

Submit 1 Copy To Appropriate District Office

State of New Mexico

Form C-103

Revised July 18, 2013

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88241
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

Energy, Minerals and Natural Resources
OIL CONSERVATION DIVISION
220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD
FEB 05 2018
RECEIVED

WELL API NO. 30-025-44221
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name VACUUM GRAYBURG SAN ANDRES UNIT
8. Well Number 019R
9. OGRID Number 4323
10. Pool name or Wildcat VACUUM; GRAYBURG-SAN ANDRES
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,988' (GL)

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: Injection Well
2. Name of Operator CHEVRON U.S.A. INC.
3. Address of Operator 6301 DEAUVILLE BLVD, MIDLAND, TX 79706
4. Well Location
Unit Letter N : 1297 feet from the SOUTH line and 2463 feet from the WEST line
Section 1 Township 18S Range 34E 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 [ ]
CLOSED-LOOP SYSTEM [ ]
OTHER: [ ]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] P AND A [ ]
CASING/CEMENT JOB [ ]
OTHER: Intercept and P&A VGSAU 19 operations [X]

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.

WBD and operations summary attached.

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 [Signature] TITLE Production Engineer DATE 1/31/18

Type or print name Michael Stewart E-mail address: michael.stewart@chevron.com PHONE: 432-687-7431

For State Use Only APPROVED BY: [Signature] TITLE AO/II DATE 2/5/2018

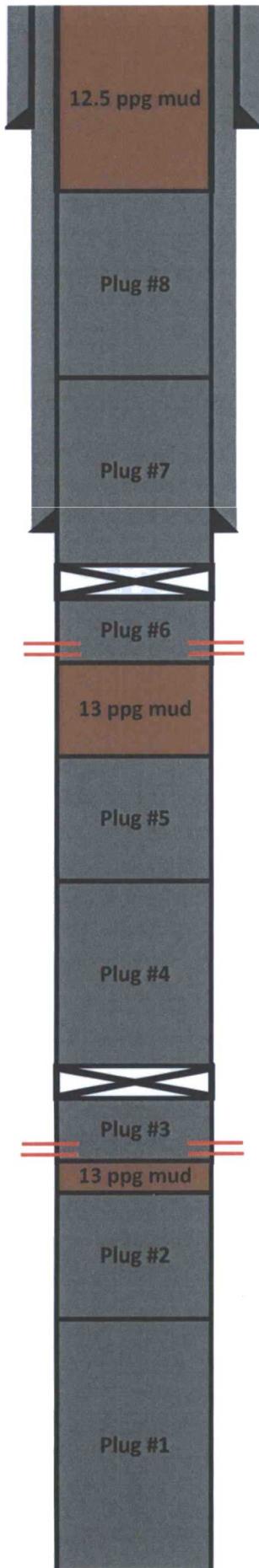
Activity Summary: 12/20/17-1/31/18

- MIRU drilling rig.
- Spud well on 12/24/17
- Drill 17-1/2" surface hole to 488'
- Run 13-3/8" surface casing to 478' and perform cement job
  - Pump 40 bbl spacer, 89 bbls tail cement, drop plug, displace with 67 bbls of FW, FCP = 225 psi. WOC 8.25 hrs
- Continue drilling, 12-1/4" intermediate hole to 1511', performing ranging runs as required.
- Run 9-5/8" intermediate casing to 1501' and perform cement job
  - Pump 35 bbl spacer, 86 bbls lead cmt, 56 bbls tail cmt, displace w/ 105 bbls. FCP = 453 psi. WOC 8.25 hrs
- Continue to directional drill 8-1/2" hole towards target wellbore, VGSAU 19
  - 1.86' center to center @ 1,629.69' (within 2' of target wellbore @ 1600')
  - 2.34' center to center @ 2767.52'
  - 1.49' center to center @ 2,823.01' (within 2' of target wellbore @ 2800')
  - 1.72' center to center @ 4,115.5'
- Directional drill to attempt drill into VGSAU 19 wellbore
  - Tag target well @ 4178'
  - RIH w/ concave mill and mill into target well @ 4,196-4,206'. TD at 4,208'
  - Observed 5 bbl gain, bled off, no flow after 10 min.
- RIH w/ Inflatable Packer, setting at 4,138'
  - Multiple attempts to establish injection rate at .5 bbl/min, pressure up to 2,996 psi with no injection.
  - Received approval from Maxey Brown to proceed with setting balanced plug on 19R
- TOH w/ inflatable packer
- TIH w/ 2-3/8" tbg cement stinger to 4,208'.
- Set balanced cement plug #1 - 7 bbls spacer, 56 bbls tail cement, displace w/ 55 bbls.
- WOC, tag TOC @ 3,480' and wash down to 3,290' to verify good cement
- Pump cement plug #2 - 7 bbls spacer, 37 bbls tail cement, displace w/ 41 bbls.
- RIH w/ wireline gyro and orient guns towards 19 target well @ 2,818'-2828', observed 13 bbl loss
- RIH w/ inflatable packer to 2,788'
- Pump 21 bbls tail cement at 2 bpm w/ 1,228 psi, 1 bbl spacer, with 50 bbls flush.
- Pump 7 bbls of spacer, 105 bbls of tail cement, displace with 1 bbls spacer and 10 bbls flush
- Tag firm cement at 2,225'
- Pump 75 bbls balanced cement plug.
- RIH w/ wireline gyro and orient perf guns @ 1631', fire guns, no loss
- RIH w/ inflatable packer
- Pump 38.8 bbls tail cement at 2 bpm w/ 1010 psi, 2 bbls spacer and displace with 26 bbls.
- Release from packer
- Pump 38 bbl balanced cement plug from 1590 to 1163', tagged TOC
- Pump 42 bbl balanced cement plug from 1163 to 675'
- Pressure test TOC to 1,300 psi for 15 minutes
- RDMO

# Vacuum Grayburg San Andres Unit 19R WBD

Lea County, NM

30-025-44221



20" Conductor Set at 100'

13-3/8", 54.5 ppg, J-55, STC at 478'

### Balanced cement plug 675' - 1,163'

42 bbls, Class C, 14.8 ppg cement - 1/30/18  
Pressure tested to 1,300 psi for 15 minutes - 1/30/18

### Balanced cement plug 1,163' - 1,590'

38 bbls, Class C, 14.8 ppg cement - 1/30/18  
Tagged 1/30/18 @ 1,163' with 10K and pumps on

9-5/8", 43.5 ppg, L-80, LTC at 1,501'

TAM single set packer w/ CRK @ 1,590' - 1/29/18

Perforations 1,620'-1,630'; 5 SPF, -5/0/5 phasing - 1/29/18  
Squeezed perfs with 38.8 bbls, Class C, 14.8 ppg cement - 1/29/18

### Salado @ 1,686'

Operational cement plug 1,750' - 2,250'  
75 bbls, Class C, 14.8 ppg cement - 1/29/18

### Balanced cement plug 2,225' - 2,788'

105 bbls, Class C, 14.8 ppg cement - 1/27/18  
Tagged 1/28/18 @ 2,225' with 10K and pumps on

### Yates @ 2,773'

TAM single set packer w/ CRK @ 2,788' - 1/27/18  
Perforations 2,818'-2,828'; 5 SPF, -5/0/5 phasing - 1/26/18  
Squeezed perfs with 21 bbls, Class C, 14.8 ppg cement - 1/27/18

Operational cement plug 2,882' - 3,480'  
37 bbls, Class C, 14.8 ppg cement - 1/25/18

### Balanced cement plug 3480' - 4208'

56 bbls, Class C, 14.8 ppg cement  
Tagged 1/25/18 @ 3,480' with 10K and pumps on

### Grayburg @ 3,991'

8-1/2" TD @ 4,208'