DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980
DISTRICT II
P.O. Box Drawer DD, Artesia, NM 88211-0719
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-101
Revised February 10,199
Instructions on bac
Submit to Appropriate District Offic
State Lease - 6 Copie
Fee Lease - 5 Copie
☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1 Operator Name and Address	2 OGRID Number
CHEVRON USA INC 15 SMITH RD, MIDLAND, TX 79705	4323
	3 API Number 30-025-03106

4 Property Code	5 Property Name	6 Well No.
30005	STATE 'AN'	6

7 Surface Location

Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
O	7	18S	35E		990	SOUTH	2310	EAST	LEA

8 Proposed Bottom Hole Location If Different From Surface

Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County

9 Proposed Pool 1	10 Proposed Pool 2
REEVES; QUEEN NORTHWEST	

11 Work Type Code	12 WellType Code	13 Rotary or C.T.	14 Lease Type Code	15 Ground Level Elevation
P	O		S	3972' DF
16 Multiple	**17 Proposed Depth**	**18 Formation**	**19 Contractor**	**20 Spud Date**
No	9025'	QUEEN		

21 Proposed Casing and Cement Program

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
NO CHANGE					

Received
Hobbs
OCD
NOV 2006

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zoneand proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

CURRENTLY, THE SUBJECT WELL IS TA'D BUT WILL NOT PASS A NMOCD TA EXTENSION RE-TEST BECAUSE OF PRESSURE ON THE BRADENHEAD. THE BRADENHEAD HAS PRESSURE ON THE ANNULUS BETWEEN THE 5 1/2" X 8 5/8" CSG STRINGS. CMT WAS NOT CIRC ON THE 5 1/2" CSG OR TIED BACK INTO THE INTERMEDIATE STRING. IT WILL BE NECESSARY TO PERF THE 5 1/2" CSG 3600' (TOC) & CMT SQUEEZED TO ELIMINATE THE PROBLEM ON THE BRADENHEAD. CHEVRON INTENDS TO RECOMPLETE THE WELL FROM THE VACUUM ABO REEF TO THE REEVES; QUEEN NORTHWEST TO RE-ESTABLISH PRODUCTION.

Permit Expires 1 Year From Approval Date Unless Drilling Underway Plugback

A PIT WILL NOT BE USED FOR THIS PLUGBACK. A STEEL FRAC TANK WILL BE UTILIZED.

THE INTENDED PROCEDURE, AND CURRENT AND PROPOSED WELLBORE DIAGRAMS ARE ATTACHED FOR YOUR APPROVAL.

23 I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature Denise Pinkerton
Printed Name Denise Pinkerton
Title Regulatory Specialist
Date 11/15/2006 Telephone 432-687-7375

OIL CONSERVATION DIVISION

Approved By: Chris Williams
Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER
Approval Date: NOV 21 2006 Expiration Date:
Conditions of Approval:
Attached ☐

DeSoto/Nichols 3-94 ver 1.10

10/5/2006

State AN #6- currently a TA'd well. Checking w/ Larry Ridenour to see what the issue is with bradenhead pressure, flow, blow, etc.

Procedure

1. Obtain Regulatory NMOCD approval to recomplete to G/SA zone.
2. Will need Surface Commingle Order before we can put production into the battery at the State AN lease. Will plan to test to tanks if can't get prior approval for this.
3. Obtain Land Clearance approval for recompletion to G/SA zone.
4. Currently a TA'd well. {**Unknown if have any tbg in the hole. Unknown type of wellhead on the well.** } **Verify what equipment is in the hole with the wellfile in Buckeye NM office.** Discuss w/ OS, ALR and pumpers prior to RU regarding any unknown issues about this well.
5. Check Anchors.
6. MIRU PU and RU.
7. Install BOP.
8. TOH w/ tbg if have tbg in the well, LD.
9. Test casing to 500#.
10. MIRU Wireline Services.
11. Run gauge ring and junk basket to 8750'. Dump bail ~35' cmt on CIBP @8750'.
12. Run CIBP and set ~5050'. Dump bail ~20' cmt on CIBP @ 5050'.
13. Tie into Schlumberger's GR-Sonic Log dated 9/17/1962 and run following logs:
    - **CBL/CCL/GR** from 5000'- to TOC *(suspected to be ~ 3600')*.
    - **CNL/CCL/GR** from 5000'- 2700'. *(log to 2700' to evaluate the Yates Gas interval)*
14. RIH w/ 3 1/8" perf gun and shoot 4 holes over 1' interval ~ 50' above TOC. TOH.
15. *Evaluate logs and TOC and determine if best to cement squeeze with packer or cement retainer.*
16. TIH w/ 5 ½" packer on 2 7/8" workstring and set ~50' above squeeze holes.
17. Establish rate and pressure into squeeze holes. *Obtain final recommendation from cementing company based on this information. Will make decision on whether to sq under packer or run cement retainer.*
18. RU Cementing Services and squeeze as per recommendation.
19. WOC.
20. TIH w/ 4 ¾" bit, DC's on 2 7/8" workstring. Drill out cement and test. Resqueeze if necessary.
21. RU Wireline Services and perforate Grayburg based on information from the new CNL/CCL/GR run in Step 13 w/ 4 spf, 120 degree phasing, *(approximate depth of perfs 4425'-40', 4460'-72', 4485'-98', 4532'-38', 4553'-57').*
22. TIH w/ PFS charges and shoot intervals 4425'-40', 4460'-72', 4485'-98' w/ 3- 10' cartridges as per DS recommendation. TOH.

1. TIH w/ 5 ½" PPI packers w/ 24' element spacing and spot control value on 2 7/8" workstring.
2. Test tbg to 5000# while going in the hole.
3. RU stimulation services and acidize perforations as follows w/ 4000 gals 15% HCL at a max rate shown below and max surface treating pressure of 3500#. Spot acid across perforation at beginning of each stage and let soak to lower breakdown pressure and prevent communications. Pump job as follows ***(intervals might be corrected based on changes to perforations from new CNL/CCL/GR)***:

Interval		Amount Ac	PPI setting	Max Rate
4425-40	15'	750 gals	PPI 4421-4445	1 BPM
4460-72	12'	750 gals	PPI 4454-4478	1 BPM
4485-98	13'	750 gals	PPI 4480-4504	1BPM
4532-38	6'	750 gals	PPI 4523-4547	1 BPM
4553-57	4'	500 gals	PPI 4543-4567	1 BPM

   a. Displace acid w/ 8.6# cut brine water, do not over displace. Use a SCV to control displacement fluid. Record ISIP, 5, 10, 15 min SIP's. RD and release Stimulation Services.
   b. Note: Pickle tbg in 1st run w/ 500 gals acid prior to acidizing perfs.
   c. If communication occurs during treatment of any interval, monitor casing pressure and attempt to complete stage w/o exceeding 600# csg pressure. If cannot, move PPI to next setting depth and combine treatment volumes of the intervals.
4. Release PPI and TUH w/ PPI packers to ~4375'. Swab back all intervals together. Recover 100% of treatment and load volumes if possible before SI overnight.
5. Report recovered fluid volumes, pressure and swabbing fluid levels.
6. Scale squeeze perforations w/ ~2 drums scale inhibitor as per Baker Chemical recommendation.
7. Release PPI packers and TOH w/ 2 7/8" workstring and PPI packers, LD.
8. TIH w/ production equipment as per Bobby Hill recommendation.
9. RD and move off.
10. Move in 320 PU.
11. Test for ~2 weeks and then perform 2 drum scale squeeze as per Baker Chemical recommendation.

Denise Wann

CURRENT
WELLBORE DIAGRAM

State AN #6 (TA'd)

LOCATION

State	New Mexico
County	Lea
Surface Location	990' FSL & 2310 FEL
	Sec 7, R-35E, T-18S
	Unit O

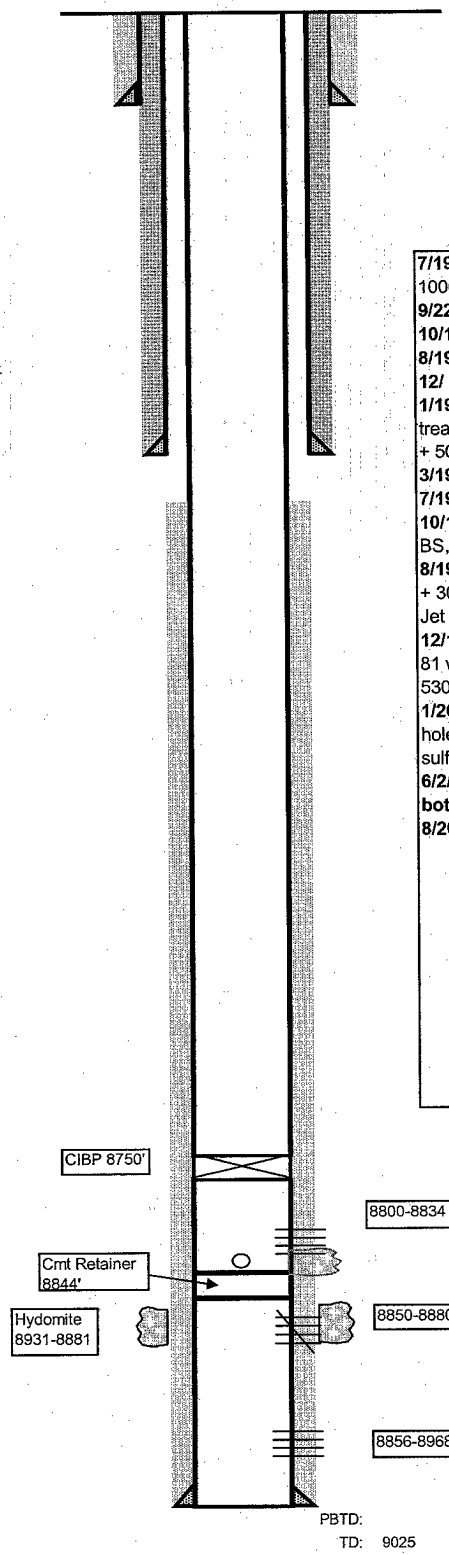
WELL ID INFORMATION

Lease Name	State AN #6
Field	Vacuum Abo Reef
Reservoir	Abo Reef
Ref #	
API #	30-025-03106

KB:	
DF:	3972'
GL:	
Spud Date:	7/31/1962
Compl. Date:	9/16/1962

CASING DETAIL

Surface Csg.	
Size:	13-3/8"
Wt.:	25.6#
Set @:	337
Sxs cmt:	2185 sxs +25 sx
TOC:	Surface
Hole Size:	17-1/4"
Production Csg.	
Size:	8-5/8"
Wt.:	24# & 32# J-55
Set @:	3316
Sxs Cmt:	1650 sx
TOC:	circ
Hole Size:	11"
Production Csg.	
Size:	5-1/2"
Wt.:	15.5 & 17#
Set @:	9025
Sxs Cmt:	827 sx
TOC:	3600'
Hole Size:	7-7/8"



7/1962- spud, Perf 8856-92, 8896-8925, 8930-68 , 2 spf, Ac 1000 mud acid
9/22/1962- Test F 135bo, 0 bw, GOR 833 on 16/64" choke
10/1/1962- F 141 bo, 0 bw, 117 mcfpd
8/1966- SN 8850'
12/ 1968- Ac 5000 gals 20%, SN 8818'
1/1969- PB w/ pea gravel to 8931', Hydromite 8931-8881, treated 8856-8881 w/ 500 gals oil + Kerosene+5000 gals 20% + 500 # Moth Balls
3/1971- Relace 320 Unit with 456 Unit
7/1974- On Lufkin 912 Unit, 55bo, 400 bw, GOR 818
10/1981- pumped 1 cylinder Mag M + 4000 gals 15% + 100 BS, Map P 900#, 5 BPM, Ran ODI pump
8/1982- Ran pressure bomb @ 8865', 560-697#, Ac w/ xylene + 3000 gals + 50 BS + 500#RS, Max P 2000#, 5.1 BPM, On Jet pump
12/1982- Perf 8850-81, 31 holes, Ac old and new perfs 8850-81 w/ 9000 gals 15% + 9000 gals gel pad + 80 BS, MaxP 5300#, 10.5 BPM, put on jet pump
1/26/1983- Cmt Sq 8850-80 w/ 50 sxs, perf 8800-34 w/ 69 holes, swb dry, Couldn't break down w/ 5000#, swb back iron sulfide water
6/2/1983- Ran log to check for channel, **fluid going out bottom perf 8834'**, SI evaluation
8/2001- Set CIBP 8750', TA'd well

ABO PERFORATIONS

Perf 8856-92, 8896-8925, 8930-68 , 2 spf (7/1962)
Hydromite perfs 8931-8881 (1/1969)
Perf 8850-81, 31 holes (12/1982)
Cmt Sq 8850-80 w/ 50 sxs, Perf 8800-8834, 69 holes (Couldn't breakdown) (1/1983)

UPDATED BY: Denise Wann
DATE: 10/7/2005

PROPOSED
WELLBORE DIAGRAM

State AN #6

LOCATION

State	New Mexico
County	Lea
Surface Location	990' FSL & 2310' FEL
	Sec 7, R-35E, T-18S
	Unit O

CASING DETAIL

Surface Csg.	
Size:	13-3/8"
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Hole Size:	17-1/4"
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Sxs Cmt:	1650 sx
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Wt.:	15.5 & 17#
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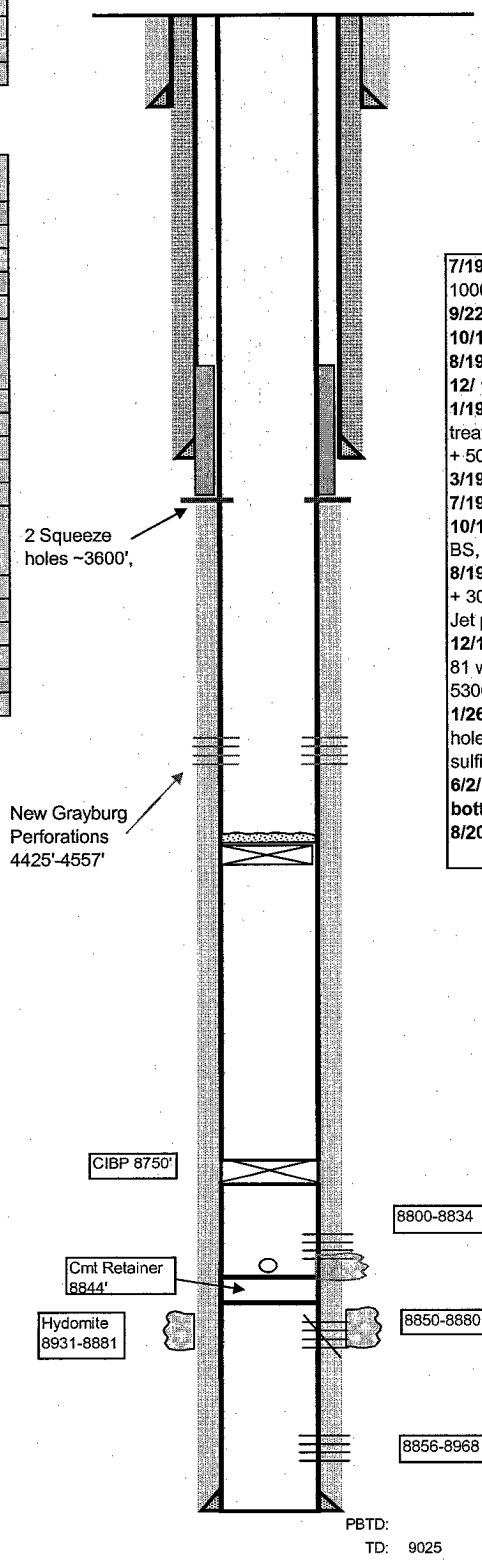
Sxs Cmt:	827 sx
TOC:	3600'
Hole Size:	7-7/8"

WELL ID INFORMATION

Lease Name	State AN #6
Field	Reeves Northwest Queen
Reservoir	Queen/Grayburg
Ref #	
API #	30-025-03106

KB:	
DF:	3972'
GL:	
Spud Date:	7/31/1962
Compl. Date:	9/16/1962



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UPDATED BY: Denise Wann
DATE: 10/7/2005

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Form C-102
Revised February 10,199
Instructions on bac
Submit to Appropriate District Offic
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Fee Lease - 3 Copie
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number	2 Pool Code	3 Pool Name
30-025-03106	97430	REEVES; QUEEN NORTHWEST

4 Property Code	5 Property Name	6 Well No.
30005	STATE 'AN'	6

7 OGRID Number	8 Operator Name	9 Elevation
4323	CHEVRON USA INC	3972' DF

10 Surface Location

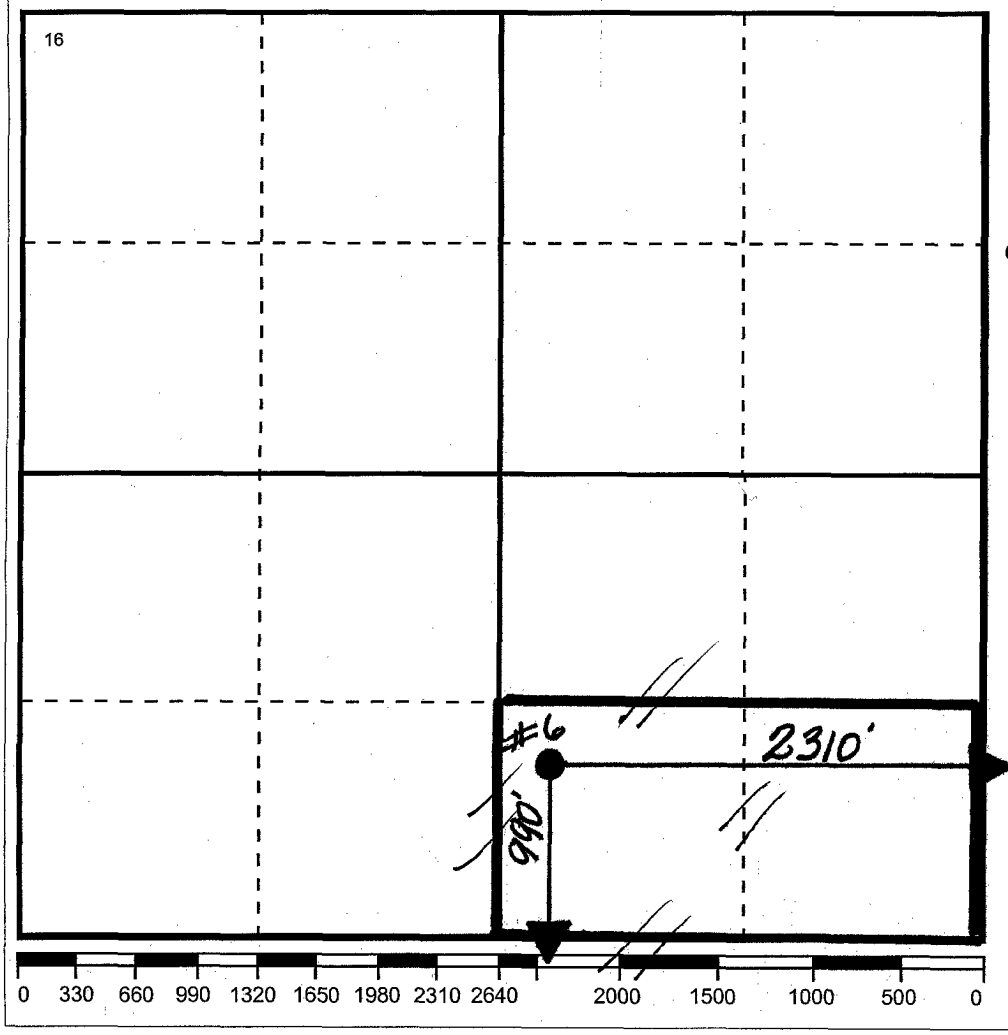
Ul or lot no	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
O	7	18S	35E		990	SOUTH	2310	EAST	LEA

11 Bottom Hole Location If Different From Surface

Ul or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County

12 Dedicated Acre	13 Joint or Infill	14 Consolidation Code	15 Order No.
40	No		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief

Signature: Denise Pinkerton

Printed Name: Denise Pinkerton

Positio: Regulatory Specialist

Date: 11/15/2006

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No.

DeSoto/Nichols 3/94 ver 1.10