

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

MAY 11 2012

RECEIVED

WELL API NO. 30-025-22794
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name MIDWAY STATE
8. Well Number 1
9. OGRID Number 241333
10. Pool name or Wildcat LOVINGTON; DEVONIAN
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 [X] Gas Well [ ] Other [ ]
2. Name of Operator CHEVRON MIDCONTINENT, L.P.
3. Address of Operator 15 SMITH ROAD, MIDLAND, TEXAS 79705
4. Well Location
Unit Letter F: 2310 feet from the NORTH line and 2310 feet from the WEST line
Section 12 Township 17-S Range 36-E NMPM County LEA

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: INTENT TO ADD PERFS & 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.

CHEVRON MIDCONTINENT, L.P. INTENDS TO ADD PERFS IN THE DEVONIAN AND ACIDIZE THE SUBJECT WELL.

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

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 05-10-2012

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

APPROVED BY: [Signature] TITLE: [Signature] DATE 5-14-2012

Conditions of Approval (if any):

MAY 14 2012

**Well:** Midway State No. 1  
**Field:** Lovington  
**API No.:** 30-025-22794  
**Lea County, New Mexico**

**Description of work:** Set CIBP at 11,461'. Perforated and acidized from 11,320' - 11,330', and swab test.

- Caliper all handling tool daily or when sizes change and note in JSA & TGSM.
- Check location, anchors (if they haven't been tested in the last 24 months, retest) and any overhead electrical lines (possible variance needed)

**Procedure:**

1. Rig up pulling unit. Check wellhead pressure, and kill well as necessary. Drop bar on ESP drain valve.
2. ND wellhead. NU 5,000 psi BOP with 2-3/8" pipe rams over blinds with hydrill on top. POOH with 1 joint of tubing, cut cable and band to tbg, install 5 1/2" pkr, RIH with 1 joint of tubing and 5-1/2" packer. Set packer. Test BOP to 500 psi high / 250 psi low.
3. Rig up cable spooler and TOH with 2-3/8" production tubing and ESP. Send pump to Centrilift to salvage parts.
4. TIH with 2-3/8" work string w/ 4-5/8" MTB to 11,470'. POH.
5. Rig up wireline truck and set CIBP at 11,461'. Get on depth with Schlumberger - Perforating Depth Control log dated 12/21/1968 (copy attached). RU Lubricator, close blind rams and test lubricator to 500 psi. RIH with 3-3/8" Gunslinger. Perforate the 5-1/2" casing with 2 JSPF (90 degree phasing) as follows:

11,320' - 11,330' (20 total holes)

6. POOH with perforating gun.
7. RIH with wireline set RBP (tubing retrieve) and set at 11,340'.
8. Rig down wireline truck. Prepare to acid stimulate.
9. RIH with 5-1/2" treating packer and retrieving head for RBP on 2-3/8" workstring. Test tubing to 6,000 psi below slips while RIH.
10. Test RBP to 500 psi with packer. PU and set packer at 11,220'.
11. Acidize Devonian perms from 11,320 - 11,330' with 2,000 gal 15% HCL. Divert using 30, 1.2 SG 7/8" bio-balls and spread evenly throughout the job. Pump acid at 2-4 BPM. Max Pressure = 6,000 psi. Displace acid with FW to bottom perf at 11,330'. Monitor casing pressure for communication around packer.
12. Shut-in for 2 hours to allow acid to spend and bio-balls to break.
13. Flow or swab load back monitoring fluid entry and oil cut.
14. Release packer and RIH to release RBP. POOH with packer and RPB. Lay down RBP.

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**Field:** Lovington  
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15. RIH with 5-1/2" packer on 2-3/8" workstring and swab well for one day and report back fluid volumes recovered for ESP sizing. Release packer and POOH with packer and workstring.
16. PU and RIH with tubing and downhole equipment. RIH with test sub-pump. RD BOP and install WH.
17. Put on production and test.

RRW 3/6/2012

Contacts:

Remedial Engineer – Larry Birkelbach	(432-687-7650 / Cell: 432-208-4772)
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)

**Midway State No. 1 Wellbore Diagram**

Created: 03/08/12	By: RRW	Well #: 1	St Lse: _____
Updated: _____	By: _____	API: 30-025-22794	_____
Lease: Midway State	_____	Unit Ltr: F	Section: 12
Field: _____	_____	TSHP/Rng: 17S / 36E	_____
Surf. Loc.: 2310' FNL & 2310' FWL	_____	Unit Ltr: _____	Section: _____
Bot. Loc.: _____	_____	TSHP/Rng: _____	_____
County: Lea	St: NM	Directions: Buckeye, NM	_____
Status: Producer	_____	Chevno: FG4052	_____

**Surface Casing**  
 Size: 11-3/4"  
 Wt., Grd.: 42# H-40  
 Depth: 456'  
 Sxs Cmt: 300  
 Circulate: Yes  
 TOC: Surface  
 Hole Size: 15"

KB: 3,834'  
 DF: \_\_\_\_\_  
 GL: 3,818'  
 Ini. Spud: 10/23/68  
 Ini Comp: 12/22/68  
 TD: 11,671'  
 PBTD: 11,617'

**Intermediate Casing**  
 Size: 8-5/8"  
 Wt., Grd.: 32# & 24# K-55  
 Depth: 4,461'  
 Sxs Cmt: 400  
 Circulate: No  
 TOC: Est. 3,000'  
 Hole Size: 11"

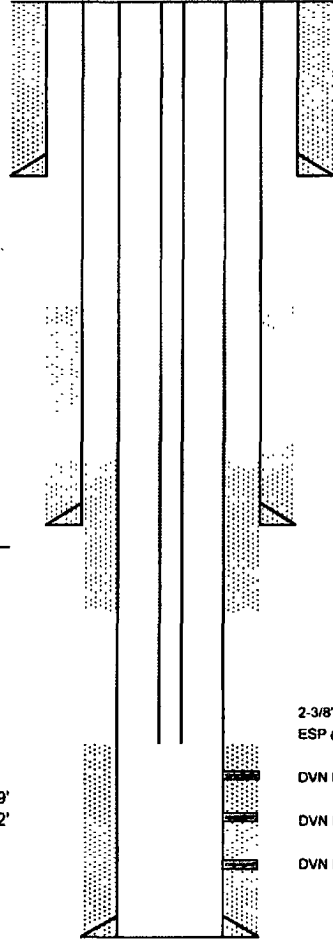
DV Tool @ 6,492'

**Production Casing**  
 Size: 5-1/2"  
 Wt., Grd.: 20# J-55 & 17# N-80  
 Depth: 11,671'  
 Sxs Cmt: 670  
 TOC: Est. 4,150'  
 Hole Size: 7-7/8"

**Perforations**  
 Producing: 11,350 - 11,584'

**Detailed Perfs:**  
 11,350 - 61', 11,390 - 99', 11,405 - 09'  
 11,419 - 27', 11,438 - 54', 11,467 - 72'  
 11,476 - 78', 11,486 - 94'

**Squeezed:**  
 11,476 - 11,520'



2-3/8" Production Tubing @ 11,210'  
 ESP @ 11,294'  
 DVN Perfs: 11,350'-11,454'  
 DVN Perfs: 11,467'-11,494'  
 DVN Perfs: 11,476'-11,520' (sqz'd)

TD: 11,671'  
 PBTD: 11,617'