

District I
 1625 N. French Dr., Hobbs, NM 88240
 Phone: (575) 393-6161 Fax: (575) 393-0720
District II
 811 S. First St., Artesia, NM 88210
 Phone: (575) 748-1283 Fax: (575) 748-9720
District III
 1000 Rio Brazos Road, Aztec, NM 87410
 Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505
 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Form C-101
 Revised November 14, 2012

Energy Minerals and Natural Resources

Oil Conservation Division

AMENDED REPORT

1220 South St. Francis Dr.

Santa Fe, NM 87505

HOBBS OCD
JAN 28 2013

RECEIVED

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

1. Operator Name and Address CHEVRON MIDCONTINENT, L.P. 15 SMITH ROAD MIDLAND, TEXAS 79705		2. OGRID Number 241333
		3. API Number 30-025-29546
4. Property Code	5. Property Name LOVINGTON DEEP STATE	6. Well No. 1

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	I	17-S	35-E		823	NORTH	581	EAST	LEA

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County

9. Pool Information

SHOE BAR, SAN ANDRES, SOUTH	Pool Name WC-025 G-01 5173501A; SAN ANDRES	Pool Code NEW POOL 97999
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Additional Well Information

11. Work Type RECOMPLETE	12. Well Type OIL	13. Cable/Rotary	14. Lease Type STATE	15. Ground Level Elevation 3932' GL
16. Multiple	17. Proposed Depth	18. Formation SAN ANDRES	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
			NO CHANGE			

Casing/Cement Program: Additional Comments

Permit Expires 2 Years From Approval
 Date Unless Drilling Underway

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer

NSL-2640

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 I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/> , if applicable. Signature: <i>Denise Pinkerton</i> Printed name: DENISE PINKERTON Title: REGULATORY SPECIALIST E-mail Address: leakejd@chevron.com Date: 01-23-2013	OIL CONSERVATION DIVISION	
	Approved By: <i>[Signature]</i> Title: Petroleum Engineer Approved Date: JAN 30 2013 Expiration Date:	
Phone: 432-687-7375	Conditions of Approval Attached	

Well: Lovington Deep State No. 1
Field: Lovington
API No.: 30-025-29546
Lea County, New Mexico

Description of work: Find casing leak & P&A the 5-1/2" casing. (On P&A WBS)

Pre-Work:

1. Check Wellhead connections for pressure ratings and condition. Change out if necessary.
2. Utilize the rig move check list.
3. Check anchors and verify that pull test has been completed in the last 24 months.
4. Ensure location of & distance to power lines is in accordance with MCA SWP. Complete and electrical variance and electrical variance RUMS if necessary.
5. Ensure that location is of adequate build and construction.
6. Ensure that elevators and other lifting equipment are inspected. Caliper all lifting equipment at the beginning of each day or when sizes change.
7. When NU anything over and open wellhead (EPA, etc.) ensure the hole is covered to avoid dropping anything downhole
8. For wells to be worked on or drilled in an H2S field/area, include the anticipated maximum amount of H2S that an individual could be exposed to along with the ROE calculations for 100 ppm and 500 ppm (attached).
9. If the possibility of trapped pressure exists, check for possible obstruction by:
 - Pumping through the fish/tubular – this is not guaranteed with an old fish as the possibility of a hole above the obstruction could yield inconclusive results
 - Dummy run – make a dummy run through the fish/tubular with sandline, slickline, eline or rods to verify no obstruction. Prior to making any dummy run contact RE and discuss.

If unable to verify that there is no obstruction above the connection to be broken, or if there is an obstruction:

- Hot Tap at the connection to check for pressure and bleed off
Observe and watch for signs / indicators of pressure as connection is being broken. Use mud bucket (with seals removed) and clear all non-essential personnel from the floor.

Procedure:

1. MIRU PU. Check wellhead pressure, and kill well as necessary.
2. Pull and lay down rods and pump. Inspect rods for signs of wear, corrosion, scale, etc. Note any rod damage in WellView. (Will run back in hole with rods that pass inspection, send excess rods, if any, to 1788 yard – see attached rod string design)
3. ND wellhead. NU 5,000 psi BOP with 2-3/8" pipe rams over blinds with hydrill on top. Unset TAC. RIH with 1 joint of tubing and 9-5/8" packer. Set packer. Test BOP to 250 psi low / 500 psi high.
4. POOH with packer & continue to TOH with 2-3/8" tubing while scanning. Lay down bad joints. Lay down packer. Inspect packer and repair. (Will need at least 168 jts of tubing, send any excess to 1788 yard)

Well: Lovington Deep State No. 1
Field: Lovington
API No.: 30-025-29546
Lea County, New Mexico

5. Change out BOP rams to 2-7/8" rams. RIH with 1 joint of tubing and 9-5/8" packer. Set packer. Test BOP to 250 psi low / 500 psi high.
6. RU wireline. Make dummy run w/ gauge ring to 11,050'. If clear, continue to step 7. If cannot get down, RIH with a 4-5/8" MTB on the end of 2-7/8" work string, making a cleanout run to 11,050'.
7. PU 5-1/2" packer and RBP on 2-7/8" work string. Set RBP @ 10,000'. Test RBP, test back side. If there is a leak, find & establish pump-in rate and pressure.
8. RU wireline. Get on depth with Schlumberger's 'Simultaneous Compensated Neutron Litho Density' log dated 3/30/86 (copy attached). Set CIBP at 11,042'.
9. Dump bail 13sxs cement plug across DV tool (Class H, 1.06 cuft/sk, 16.4 ppg) from 11,042' - 10,942'. POH.
10. PU CIBP. Get on depth with Schlumberger's 'Simultaneous Compensated Neutron Litho Density' log dated 3/30/86 (copy attached). Set CIBP at 10,650'.
11. Dump bail 5 sxs, 35' of cement (Class H, 1.06 cuft/sk, 16.4 ppg) on top of CIBP.
12. PU CIBP. Get on depth with Schlumberger's 'Simultaneous Compensated Neutron Litho Density' log dated 3/30/86 (copy attached). Set CIBP at 10,100'.
13. Dump bail 35' of cement (Class H, 1.06 cuft/sk, 16.4 ppg) on top of CIBP.
14. Rig down wireline.
15. TIH with 2-7/8" work string open ended and spot 9.5 ppg abandonment fluid from 10,015' - 7,500' (Abandonment fluid must be mixed at 25 sx of gel per 100 bbls of brine water). Pull up hole to 7,500'.
16. Spot balanced cement plug (Class H, 1.06 cuft/sk, 16.4 ppg, 62 sxs) from 7,500' - 7,000'. Pull uphole to 7,000' and reverse circulate clean.
17. Spot 9.5 ppg abandonment fluid from 7,000' - 5,750' (Abandonment fluid must be mixed at 25 sx of gel per 100 bbls of brine water). Pull uphole to 5,750'.
18. RU wireline. Get on depth with Schlumberger's 'Simultaneous Compensated Neutron Litho Density' log dated 3/30/86 (copy attached). Perf the 5-1/2" liner at 5,750'.
19. Rig Down Wireline
20. Attempt to pump cement (Class C, 1.36 cuft/sk, 13.1 ppg) into 5-1/2" annulus.
21. Spot balanced cement plug (Class C, 1.36 cuft/sk, 13.1 ppg, 77 sxs) from 5,750' - 5,150'. Pull uphole to 5,150' and reverse circulate clean.
22. Allow cement to set, RIH w/ tubing OE and tag TOC. Test to 530# for 30 minutes to ensure plug is holding.
23. POOH with 2-7/8" work string.

Well: Lovington Deep State No. 1
Field: Lovington
API No.: 30-025-29546
Lea County, New Mexico

Description of work: Recomplete in the SA. (On separate WBS, not on P&A WBS)

1. Rig up wireline truck. Get on depth with Schlumberger's 'Borehole Compensated Sonic Log' dated 3/31/86 (copy attached). RU Lubricator, close blind rams and test lubricator to 500 psi. RIH with Baker Hughes 4-1/2" EHC Predator XP. Perforate the 9-5/8" casing with 2 JSPF (90 degree phasing) as follows:
 - 4,867' – 4,877' (20 total holes)
 - 4,916' – 4,926' (20 total holes)
 - 4,950' – 4,958' (16 total holes)
 - 5,009' – 5,016' (14 total holes)
2. POOH with perforating gun.
3. Rig down wireline truck. Prepare to acid stimulate.
4. RIH with 9-5/8" treating packer on 2-7/8" workstring. Test tubing to 6,000 psi below slips while RIH.
5. Set packer at 4,767'.
6. Acidize San Andres perms from 4,867 – 5,016' with 4,000 gal 15% HCL. Divert using 105, 1.2 SG 7/8" bio-balls and drop in groups of 15. Pump acid at 6-8 BPM. Max Pressure = 5,000 psi. Displace acid with FW to bottom perf at 5,016'. Monitor casing pressure for communication around packer.
7. Shut-in for 2 hours to allow acid to spend and bio-balls to break.
8. Flow or swab load back monitoring fluid entry and oil cut.
9. Release packer. POOH with packer and work string.
10. Change out BOP rams to 2-3/8" rams. RIH with 1 joint of tubing and 9-5/8" packer. Set packer. Test BOP to 250 psi low / 500 psi high.
11. PU and RIH with 2-3/8" production tubing as per ALCR recommendation.
12. RD BOP and install WH.
13. RIH with pump and rods as per ALCR.
14. Put on production and test.

RRW 10/19/2012

Contacts:

Lovington Deep State No. 1 Wellbore Diagram

Created: <u>09/20/11</u>	By: <u>PTB</u>	Well #: <u>1</u>	St. Lse: _____
Updated: _____	By: _____	API: <u>30-025-29546</u>	_____
Lease: <u>Lovington Deep State</u>	_____	Unit Ltr.: <u>A</u>	Section: <u>1</u>
Field: _____	_____	TSHR/Rng: <u>17S / 35E</u>	_____
Surf. Loc.: <u>823' FNL & 581' FEL</u>	_____	Unit Ltr.: _____	Section: _____
Bot. Loc.: _____	_____	TSHR/Rng: _____	_____
County: <u>Lea</u>	St.: <u>NM</u>	Directions: <u>Buckeye, NM</u>	_____
Status: <u>Producer</u>	_____	Chevno: <u>IE9321</u>	_____

Surface Casing

Size: 13-3/8"
 Wt., Grd.: 48#, H-40
 Depth: 464'
 Sxs Cmt: 550
 Circulate: Yes; 25 sx
 TOC: Surface
 Hole Size: 17-1/2"

KB: 3952'
 DF: _____
 GL: 3932'
 Ini. Spud: 01/30/86
 Ini. Comp.: 07/01/86

Intermediate Casing

Size: 9-5/8"
 Wt., Grd.: 40#, L-80 & K-55
 Depth: 5695'
 Sxs Cmt: 3,300
 Circulate: Yes; 50 sx
 TOC: Surface
 Hole Size: 12-1/4"

DV Tool @ 10,992'

Cement plug from 5,150' - 5,350'
 Liner top @ 5241'

Production Casing

Size: 5-1/2"
 Wt., Grd.: 17#, S-95&L-80
 Depth: 12,825'
 Sxs Cmt: 550 sx
 TOC: 6885' - CBL
 Hole Size: 8-3/4"

Cement plug from 7,000' - 7,500'

Perforations

Producing: 4,867 - 5,016'

CIBP @ 10,100' capped w/ 35' cmt.
 Wolfcamp Perfs: 10,128"-10,368' (added 11/93)
 CIBP @ 10,650' capped w/ 35' cmt.
 Penn Perfs: 10,694"-10,765' (added 3/89)
 Cement plug across DV tool from 10,942 - 11,042'
 Cement Retainer @ 12,510' capped w/ 25' cmt
 DVN Perfs: 12,589"-12,641'
 CIBP @ 12,648'
 DVN Perfs: 12,657'
 CIBP @ 12,725'
 DVN Perfs: 12,742"-12,761' (sqz'd)
 Cement Retainer @ 12,767'
 DVN Perfs: 12,770"-12,802' (sqz'd)

Detailed Perfs:

4,867 - 77', 4,916 - 26', 4,950 - 58'
 5,009 - 16'

Squeezed:

10,128 - 64', 10,196 - 220', 10,221 - 44'
 10,245 - 60', 10,261 - 72'
 10,273 - 305', 10,348 - 68'
 10,694 - 704', 10,720 - 50', 10,761 - 65'
 12,589 - 601', 12,609 - 13', 12,613 - 19'
 12,623 - 25', 12,629 - 31', 12,632 - 41', 12,645 - 49'
 12,657', 12,658 - 67', 12,674 - 79', 12,685 - 91'
 12,742 - 48', 12,757 - 61', 12,770 - 80'
 12,784 - 802'

