

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
June 16, 2008

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

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SEP 17 2010
HOBSOCD

Submit to appropriate District Office

☐ AMENDED REPORT

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

| | | |
|--|---|---|
| ¹ Operator Name and Address CHEVRON U.S.A. INC. 15 SMITH ROAD MIDLAND, TEXAS 79705 | | ² OGRID Number 4323 |
| | | ³ API Number 30 - 025-33635 |
| ³ Property Code 18927 | ⁵ Property Name MONUMENT 12 STATE | |
| ⁹ Proposed Pool MONUMENT, DRINKARD North | | ¹⁰ Proposed Pool 2 |

⁷ Surface Location

| | | | | | | | | | |
|--------------------|---------------|------------------|---------------|---------|-----------------------|---------------------------|----------------------|------------------------|---------------|
| UL or lot no. L | Section 12 | Township 19-S | Range 36-E | Lot Idn | Feet from the 1650 | North/South line SOUTH | Feet from the 990 | East/West line WEST | County 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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|

Additional Well Information

| | | | | |
|--|---------------------------------------|-------------------------------------|------------------------------------|--|
| ¹¹ Work Type Code RC TO DRINKARD | ¹² Well Type Code O | ¹³ Cable/Rotary | ¹⁴ Lease Type Code S | ¹⁵ Ground Level Elevation 3733' GL |
| ¹⁶ Multiple NO | ¹⁷ Proposed Depth 7496' | ¹⁸ Formation DRINKARD | ¹⁹ Contractor | ²⁰ Spud Date |

²¹ Proposed Casing and Cement Program

| | | | | | |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
| NO CHANGE | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

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

CHEVRON U.S.A. INC. INTENDS TO RECOMPLETE THE SUBJECT WELL TO THE MONUMENT DRINKARD FIELD AND POOL.

ATTACHED, PLEASE FIND THE INTENDED PROCEDURE, WELLBORE DIAGRAM, C-102 PLAT & THE C-144 PIT INFORMATION.

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Plugback

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:
DENISE PINKERTON

Title:
REGULATORY SPECIALIST

E-mail Address:
leakejd@chevron.com

OIL CONSERVATION DIVISION

Approved by:

Title:
PETROLEUM ENGINEER

Approval Date: NOV 03 2010

Expiration Date:

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State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|---|--|---|--|--|------------------------------------|
| ¹ API Number 30-025-33635 | | ² Pool Code 96971 | | ³ Pool Name MONUMENT; DRINKARD NORTH (GAS) | |
| ⁴ Property Code | | ⁵ Property Name MONUMENT 12 STATE | | | ⁶ Well Number 4 |
| ⁷ OGRID No. 4323 | | ⁸ Operator Name CHEVRON U.S.A. INC. | | | ⁹ Elevation 3733' GL |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| L | 12 | 19-S | 36-E | | 1650 | SOUTH | 990 | WEST | 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 Acres 160 | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order 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.

| | | | |
|-------------------|---|--|--|
| ¹⁶ | ¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature _____ Date 09-16-2010 DENISE PINKERTON REGULATORY SPECIALIST Printed Name _____ | | |
| | 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 belief. Date of Survey _____ Signature and Seal of Professional Surveyor: _____ Certificate Number _____ | | |

September 3, 2010

Monument 12 State #4

Monument Field

T19S, R36E, Sec.12, 990' FWL 1650' FSL

Job: Plugback to the Drinkard formation and acidize perms

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Procedure:

1. *This procedure is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland office well files and computer databases as of August 24, 2010. Verify what is in the hole with the well file in the Eunice field office. Discuss with WEO Engineer, Workover Rep, OS, ALCR, and FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.*
2. Displace flowline with fresh water. Have field specialist close valve at header. Pressure line according to the type of line. Buried fiberglass lines will be tested with 300 psi. All polypipe (SDR7 and SDR11) will be tested w/100 psi. All steel lines will be tested w/1000 psi. If a leak is found, contact Donnie Ives for repair/replacement. If test is good, bleed off pressure and **open valve** at header. Document this process in the morning report. **Note:** **Prior to performing this step of the procedure, ensure that all valves, pipe, and fittings that will be exposed to test pressure are rated higher than the planned test pressure.**
3. MI & RU workover unit. Bleed pressure from well, if any. Pump down casing with 8.6 PPG cut brine water, if necessary to kill well. Unseat pump and POOH rods and pump. Examine rods for wear and pitting. If rods show paraffin, clean rods with 40 bbls fresh hot water and 70 gals PAO-104. ND WH.
4. Release TAC. Record tension on TAC. NU BOP's and test as required. TOOH tbg. Scan tubing while tripping out of hole with tbg. Send all non-yellow band pipe to 1788 yard. Set all yellow band pipe on nearby location. Remove bull plug from BHA and collect sample from mud anchor for Baker chemical rep. Pressure test casing to 500 psi.
5. MI & RU Baker Atlas electric line unit. Install lubricator and test to 2000 psi. GIH with gauge ring and junk basket for 5 ½" csg to 7132'. If unable to get below 7130', make cleanout run with bit and scraper with 2 7/8" workstring. PU 5 ½" CIBP and GIH and set CIBP at 7107'. GIH with 3 3/8" RHSC Gunslinger casing gun (0.42" EH & 47" penetration). Perforate the following intervals with 4 JSPF at 120 degree phasing, using 25 gram premium charges:
 - 6760'-6770'
 - 6771'-6776'

- 6780'-6784'

POH. TIH w/ dump bailer with cement. Dump 35' of cement on CIBP. POOH w/ wireline. RD and release electric line unit. **Note: Use CCL with Schlumberger CCL/GR/CBL log dated January 21, 1997 for depth correlation.**

6. PU and RIH with 2 7/8" EUE 8R L-80 workstring and treating pkr with 60' of tail pipe, hydrotesting to 6000 psi while RIH. Spot 100 gals 15% NEFE antisludge HCL acid over interval 6760'-6784'. PU and set pkr at 6550'. Load and test BS to 500 psi.
7. MI & RU Petroplex acid services. Pump into interval 6760'-6784'. **Note: Pickle tubing in 1 run of 250 gals acid prior to acidizing perfs. Pickle acid is to contain only 1/2 gal I-8 and 1 gal EP-3.** Pump 6000 gals 20% NEFE antisludge HCL acid at a rate of 6 BPM and max treating pressure of 6000 psi dropping a total of 180, 1.3 SG bio-balls. Drop slugs of 30 balls with every 1000 gals of acid. Displace with 8.6 PPG cut brine water. Do not overdisplace. Record ISIP, 5, 10, and 15-minute SIPs. Acid to contain:
 - 2 GPT I-8 Corrosion Inhibitor
 - 10 GPT FEplex Iron Control Agent
 - 20 GPT Petrosol Mutual Solvent
 - 2 GPT EP-3 Non-emulsifier

RD and release Petroplex. Shut in for 1 hour for acid to spend. GIH and swab back treated interval. Recover 100% of treatment and load volumes before shutting well in for night. Report recovered fluid volumes, pressures, and swabbing fluid levels to Production Engineer (Alex Moore).

8. Bleed pressure from well, if any. Release pkr. POH and LD 2 7/8" workstring with treating pkr. PU and GIH with 2 7/8" EUE yellow band production tubing string as per ALCR recommendation. ND BOP's and NU wellhead. GIH with rods, weight bars, and pump per ALCR recommendation. RDMO workover unit.
9. Turn well over to production. Notify field specialist when complete. Moises Brito 631-5076 or Kelly Devilbiss 631-9138.

Contacts:

| | | <u>Office</u> | <u>Cell</u> |
|-------------------|--------------------|---------------|--------------|
| Engineering: | Mike Howell | 432-687-7516 | 432-352-1823 |
| | Bob Hall | 432-687-7124 | 432-238-2186 |
| | Nami Southern | 432-687-7373 | 979-739-6088 |
| | Alex Moore | 432-687-7346 | 832-466-5622 |
| | Denise Wann | 432-687-7380 | 432-238-4238 |
| Geology: | Caleb Osborn | 432-687-7436 | 432-254-0056 |
| D&C: | Ivan Pinney | 432-687-7949 | 281-796-9252 |
| Operations: | Bobby Hill | 575-394-1245 | 575-631-9108 |
| | Danny Lovell | 575-394-1242 | 575-390-0866 |
| | Shannon Richardson | 575-394-1222 | 575-631-9049 |
| Peak Completions: | Randy Good | | 575-631-7543 |
| Schlumberger: | Hobbs Office | 575-393-6186 | |
| Baker Petrolite: | Dexter Nichols | | 575-390-4356 |
| Petroplex: | Steve Pendelton | 432-563-1299 | 432-556-4211 |

CURRENT WELL DATA SHEET

FIELD: Monument North

WELL NAME: Monument 12 State #4

FORMATION: Abo

LOC: 1650' FSL & 990' FWL
TOWNSHIP: 19S
RANGE: 36E

SEC: 12
COUNTY: Lea
STATE: NM

GL: 3733'
KB to GL:
DF to GL:

CURRENT STATUS: PR
API NO: 30-025-33635
REFNO: BJ5211

Date Completed: 2/4/97
Initial Formation: Abo

11-3/4", 42#, H-40 Csg
Set @ 422' w/260 sx cmt.
Circulated.

8-5/8", 23/24#, K-55/WC-50 Csg
Set @ 2810' w/850 sx cmt.
Circulated.

* Perf 7400'-7403', 7392'-7397', 7406'-7424', & 7427'-7441' w/2 JHPF (total 83 holes). Spot 300 gals 15% NEFE. Acdz w/1250 gals 15% NEFE dropping 120, 1.3 balls.

* Set RBP @ 7350'. Spot 300 gals 15% HCL acid. Perf 7157'-7180', 7195'-7257', & 7271'-7302' w/2 JHPF 120 deg. phasing (total 100 holes). Acdz w/1000 gals 7-1/2% HCL.

Subsequent Well Work:

* Tag Fill @ 7445'. C/O 7445'-7468'. PU RBP, Pkr, TIH w/BHA to 7466'. Set RBP. Pull Pkr to 7131'. Pmp 6000 gals anti-sludge 20% HCL and 6000 gals 20% acid fr 7157'-7441'. Spot acid to pkr w/12 bbls acid, move pkr to 7265'. Mve pkr to 7192'. Mve pkr to 7131'. Pmp 189 bbls acid. Swab. Rel pkr @ 7131'. TIH to 7456'. Wash balls off RBP. Latch onto RBP. TIH w/pmp and rods. Hang well on. (10/2008)

DV Tool @ 7077'

EOT @ 7427'
SN @ 7390'
TAC @ 7092'

7157'-7180'
7195'-7257'
7271'-7302'

7322'-7380' (01/1998)

7400'-7403'
7392'-7397'
7406'-7424'
7427'-7441'

PBTD 7468'

TD 7496'

5-1/2", 15.5/17#, K55 Csg
Set @ 7496' w/1200 sx cmt.
Circulated. FC @ 7403', DV tool @ 7077'

Updated by A. Moore on August 2, 2010.

PROPOSED WELL DATA SHEET

DRINKARD 97060

FIELD: Monument North

WELL NAME: Monument 12 State #4

FORMATION: ~~Abo~~

LOC: 1650' FSL & 990' FWL
TOWNSHIP: 19S
RANGE: 36E

SEC: 12
COUNTY: Lea
STATE: NM

GL: 3733'
KB to GL:
DF to GL:

CURRENT STATUS: PR
API NO: 30-025-33635
REFNO: BJ5211

Date Completed: 2/4/97
Initial Formation: Abo

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8-5/8", 23/24#, K-55/WC-50 Csg
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(Approximations)

EOT @ 6780'
SN @ 6750'
TAC @ 6400'

CIBP @ 7107'

35' cmt on top
of CIBP

PBTD 7468'

TD 7496'

6760'-6770'
6771'-6776'
6780'-6784'

DRINKARD

7157'-7180'
7195'-7257'
7271'-7302'

7322'-7380' (01/1998)

7400'-7403'
7392'-7397'
7406'-7424'
7427'-7441'

5-1/2", 15.5/17#, K55 Csg
Set @ 7496' w/1200 sx cmt.
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Updated by A. Moore on August 2, 2010.