

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT --" for such proposals

SUBMIT IN TRIPLICATE

RECEIVED

MAR 22 2005

OCCASIONAL

1. Type of Well: ☐ OIL WELL ☒ GAS WELL ☐ OTHER2. Name of Operator
CHEVRON USA INC

3. Address and Telephone No. 15 SMITH RD, MIDLAND, TX 79705 432-687-737

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Unit Letter O : 990' Feet From The SOUTH Line and 1700' Feet From The

EAST Line Section 20 Township 24-S Range 26-E

5. Lease Designation and Serial No.

NMLCO65347

6. If Indian, Alottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and Number

White City Penn 20 Gas Com Unit 2

3

9. API Well No.

30-015-33525

10. Field and Pool, Exploratory Area
WHITE CITY PENN (GAS)

11. County or Parish, State

EDDY, NM

12. Check Appropriate Box(s) To Indicate Nature of Notice, Report, or Other Data

TYPE OF SUBMISSION

- ☒
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☒
- OTHER: PERMIT TO FLARE TEST
-
- ☐
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work,)*.

CHEVRON U.S.A. INC. RESPECTFULLY ASKS PERMISSION TO FLARE TEST THE SUBJECT WELL. WE WILL PERFORM A 24 HOUR BACK-PRESSURE REDUCTION TEST FOR THE PURPOSE OF ECONOMICALLY DETERMINING THE VALIDITY OF INSTALLING WELL-HEAD COMPRESSION ON THE SUBJECT WELL. THE TEST WILL INDICATE THE POTENTIAL INCREMENTAL GAS PRODUCTION AVAILABLE IF WELL-HEAD COMPRESSION IS INSTALLED, VALIDATE THE CAPABILITY OF RECOVERING ADDITIONAL GAS RESERVES, AND CORRESPONDING ECONOMIC BENEFIT. VALIDATION OF ECONOMIC INCREMENTAL GAS PRODUCTION AND RESERVE RECOVERY IS NECESSARY BEFORE CAPITAL COMMITMENT.

IF THE RESULTS OF THE 24 HOUR BACK-PRESSURE REDUCTION TESTING JUSTIFY THE ECONOMICS OF WELL-HEAD COMPRESSION INSTALLATION, CHEVRON WILL PURSUE INSTALLATION TO INCREASE REVENUES AND RESERVES FROM THIS FEDERAL LEASE.

IT IS CHEVRON'S DESIRE TO PERFORM THE REQUESTED TESTING BEFORE APRIL 1ST.

THE INTENDED PROCEDURE AND CURRENT WELLBORE DIAGRAM IS ATTACHED FOR YOUR APPROVAL.

APPROVED

MAR 18 2005

LES BABYAK
PETROLEUM ENGINEER14. I hereby certify that the foregoing is true and correct.
SIGNATURE *Denise Pinkerton* TITLE Regulatory Specialist DATE 3/15/2005

TYPE OR PRINT NAME Denise Pinkerton

(This space for Federal or State office use)

APPROVED

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

24 Hour Back-Pressure Reduction Test Procedure

White City Penn 20 Gas Com Unit 2 #3

Status Overview:

Current Average Daily Production: 510 Mcfgpd

Current Average Daily FTP (Flowing Tubing Pressure): 490

Estimated Average Daily Flare Production @ 100 FTP: 2,500 Mcfgpd

Pre-Test Checklist:

Ensure New Mexico BLM approval received.

Contact Larry Williams and BLM as appropriate.

Back-Pressure Reduction Test Procedure

1. Install meter and flare after stack-pack/separator in compliance with safety and environmental guidelines.
2. Record "current conditions" before initiating test. [Record: FTP (Flowing Tubing Pressure), Choke Setting, and Flow Rate]
3. Open choke until FTP reaches 400 psi. (Record: FTP, Choke Setting, and Flow Rate)
 - a. Adjust choke as necessary to maintain 400 psi FTP
 - b. Maintain 400 FTP for (6) six hours recording data each 30 minutes (9 readings)
4. Open choke until FTP reaches 300 psi. (Record: FTP, Choke Setting, and Flow Rate)
 - a. Adjust choke as necessary to maintain 300 psi FTP
 - b. Maintain 300 FTP for (6) six hours recording data each 30 minutes (9 readings)
5. Open choke until FTP reaches 200 psi. (Record: FTP, Choke Setting, and Flow Rate)
 - a. Adjust choke as necessary to maintain 200 psi FTP
 - b. Maintain 200 psi FTP for (6) six hours recording data each 30 minutes (9 readings)
6. Open choke until FTP reaches 100 psi. (Record: FTP, Choke Setting, and Flow Rate)
 - a. Adjust choke as necessary to maintain 100 psi FTP
 - b. Maintain 100 psi FTP for (6) six hours recording data each 30 minutes (9 readings)

NOTE: Due to surface equipment friction 100 psi FTP may not be achieve. If this occurs, obtain FTP as close to 100 psi as possible.
7. Remove meter and flare stack installation in compliance with safety and environmental guidelines.

Location:

990' FSL & 1700' FEL
 Section: 20
 Township: 24S
 Range: 26E Unit: O
 County: Eddy State: NM

Elevations:

GL: 3377'
 KB:
 DF:

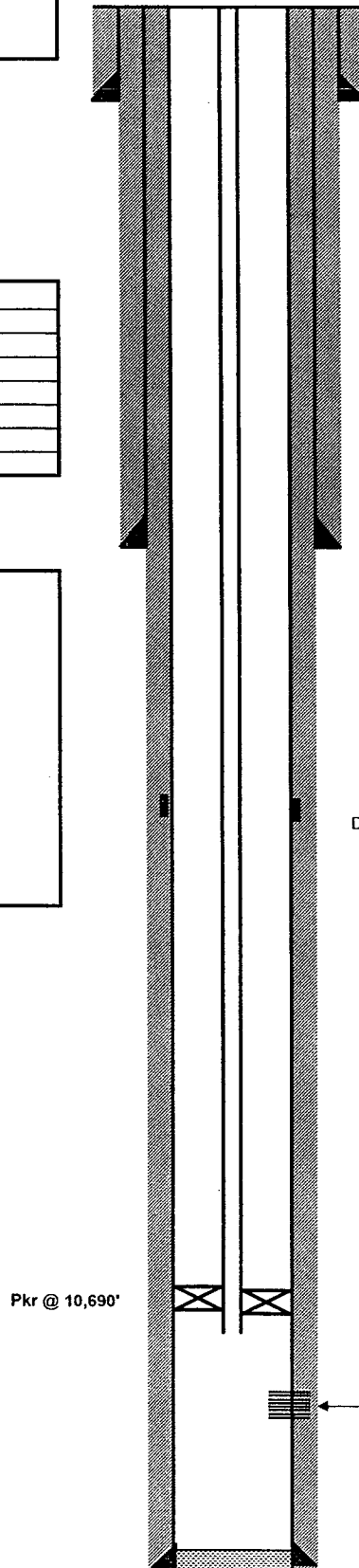
Log Formation Tops

Pennsylvanian	
Strawn	
Atoka	
Morrow	

TUBING DETAIL - 11/16/2004

5.5X 2-3/8 Howco PKR
 1 profile nipple @ 10690'
 1.81" F plug
 XL on/off toll
 2-3/8" tbq

**Current
Wellbore Diagram**



Pkr @ 10,690'

Perfs

10738'-10814' & 10938'-10970'
 11000-11060

Status

Morrow - open

Well ID Info:

Chévno:
 API No: 30-015-33525
 L5/L6: U970200
 Spud Date: 8/16/04
 Rig Released: 9/20/04
 Compl. Date: 11/17/04 First Sales: 12/30/04

Surface Csg: 13-3/8" 54.5# J-55

Set: @ 437' w/ 425 sx Class C cmt
 Hole Size: 17.5"
 Circ: Yes TOC: Surface TOC By: 104 sx

Intermediate Csg: 9-5/8" 40# NS-110

Set: @ 1518' w/ 700 sx Class C flocele & 200 sx Class C cmt
 Hole Size: 12 1/4"
 Circ: Yes TOC: Surface TOC By: 262sx

Initial Completion:

10/14/04 Perf 11018-23', 11033-40' & 11050'-60' (6jspf) ; Broke each int w/ 7 bbls 7% K
 A/1000g 7.5%HCL; F/42,700g KCL foam & 50K# Versaprop down 5.5 csg @ 35 BPM
 Max conc. = 2.3 #/g. Max # = 4309 Avg=3650. Max rate=36 bpm, avg = 32
 ISIP=3002, 5 min=2581, 10 min=2316, 15 min=2100 Total CO2=293t
 w/ 7 to 15% CO2 rate stabilized @2.8MM
 10/28/04 perf: 10938-50 A: 500g 7.5% HCL
 F: 36Kg KCL, methanol, & 190t CO2 w/ 47K# versaprop @ 25 bpm down 5.5"
 Max conc. = 3 #/g. Max # = 5100 Avg=4162. Max rate=28.7 bpm, avg = 25
 ISIP=4117, 5 min=3757, 10 min=3609, 15 min=3495 Total CO2=190t
 w/ 7% CO2, rate @ 2 MM
 11/06/04 perf: 10738-48 & 10,802-14' A: 500g 7.5% HCL
 F: 22.2Kg KCL, methanol, & 154t CO2 w/ 35K# versaprop @ 25 bpm down 5.5"
 Max conc. = 3 #/g. Max # = 3615 Avg=2684. Max rate=25.4 bpm, avg = 22.6
 ISIP=2653, 5 min=2382, 10 min=2275, 15 min=2209 Total CO2=154t
 11/15/04 - perf 10952-70' & 11000-18'

DV tool @ unknown

Production CSG: 365 jts 5.5" 17# P-110

Set: @ 11550' w/1900 sx Class H cmt in 2 stages ; Both stages circ to pit
 Hole Size: 6 1/2"
 Circ: Yes TOC: 8220' TOC By: Tested to 2000#

COTD:

PBTD: 11,500'
 TD: 11,550'