

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-10
May 27, 20

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

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 Midcontinent L P P O Box 36366 Houston, TX 77236		² OGRID Number 241333
		³ API Number 30 - 045-28855
³ Property Code 4900	⁵ Property Name Nickels 11	
⁹ Proposed Pool 1 Basin Fruitland Coal (71629)		¹⁰ Proposed Pool 2

Surface Location

UL or lot no L	Section 11	Township 31N	Range 13W	Lot Idn L	Feet from the 1820'	North/South line South	Feet from the 920'	East/West line West	County San Juan
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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
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Additional Well Information

¹¹ Work Type Code Re-Enter	¹² Well Type Code Gas	¹³ Cable/Rotary	¹⁴ Lease Type Code Private	¹⁵ Ground Level Elevation 5693'
¹⁶ Multiple N	¹⁷ Proposed Depth 2080'	¹⁸ Formation Fruitland Coal	¹⁹ Contractor	²⁰ Spud Date 6/1/2008
Depth to Groundwater <u>20</u>		Distance from nearest fresh water well >1000		Distance from nearest surface water <u>4000</u>
Pit Liner Synthetic <u>12</u> mils thick Clay <input type="checkbox"/> Pit Volume _____ bbls Drilling Method Closed-Loop System <input checked="" type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12.25	8.625	24	350	250	0
7.875	5.5	17	2080	350	0

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.

This well was frac'd in 1994 and then P&A'd in 1996 No additional casing will be added to the original program Testing existing casing to 3500 PSI and adding 2 3/8" J-55 tubing to 1885'. Please see attached workover procedure for your review

RCVD MAY 21 '08

OIL CONS. DIV.

**NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT**

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Signature

Printed name: Pamela Rainey

Title: Regulatory Specialist

E-mail Address: PRCX@chevron.com

Date: 5/20/08

Phone: 281-561-4859

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: 5/23/08

Expiration Date MAY 23 2010

Conditions of Approval Attached ☐

No below grade pits
or Tanks - Vulnerable area

MAY 23 2008

aw

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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 30-045-28855	² Pool Code 71629	³ Pool Name Basin Fractured Coal
⁴ Property Code 302852	⁵ Property Name NICKLES 11	⁶ Well Number 2
⁷ GRID No. 24133	⁸ Operator Name CHEVRON MIDCONTINENT L.P.	⁹ Elevation 5693

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	11	31-N	13-W		1820	SOUTH	920	WEST	SAN JUAN

¹¹ Bottom Hole Location If Different From Surface

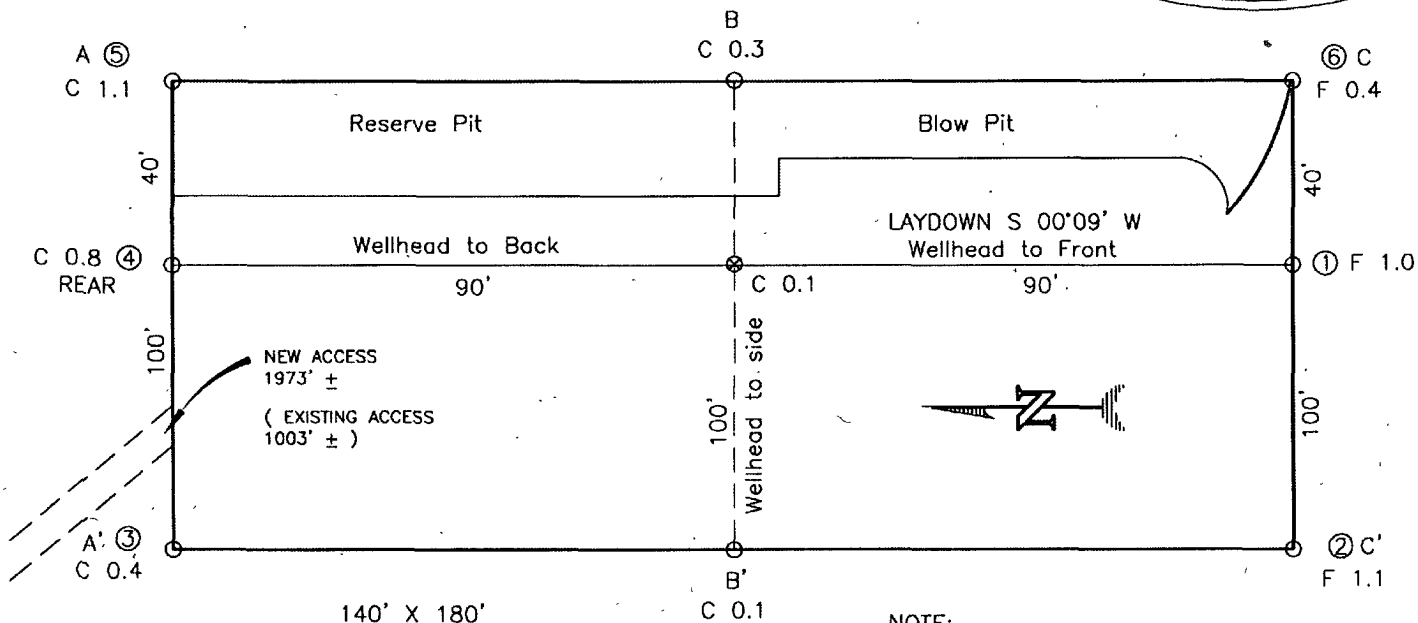
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 5/2 313.27Ac			¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.		

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

FD. 3 1/4" BC. 1952 B.L.M.						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: <u>Pamela Rainey</u> Date: <u>5/14/08</u> Printed Name: <u>Pamela Rainey</u>	
N 02-18-13 W 2636.15' (C)		LAT: 36.91218° N. (NAD 83) LONG: 108.17833° W. (NAD 83) LAT: 36°54'43.8516" N. (NAD 27) LONG: 108°10'41.9845" W. (NAD 27)					
CALC'D. CORNER		11					
920'		LOT 2 38.54 AC.		LOT 1 38.38 AC.			
N 00-11-00 E 2640.00' (C)		LOT 3 38.14 AC.		LOT 4 38.21 AC.			
FD. 3 1/4" BC. 1952 B.L.M.		S 89-29-21 E 2526.35' (M)		FD. 3 1/4" BC. 1952 B.L.M.		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. APRIL 28, 2008 Date of Survey Signature and Seal of Professional Surveyor: <u>[Signature]</u> 05-18894-08 PROFESSIONAL LAND SURVEYOR Certificate Number	

CHEVRON MIDCONTINENT, L.P.
 NICKLES 11 No. 2, 1820 FSL 920 FWL
 SECTION 11, T31N, R13W, N.M.P.M., SAN JUAN COUNTY, N.M.
 GROUND ELEVATION: 5693, DATE: APRIL 28, 2008

NAD 83
 LAT. = 36.91218° N
 LONG. = 108.17833° W
 NAD 27
 LAT. = 36°54'43.8516" N
 LONG. = 108°10'41.9845" W



NOTE:

DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO EXCAVATION OR CONSTRUCTION.

ELEV. A-A'

C/L

5700				
5690				
5680				
5670				

ELEV. B-B'

C/L

5700				
5690				
5680				
5670				

ELEV. C-C'

C/L

5700				
5690				
5680				
5670				

NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 510 • Farmington, NM 87499 Phone (505) 326-1772 • Fax (505) 326-6019 NEW MEXICO L.S. No. 8894	DATE:	REVISED BY:
	DATE:	DATE:
	DRAWN BY: G.V.	DATE: 05/07/08
	ROW#: CHEV027	





CHEVRON
Mid-Continent Business Unit
Coal Bed Methane

Nickles 11-2

San Juan County, New Mexico
Sec 11 – T 31N – R 13W
Field: La Plata
API: 30-045-28855
CHEVNO:
WBS:

Date: April 8, 2008

Revised:

Prepared by: Anne Djuanda

Production Engineers: Anne Djuanda/
ahml@chevron.com
(281) 561-4724/

Jim Micikas
micikjd@chevron.com
(281) 561-4860

Workover Engineer: Cuong Truong / CT
truonch@chevron.com
(281) 561-3872

Pumper: Nick Sherman
(970) 759-3361

STATUS: WELL WAS P&A'D IN 1996. FRAC'D IN 1994 AND WENT OUT OF ZONE. WELL NEVER PRODUCED TO POTENTIAL. MAX RATE 10 MSCF/D AND 3 BWPD.

PROJECT SCOPE: RE-ENTER P&A'D WELL. RE-COMPLETE AND RETURN TO PRODUCTION

1. DRILL OUT 5 CEMENT PLUGS, THROUGH PLUG MUD, AND CEMENT RETAINER
2. CLEAN OUT TO PBTD.
3. TEST CASING TO 3500 PSI
4. RE PERF AND RE-FRAC BASAL COAL SECTION
5. PERF AND FRAC UPPER FRUITLAND COAL SECTION
6. LAND NEW 2-3/8" J-55 TUBING. LAND RUMP AND RODS.
7. INSTALL DYNASAVE PUMPING UNIT.

Procedure

1. Install and test rig anchors. Record test results. Prepare workover pit. Comply w/ all BLM and Chevron HES Regulations.
2. PUT LO/TO on well. Bleed down any pressure if present.
3. MI and R/U rig. Conduct safety meeting w/ all personnel on location.



4. ND Wellhead, NU cleanout spool, BOP's with 1- 6" blooie line or 2- 3" flow back lines to pit. Pressure test BOP's. Record test.
5. PU 4-3/4" bladed bit, bit sub, 6 - 3-1/2" slick DC, 2-3/8" WS with 5-1/2" watermelon mill. RIH with working string. Tag fill. Drill out PBTD to TD @ 1930'. C/O to new PBTD=TD @ ~1930'. Break circulation. Circ hole clean with 2% KCl water w/ biocide.
 - a. Watch workstring weight and note if there is significant weight change from 1790' to 1822'. Cement plug #1 (see WBD) top may not be below retainer. Record approx TOC plug #1 if there is significant weight change.
6. Pump in with water with workstring and see if any pressure buildup is seen. Record pressure build up.
 - a. If vol of water pumped circ back, then shut down and RU wireline for CBL/CCL/GR log to verify integrity of cement behind 5-1/2" liner.
 - b. If vol of water pumped is not circ back, then shut down and prepare for cement operations.
7. POOH with workstring
8. Test casing. Record test results at each stage for BLM records.
 - a. PU RBP and set to ~1500'. Load with 2% KCl water treated with biocide and test csg to 3000#.
 - b. RIH and latch on RBP and move up to 1200'. Load water and test csg.
 - c. RIH and latch on RBP and move up to 600'. Load water and test csg. If casing doesn't test prepare for remediation plans.
9. POOH with RBP and workstring.

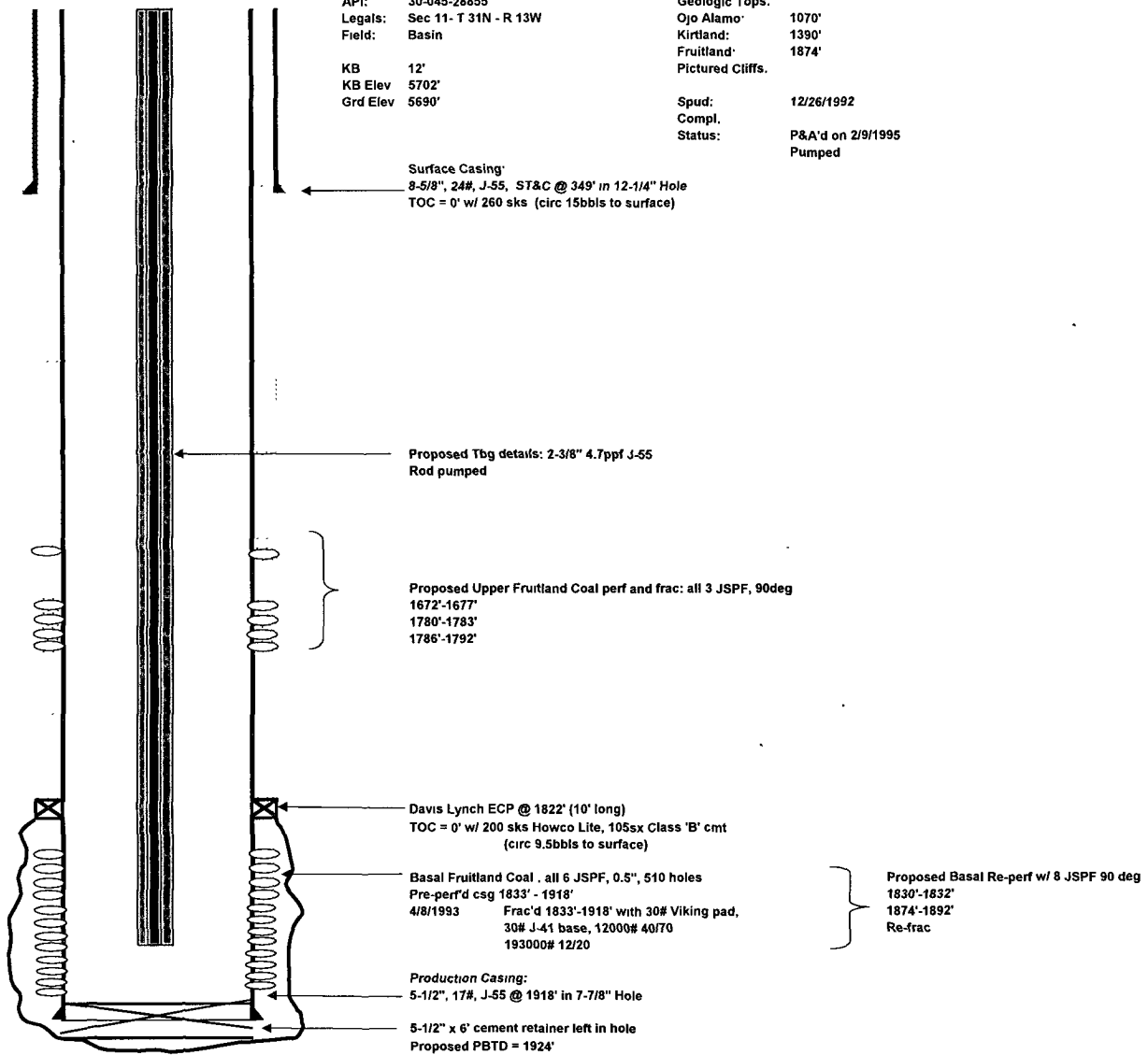
Cement Operations, steps 10-12:

10. RIH 5-1/2" cement retainer on 2-3/8" workstring. POOH.
11. PU 2-3/8" workstring w/ snap-latch setting tool and sting onto cement retainer. Start pumping cement. Watch casing pressure. Shut down cement pumps when pressure is seen.
12. PU 4-3/4" bladed bit, bit sub and DC's on 2-3/8" workstring. Drill out cement inside 5-1/2" liner to top of cement retainer PBTD @ ~1924'. Break circulation with 2% KCl water w/ biocide.

Note: Cement retainer will be kept as new PBTD
13. RIH with wireline 4" HEGS and perf Basal coal 8 JSPF at 90deg at 1874'-1892', 1830'-1832'. POOH after 2nd run.
14. RD wireline. MIRU frac equipment. Frac Basal Coal
15. RU wireline and set CBP @ 1810' with 4" HEGS and perf Upper Fruitland coal 3 JSPF at 90deg @ 1786'-1792', 1780'-1783', 1672'-1677' all inclusive. RD wireline.
16. RU 4-3/4" bit, bit sub and 3-1/2" DC on 2-3/8" WS and drill out CBP @ 1810'. C/O to PBTD at 1924' and break circulation. Report any frac sand and/or coal returns.



Nickles 11-2 - P&A
San Juan County, New Mexico
Proposed Well Schematic as of 4-1-2008

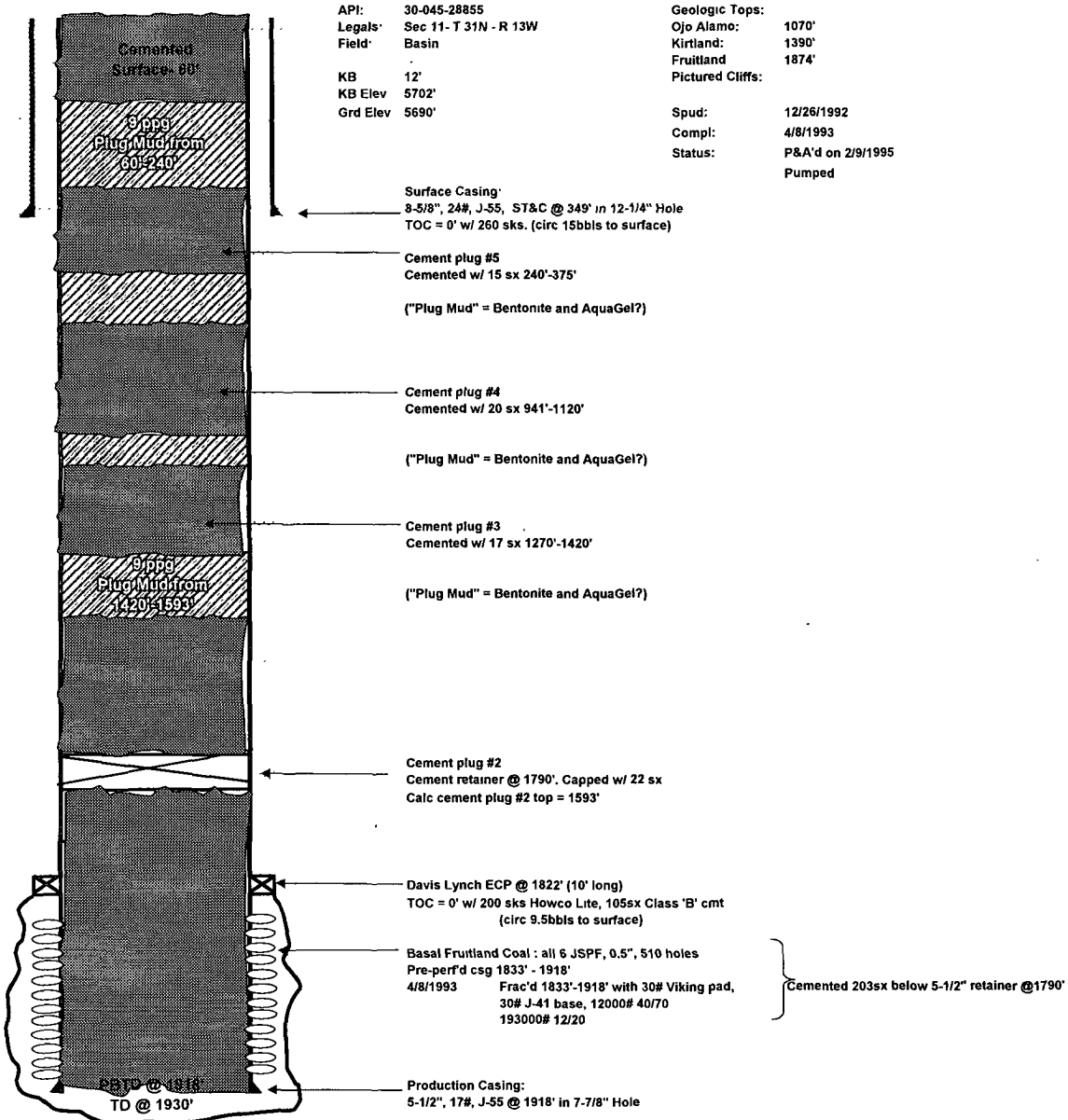


Prepared by: Anne Djuanda
Date: 4/1/2008

Revised by: Anne Djuanda
Date: 4/8/2008



Nickles 11-2 - P&A
San Juan County, New Mexico
Current Well Schematic as of 4-1-2008



Prepared by: Anne Djuanda
Date: 4/1/2008

Revised by:
Date:



17. RU wireline and Protechnics. Run Protechnics spinner survey from 1660' to 1910'.
18. POOH. RD wireline. Release same. Send spinner surveys to production engineers and workover engineer listed above
19. POOH with 2-3/8" tubing and wireline re-entry guide.
20. PU Muleshoe and Seating Nipple and RIH with new 2-3/8" 4.7ppf J-55 tubing. Land well w/ EOT @ ~1885'
21. ND Cleanout spool, BOP, 6" blooie or 3" flow back lines. NU wellhead.
22. PU rods and 1-1/4" insert pump
23. Install new DynaSave pumping unit.
24. Call pumper of new well conditions and notify to be on location to start up PU.
25. RD WO rig and MOL
26. Turn well to production