7/8" production tubing.

**Note:** Ensure that elevators and other lifting equipment are inspected. Caliper all lifting equipment at the beginning of each day or when sizes change.

25. Clean out to PBTD at 5,188'.

**Well:** West Lovington Unit #75  
**Field:** Lovington – San Andres  
**API No.:** 30-025-31259  
**Lea County, New Mexico**

26. PU and hydrotest to 5,000 psi below the slips while RIH with 2-7/8" production tubing with .012" Sand Screen and Bull Plug on the bottom. Set SN and tubing anchor per the SROD Design.
27. ND BOP and install WH. Install wellhead connections.
28. RIH with pump and rods as per attached SROD design.
29. Rig down and move off pulling unit & equipment.
30. Place well on production. Obtain stabilized well test.

RRW 6/05/2013

Contacts:

Remedial Engineer – Larry Birkelbach	(432-687-7650 / Cell: 432-208-4772)
Remedial Engineer – Jay Stockton	(432-687-7791 / Cell: 432-967-5644)
Production Engineer – Ryan Warmke	(432-687-7452 / Cell: 281-460-9143)
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)
Baker Hughes Rep – Doug Lunsford	(432-570-1050 / Cell: 432-559-0396)
Baker Hughes Rep (Frac) – Kellyn Gavin	(432-687-7467 / Cell: 432-202-1336)

Version 1.4		WORKOVER - WELL APPROPRIATION - DETAIL OF COST ESTIMATE						Date:	
Fest / Area	Location	Cost Element	Description		WLU 75		VENDOR	EXPENSE	CAPITAL
			8	days	5000	\$day			
74400001	Rig - Day-work								
74400002	Rig - Footage/Tummy								
74400003	Rig Up/Rig Down								
71250100	Fuel - Diesel / Motor Fuels								
71050200	Fuel - Purchased Natural Gas & Propane								
71280300	Utilities - Other (potable water)								
74500023	Modification / De-modification								
		Rig Costs Total							
66010100	Contract Supervision	10 days			1500	\$day		40,000	
70000300	Contract Project Supervision	10 days			1000	\$day		10,000	
		Supervision Total						25,000	
								5,000	
74400004	Dilling Fluids								
71900500	Materials Supply, Repair Parts							5,000	
		Mtrl Materials Total							
70000200	Contract Labor Casual				Daily Breakdown				
68200100	Onshore Catering	Item			Cost Per Day	Total Cost (est)			
68250100	Offshore Catering	BOP			1000				8000
72000200	Marine Transportation - Allocated	Packers (minim)			1200				9600
72400300	Overse Transportation Services	Misc			1000				8000
72400400	Air Transportation (Allocated Adj)	Hydrotest							12000
72400700	Hauling Services (Not Freight)								
74400006	Directional Survey and Service Costs								
74400007	Drill String Rentals and Bits								
72300100	Surface Equipment Rentals	BOP, rev unit, hydrotest, misc rentals,						20,000	
72300200	Well Service Equipment Rentals	Packers, plugs						28,000	
74400008	Cat Tubing	Tree Saver						6,600	
74400010	Semiannual Gravel Pack Materials & Service							10,000	
74400011	Pumping Services							100,000	
74400014	Perforating & Electric Line Services							10,000	
74400015	Sticking Services								
		Contract Rentals & Services Total						177,600	
74200300	Solid Waste Disposal								
74200300	Waste Water Disposal							5,000	
		Waste Disposal Total						5,000	
74400017	Corrug								
74400018	Tearing								
74400019	Logging Wireline								
74400020	LWD (Logging While Drilling)								
74400021	Logging - Mud	days @ \$ per day						0	
		Formation Evaluation Total						0	
71900022	Well Pipe Casings								
	Surface	Size	Feet		\$/ft				
	Intermediate	Size	Feet		\$/ft				
	Production	Size	Feet		\$/ft				
	Linear	Size	Feet		\$/ft				
71900020	Well Pipe - Tubing Under 2" OD	Size	Feet		\$/ft				
71900021	Well Pipe - Tubing 2" OD and over	Size 2-7/8"	Feet	2500	\$/m 5.5				
71900100	Well Equipment								
	Materials								
	Weathered								
	Xmas Tree								
	Other								
					\$0				
71900120	Submersible Pumps & Equipment								
71900100	Surface Lifting Equipment / Materials								
	Reel String	Size 8 1/2"	Feet	5000	\$/ft 3				
	Production Pkg.								
	Well Pump			10000					
	Other	25 HP Motor							
74400024	Cement & Cementing							0	
	Surfing	Size	Sacks						
	Primed air	Size	Sacks						
	Production	Size	Sacks						
	St. Jeeze Jobs	Size	Sacks						
		Cement Total						0	
74400025	Fishing Costs								
72300300	Motor Vehicle Rentals								
74400013	Equipment Lost In Hole								
74500021	Site Work / Roads / Locations								
74500100	Contract Equipment & Services								
75100500	HES Permit Costs & Fees								
75100501	Surface Regulatory & HES Inspection								
74500020	Technical Services								
75500200	Other Professional Services & Fees								
76000300	Communications - Other								
76150200	Communications- Radio								
76150600	Communications - Telephone CTRC								
	Courtesy (10%)							25,260	
94100700	Capitalized G&A (10.5%)								4,074
		Total Cost Estimate				320,734		277,890	42,874

## H<sub>2</sub>S Radius of Exposure Calculations

Expected H<sub>2</sub>S ROE that could be encountered while working on a well

Example: 100 PPM ROE =  $0.001589 \times 250 \text{ PPM} \times 275 \text{ MCF}^{0.6258} = 19 \text{ FEET}$

Example: 500 PPM ROE =  $0.0004546 \times 250 \text{ PPM} \times 275 \text{ MCF}^{0.6258} = 9 \text{ FEET}$

Well:

WLU 75

Enter H<sub>2</sub>S Concentration:

3,000 PPM

0.3 % H<sub>2</sub>S

Enter Max. Escape Volume:

100 MCF/D

100,000 CF/D

100 PPM Radius of Exposure:

47

Feet (only for H<sub>2</sub>S concentrations less than 10%)

500 PPM Radius of Exposure:

22

Feet (only for H<sub>2</sub>S concentrations less than 10%)

H<sub>2</sub>S in lbs/day:

27

lb/day

H<sub>2</sub>S in lbs/hr:

1.1

lb/hr

SO<sub>2</sub> in lbs/hr:

2.1

lb./hr

SO<sub>2</sub> in 2000-lb tons/day:

0.03

tons/day

SO<sub>2</sub> in 2000-lb tons/yr:

9

tons/yr

These radius of exposures are possible only if the well bore is evacuated of fluid and there is an uncontrolled release of gas at the surface.

**WELLBORE DIAGRAM  
WLU 75**

Created: 04/08/13 By: RRW  
 Updated: By:  
 Lease: West Lovington Unit  
 Field: West Lovington Upper San Andres  
 Surf. Loc.: 2625' FSL 1305' FEL  
 Bot. Loc.:  
 County: Lea St.: NM  
 Status: Producing Well

Well #: 75 St. Lse:  
 API 30-025-31259  
 Unit Ltr.: I Section: 5  
 TSHR/Rng: 17S / 36E  
 Pool Code: OGRID:  
 Directions: Lovington, NM  
 Chevno: OP9871

**Surface Casing**

Size: 8 5/8"  
 Wt., Grd.: 24#  
 Depth: 355'  
 Sxs Cmt: 300  
 Circulate: Yes  
 TOC: Surface, 130 sx  
 Hole Size: 12-1/4"

KB:  
 DF:  
 GL: 3,891'  
 Ini. Spud: 09/28/91  
 Ini. Comp.: 11/09/91

**Production Casing**

Size: 5 1/2"  
 Wt., Grd.: 15.5#  
 Depth: 5230'  
 Sxs Cmt: 1150  
 Circulate: Yes  
 TOC: Surface, 135 sx  
 Hole Size: 7 7/8"

**Initial Completion:**

Acidize w/ 10,000 gals 20% NEFE w/  
 15 tons CO2

**2/3/94:**

Dump 1,000g 15% NEFE

**2/27/96:**

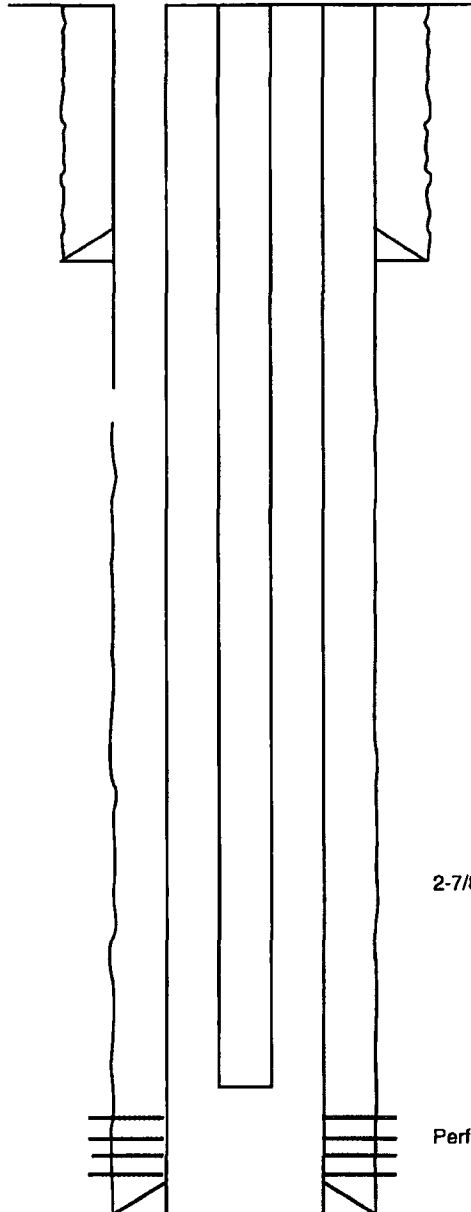
Dump 1,000g 15% NEFE

**10/20/2000:**

Acidize w/ 4,300g, 2,500# RS in 4 stages

**Detailed Perfs**

22 gram, 2 JSPF, 180 Degree  
 4736-41, 85-92, 95-99  
 4854-57, 82-90  
 4938-44, 76-84, 86-89, 96-99  
 5008-17, 29-37, 79-85  
 5107-10, 16-20, 35-40, 52-57,



2-7/8" Tubing

Perfs: 4736' - 5157'

PBTD: 5188

TD: 5230