

III

Well Data

VGSAU 134 WIW

API # 30-025-36682

2630' FSL & 1980' FWL

SEC 1, UL "K", TWN 18-S, Range 34-E, County Lea

ELEVATION: 3985' GL, 3991' KB

Completed: 6/8/2004

Surface Casing:

12 1/4" hole

34 JTS 8 5/8" csg - 24#, J55

set @ 1551'. Cemented w/ 620 sx 35:65 POZ class "C"

cmt +6% gel+ 2% CaCl₂+0.25 PPS Celloflake, 12.8

ppg, followed by 200 Sx cl "C"+ 2% CaCl₂ cmt 14.8

ppg. 118 Sx cement to surface. (5/19/04)

Production Casing:

7-7/8" hole

96 JTS 5-1/2" csg - 15.5#, K55, LTC

set @ 4449'.

Lead: 650 sx 35/65 POX cl "C"+5% Salt+6% gel+0.25 pps

Celloflake, 12.8 ppg cmt

Tail: 400 sx 50:50 POX cl "C"+ 5% Salt+ 2% Gel+ 0.25 pps

Celloflake. 14.2 ppg cmt

Circulated 171 Sx of cmt to surface. Well was dead after

Job. (5/24/04)

TOC @ 1400' based on CBL.

Perforation Intervals & Initial Stimulation:

Intervals: 4217-4229 (12'), 4260-4283 (23'), 4292-4320 (28'), 4323-4331 (8'), 4342-4370 (28'), 4374-4386 (12'), 4392-4420 (28') perforations w/ 2 spf @ 120 deg phasing. Total of 139' (278 holes). (8-jun-2004)

Stimulation: Pump 8,000 gls acid 15% HCl in 4 stages, 2000 gls acid & 55 ball sealers (1.3 sg) per stage. Rate: 8-10 bpm.

Diversion: 3000 # Rock Salt. 500, 1000 and 1500 # in between stages. (8-jun-2004)

Last Workover:

17-24 May 2004: Drilled 10 Acr Injector: Flow checks @ 4309 w/ 14 bph, 4373 w/ 48 bph. SIDP = 250 psi in 15 minutes. Drilled 7 7/8" hole to 4450'. Log Open hole. Run 96 JTS of 5 1/2" casing. Set @ 4449'. Cement to surface w/ 1050 Sx of clas "C" cement.

1-8 June 2004: Completion: Tag Landing Collar @ 4402'. Drill to 4439'. Perforate intervals 4217-4229 (12'), 4260-4283 (23'), 4292-4320 (28'), 4323-4331 (8'), 4342-4370 (28'), 4374-4386 (12'), 4392-4420 (28') perforations w/ 2 spf @ 120 deg phasing. Total of 139' (278 holes). Set packer @ 4172'. Acid w/ 8000 gls 15% HCl, 220 ball sealers and 3000# rock salt in 4 stages. Each stage w/ 2000 gls acid and 55 ball sealers. In between the stages pump 500, 1000 and 1500 # rock salt. Average rate=7.1 bpm, Avg pressure=2240#, Max press=5320 psi, ISIP=2070 psi, 5 min SI=1859 psi, 15 min SI=1849 psi. Flowed back 300 bbls. C/O rock salt and ball sealers. PBTD @ 4439'.

Run 131 Jts 2 3/8" duolined tbg, 5 1/2" Hudson Lock set packer Nickle Plated. Set packer @ 4152.82' Tested @ 500 psi. Test Good.

INJECTION EQUIPMENT:

4143'- 2 3/8" Duolined Tubing

1- 5 1/2" Hudson Lock set packer Nickle Plated

Packer Estimated Setting Depth: 4153'

Zones

Top	Depth	Interval
GB Marker		
GB Dol Top	4,196	72
GB Dol Bott	4,232	36
San Andres	4,268	217
Lovington	4,485	
LSA		
O/W	4,710	

TOTAL

325

PBTD @ 4439'

COMMENTS AND RECOMMENDATIONS:

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. 1st Street, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources

Form C-101
Revised March 17, 1999

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

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ 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
⁴ Property Code 30022	⁵ Property Name Vacuum Grayburg San Andres Unit	³ API Number 30- 025-36681 ⁶ Well No. 134

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
K	1	18-S	34-E		2630	South	1980	West	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

Vacuum Grayburg San Andres

¹⁰ Proposed Pool 2

¹¹ Work Type Code N	¹² Well Type Code Injection	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3985'
¹⁶ Multiple N	¹⁷ Proposed Depth 4450'	¹⁸ Formation San Andres	¹⁹ Contractor	²⁰ Spud Date 4/26/04

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	1550'	1200	
7 7/8"	5 1/2"	15.5#	4850'	850	

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.

CEMENTING PROGRAM:

SURFACE CASING: LEAD: 545 sx Poz Class C Cement + 6% Bentonite + 2% Calcium Chloride + 0.25 pps Celloflake. TAIL: 200 sx Class C Cement + 0.25 pps Celloflake + 2% Calcium Chloride.
PRODUCTION CASING: LEAD: 320 sx Poz Class C Cement + 6% Bentonite + 5% Sodium Chloride + 0.25 lb/sx Celloflake. TAIL: 305 sx Poz Class C Cmt + 5% Sodium Chloride + 2% Bentonite + 0.25 lb/sx Celloflake.
BOP PROGRAM: Type Working Pressure Test Pressure Manufacturer
Pipe 3000 1500 Shaffer
Blind 3000 1500 Shaffer

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

Signature: *Laura Skinner*
Printed name: Laura Skinner

Title: Regulatory Specialist

Date: 4/23/04

Phone: (432) 687-7355

OIL CONSERVATION DIVISION
ORIGINAL SIGNED BY:

Approved by: PAUL F. KAUTZ
PETROLEUM ENGINEER

Title:
Approval Date: APR 26 2004 Expiration Date:

Conditions of Approval:
Attached ☒

C-101/C-144 DRILLING PIT REGISTRATION CODITIONS OF APPROVAL

API number:	30-025-36681		
OGRID:	4323	Operator:	CHEVRON U S A INC.
			15 SMITH RAOAD
			MIDLAND TX 79705
		Property:	VACUUM GB-SA UNIT # 134

surface	ULSTR:	K	1	T	18S	R	34E
			2630	FSL	1980	FWL	

XXXXXX	Pit must be lined with a minimum of a 12 mil re-enforced or 20 mil re-enforced liner.
XXXXXX	The pit must be deep enough so that when pit is closed it can be covered with 3 feet of dirt and surface leveled
	If the pit is to be encapsulated in place, the liner is to be a minimum thickness of 20 mil re-enforced liner
XXXXXX	When using a 12 mil nylon re-enforced liner. The contents of the pit must be removed along with the liner and disposed of in an approved facility within 6 months of completion of the well.
	When using a 20 mil liner. The pit must be closed within 6 months of completion of the well.
XXXXXX	This site has a Ranking Score of 20 points or higher. The contents of the pit must be removed along with the liner and disposed of in an approved facility within 6 months of completion of the well.
XXXXXX	Before pit is closed, submit a subsequent Form C-144 along with any additional information which may be applicable to the appropriate NMOCD District Office for approval.
XXXXXX	Notify appropriate NMOCD District Office by E-mail 48 hrs prior to closing pit.
XXXXXX	The operator is required to comply with NMOCD guidelines.
XXXXXX	OCD approval does not release the operator of its responsibilities for compliance with any other federal, state, or local laws and/or regulations.

Drilling Pit Registration Approval

District Supervisor Chris Williams
District Geologist Paul F Kautz

505-393-6161

ext 102

ext 104

Drilling Pit closure

Environmental Spec Larry Johnson
Environmental Spec Paul Sheeley

505-393-6161

ext 111 lwjohnson@state.nm.us

ext 113 psheeley@state.nm.us

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

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

Form C-144
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☐ Closure of a pit or below-grade tank ☐

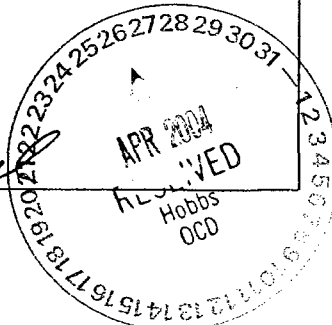
Operator: <u>Chevron U. S. A. Inc.</u> Telephone: _____ e-mail address: _____		
Address: <u>15 Smith Road - Midland, Texas 79705</u>		
Facility or well name: <u>Vacuum GB SA Unit No. 134</u> API #: <u>20-024-76681</u> U/L or Qtr/Qtr <u>K</u> Sec <u>1</u> T <u>18S</u> R <u>34E</u>		
County: <u>Lea</u> Latitude _____ Longitude _____ NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> Surface Owner Federal <input type="checkbox"/> State <input checked="" type="checkbox"/> Private <input type="checkbox"/> Indian <input type="checkbox"/>		
Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>12</u> mil Clay <input type="checkbox"/> Volume <u>3856</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> If not, explain why not. _____	
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet <u>100 feet or more</u>	(20 points) (10 points) (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes <u>No</u>	(20 points) (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	<u>Less than 200 feet</u> 200 feet or more, but less than 1000 feet 1000 feet or more	(20 points) (10 points) (0 points)
	Ranking Score (Total Points)	(20 points)

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

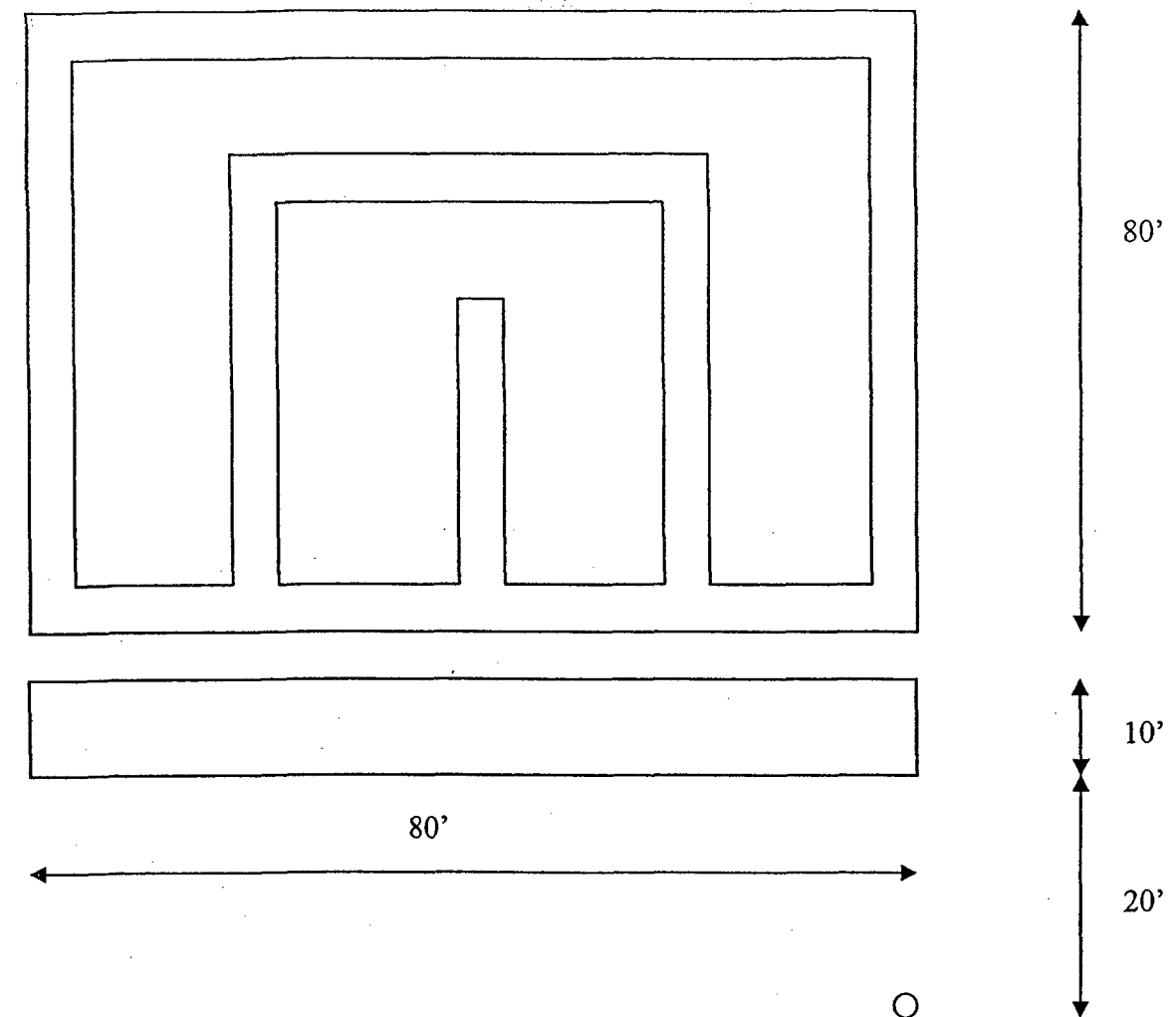
onsite ☐ offsite ☐ If offsite, name of facility: _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	
Date: <u>4/23/04</u>	
Printed Name/Title <u>Jason LaGrega - Drlg Engr.</u>	Signature _____
Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.	
Approval: Date: <u>APR 26 2004</u> Printed Name/Title _____	ORIGINAL SIGNED BY PAUL F. KAUTZ PETROLEUM ENGINEER Signature _____

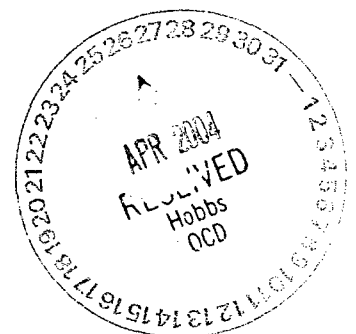
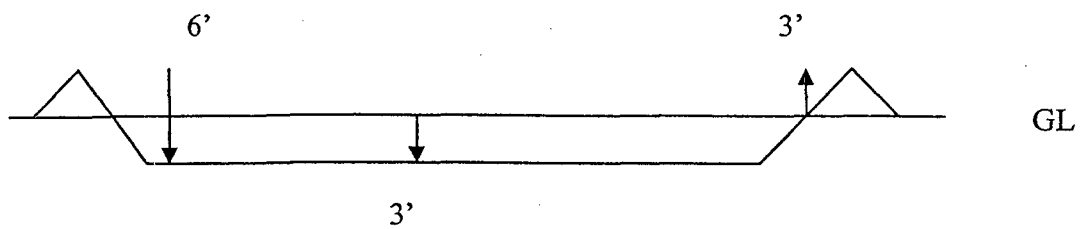
See Conditions of Approval



VGSAU Pit Design



Wellbore



ChevronTexaco

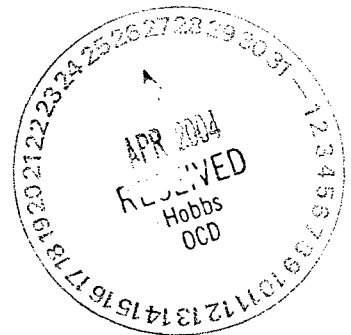
April 23, 2004

To whom it may concern,

I, Jason LaGrega, Drilling Engineer for ChevronTexaco, hereby certify that the pit design and construction for the Vacuum Grayburg San Andres Unit wells #132 and #134 are according to the guidelines for a standard pit for CapStar Rig #16.

Sincerely,


Jason LaGrega



DISTRICT I
P. O. Box 980, Hobbs, NM 88240

DISTRICT II
P. O. Drawer 30, Artesia, NM 88210

DISTRICT III
1200 R. B. Brazos Rd., Aztec, NM 87410

DISTRICT IV
P. O. Box 2058, Santa Fe, NM 87504-2058

State of New Mexico
Energy, Minerals and Natural Resources Department

Form O-102
Revised February 10, 1994

Instructions on back

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Submit to Appropriate District Office

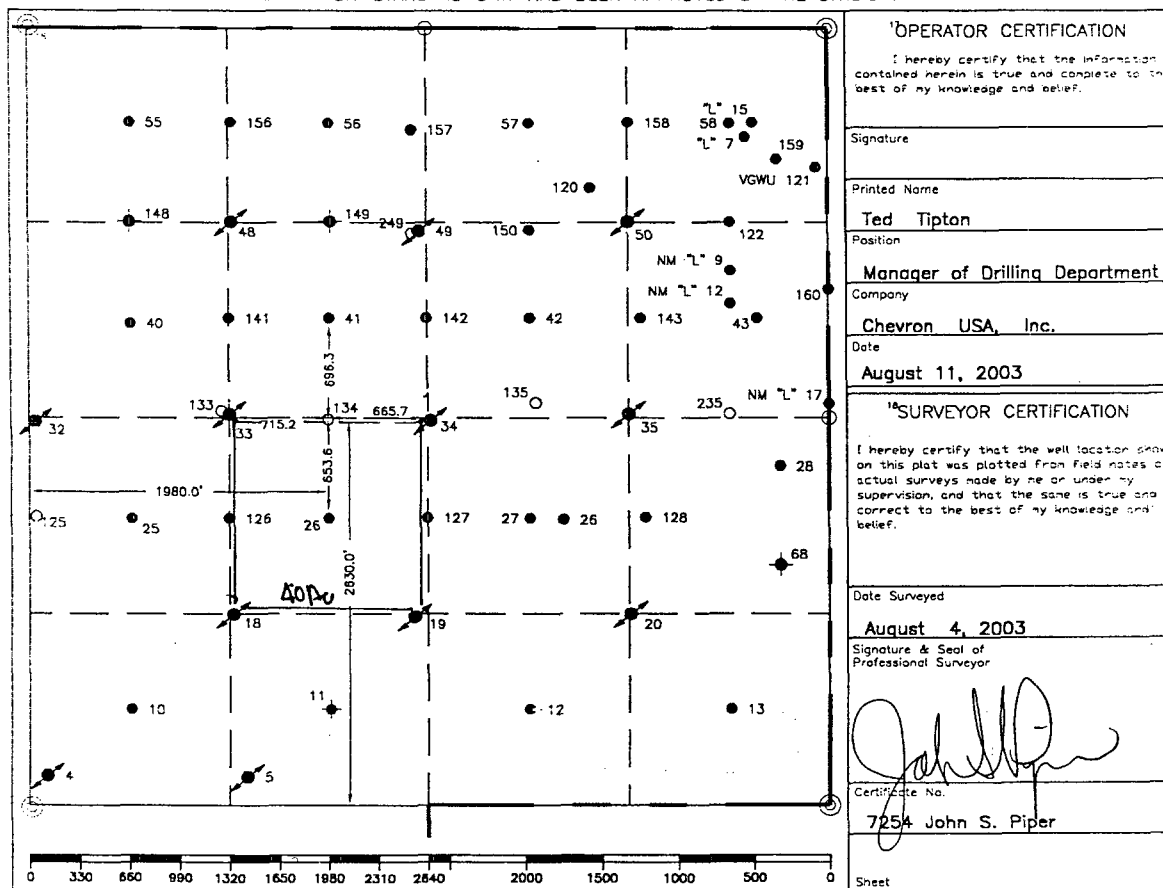
State Lease-4 copies
Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30-025-76681		2 Pool Code 62180		3 Pool Name Vacuum Grayburg San Andres					
4 Property Code 30022		5 Property Name Vacuum Grayburg San Andres Unit			6 Well Number 134				
7 SECID No. 4323		8 Operator Name Chevron USA Inc.			9 Elevation 3985'				
10 Surface Location									
11 Dist or lot no. K	12 Section 1	13 Township 18-S	14 Range 34-E	15 Lot Idn 2630'	16 North/South line SOUTH	17 Feet from the 1980'	18 East/West line WEST	19 County Lea	
20 Bottom Hole Location If Different From Surface									
21 Dist or lot no.	22 Section	23 Township	24 Range	25 Lot Idn	26 Feet from the	27 North/South line	28 Feet from the	29 East/West line	30 County
31 Dedicated Acres 40		32 Joint or Infill		33 Consolidation Code		34 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.



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

Signature
Printed Name
Ted Tipton
Position
Manager of Drilling Department
Company
Chevron USA, Inc.
Date
August 11, 2003

10 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
August 4, 2003
Signature & Seal of Professional Surveyor
Certificate No.
7254 John S. Piper
Sheet

○ = Staked Location • = Producing Well ● = Injection Well ◊ = Water Supply Well ◆ = Plugged & Abandon Well
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates		Northing 647330.264 (1927=647265.311)		Easting 792518.214 (1927=751339.170)	
Latitude 1983= 32°46'36".762 1927= 32°46'36".142		Longitude 1983= 103°30'57".915 1927= 103°31'27".045			
Zone North American Datum		Combined Grid Factor		Coordinate File	
East 1927		0.99979145		Buckeye.cr5	
Drawing File VGSAU134.dwg		Field Book Lea County 23, Pg. 28			

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-36681
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	VACUUM GRAYBURG SAN ANDRES UNIT
8. Well No.	134
9. Pool Name or Wildcat	VACUUM GRAYBURG SAN ANDRES

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMI (FORM C-101) FOR SUCH PROPOSALS.	
1. Type of Well:	OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER INJECTION
2. Name of Operator	CHEVRON USA INC
3. Address of Operator	15 SMITH ROAD, MIDLAND, TX 79705
4. Well Location	Unit Letter <u>K</u> : <u>2630'</u> Feet From The <u>SOUTH</u> Line and <u>1980'</u> Feet From The <u>WEST</u> Line Section <u>1</u> Township <u>18-S</u> Range <u>34-E</u> NMPM <u>LEA</u> COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3985'

11. 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 ☐
OTHER: ☐

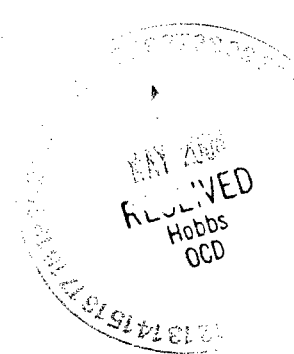
SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPERATION ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☒ NEW WELL-SPUD & CSG REPORT

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

5-17-04: MIRU CAPSTAR RIG #16. SPUD 12 1/4" HOLE @ 1215 HRS. DRLG 10-177,300,539,778,845,1025,1068,1153,1279,1551.
5-19-04: RAN 34 JTS (1553') 8 5/8" 24#, J-55, STC CSG. CMT 8 5/8" CSG W/620 SX 35/65 POZ C, 6% GEL, 2% CACL2, 0.25 PPS CELLOFLAKE FOLLOWED W/200 SX CL C, 2% CACL2. BUMP PLUG @ 0622 HRS W/1150 PSI. FLOAT HELD. CIRC 118 SX CMT TO SURF. WOC.
DRLG 1551-1695,2088,2596, 2850, 2890,3104,3136,3475,3644,3993,4000,4151,4450.
5-23-04: RUN #1 PLATFORM EXPRESS W/HRLA. LOGGERS TD @ 4453.
5-24-04: RUN PLATFORM EXPRESS. RAN 96 JTS (4453) 5 1/2" 15.5# K-55 LTC CSG. FC @ 4400. TOP OF FLAG JT @ 4190. CIRC CSG. CMT CSG @ 4449. MIX & PUMP 15 BFW, 20 BBLs CW100, 15 BFW, 650 SX 35/65 POZ C, 5% SALT, 6% GEL, 0.25 PPS CELLOFLAKE, FOLLOWED BY 400 SX 50/50 POZ C, 5% SALT, 2% GEL, 0.25 PPS CELLOFLAKE. BUMP PLUG @ 1315 HRS W/2200 PSI. FLOAT HELD. CIRC 171 SX CMT TO SURF. NO FLOW AFTER JOB. SET SLIPS & CUT OFF.REL RIG @ 1530 HRS.

WAIT ON COMPLETION



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

SIGNATURE Denise Leake TITLE Regulatory Specialist DATE 5/25/2004
TYPE OR PRINT NAME Denise Leake Telephone No. 915-687-7375

(This space for State Use)

APPROVED

CONDITIONS OF APPROVAL, IF ANY:

TITLE

ORIGINAL SIGNED BY

GARY W. WINK

OC FIELD REPRESENTATIVE II/STAFF MANAGER

JUN 02 2004