

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised February 10, 1999

DISTRICT II
P.O. Box Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

Instructions on bac
Submit to Appropriate District Office
State Lease - 6 Copie
Fee Lease - 5 Copie

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

AMENDED REPORT

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

¹ Operator Name and Address CHEVRON USA INC 15 SMITH ROAD, MIDLAND, TX 79705		² OGRID Number 4323
		³ API Number 30-025-20088
⁴ Property Code 2628	⁵ Property Name GRAHAM STATE NCT-1 (FORMERLY EUNICE COM #2)	⁶ Well No. 2

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
L	19	21-S	37-E		1980'	SOUTH	560'	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 PENROSE SKELLY GRAYBURG					¹⁰ Proposed Pool 2				

¹¹ Work Type Code P	¹² WellType Code O	¹³ Rotary or C.T. ROTARY	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3515' GL
¹⁶ Multiple No	¹⁷ Proposed Depth 6700'	¹⁸ Formation GRAYBURG	¹⁹ Contractor	²⁰ Spud Date 7/15/2004

²¹ Proposed Casing and Cement Program					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
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 FROM THE EUMONT YATES SEVEN RIVERS QUEEN POOL TO THE PENROSE SKELLY GRAYBURG POOL. THE WELL IS CURRENTLY TEMPORARILY ABANDONED IN THE EUMONT FIELD.

THE INTENDED PROCEDURE AND WELLBORE DIAGRAM IS ATTACHED FOR YOUR APPROVAL.

NO PIT WILL BE USED FOR THIS RECOMPLETION. A STANDARD FRAC TANK WILL BE UTILIZED AND REMOVED.

**Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Plugback**

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.		OIL CONSERVATION DIVISION	
Signature: <i>Denise Leake</i>		Approved By: <i>[Signature]</i>	
Printed Name: Denise Leake		Title: PETROLEUM ENGINEER	
Title: Regulatory Specialist		Approval Date: 09 2004	Expiration Date:
Date: 7/7/2004	Telephone: 915-687-7375	Conditions of Approval: Attached <input type="checkbox"/>	

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State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1999

OIL CONSERVATION DIVISION

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

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Submit to Appropriate District Office
State Lease - 4 Copie
Fee Lease - 3 Copie
 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-20088	² Pool Code 50350	³ Pool Name PENROSE SKELLY GRAYBURG
⁴ Property Code 2628	⁵ Property Name GRAHAM STATE NCT-1 (FORMERLY EUNICE COM #2)	
⁷ OGRID Number 4323	⁸ Operator Name CHEVRON USA INC	⁶ Well No. 2
		⁹ Elevation 3515' GL

¹⁰ Surface Location

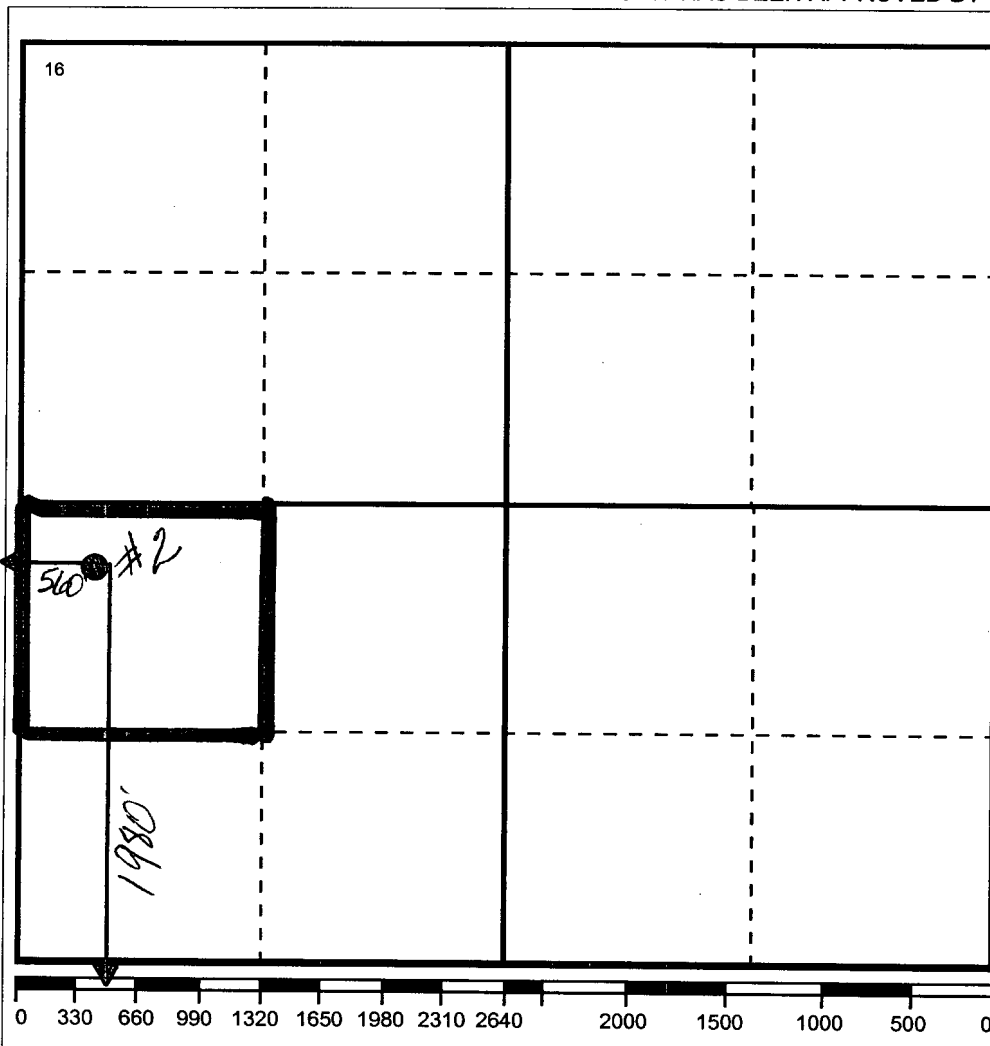
Ul or lot no	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
L	19	21-S	37-E		1980'	SOUTH	560'	WEST	LEA

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 Acre 40	¹³ Joint or Infill No	¹⁴ Consolidation Code	¹⁵ Order No.
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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 Leake*

Printed Name: Denise Leake

Position: Regulatory Specialist

Date: 7/7/2004

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.:

Graham State I #2 (see Eunice Com #2)
API #30-025-20088
1980' FSL & 560' FWL
S19, T21S, R37E
Penrose/Skelly/Grayburg
Lea County, New Mexico

PROCEDURE



Do not exceed 350 PSI on casing at anytime during job! Use 8.6 ppg brine water.

1. MIRU Key PU & Smith RR. Bleed any pressure off well.
2. NDWH NUBOP. Test BOP.
3. RIH w/ 8-3/4" bit on 2-7/8" WS to CICR @ 3599'.
4. RU swivvle & drill out CICR & cmt to 3601' (TOL). Circulate hole clean. RD swivvle.
5. POOH w/ 8-3/4" bit & 2-7/8" WS. LD bit.
6. PU 6-1/4" bit & 7" scrapper. RIH to 3601' (TOL). RU swivvle & drill out cmt to 5070'. Circulate hole clean & POOH w/ 6-1/4" bit & scrapper. LD bit & scrapper.
7. RIH w/ 7" pkr on 2-7/8" WS. Set pkr @ 3625'. Load & test backside to 300#. (Do not exceed 350 PSI on csg @ anytime during job.) Release pkr & POOH. LD pkr.
8. MIRU Baker Atlas WL. Run CBL/CCL log from 3450'-4800'. Tie back to Gamma Ray-Neutron Log (McCullough) dated 7/3/74. Check for good cement from 3500'-4000'. Contact engineer w/ results. POOH w/ logging tools. If cement does not look good across proposed completion interval discuss squeezing options w/ engineer.
9. Perf the following Grayburg intervals w/ 4" Tag Guns loaded w/ 38 gram charges 4 JSPF w/ 120° phasing:

Top Depth	Bottom Depth	Total Footage	Total Holes
3650	3654	4	16

3670	3675	5	20
3685	3690	5	20
3715	3718	3	12
3725	3730	5	20
3757	3763	6	24
3795	3800	5	20
3818	3825	7	28
3845	3850	5	20
3875	3880	5	20
3885	3890	5	20

10. RIH w/ 7" PPI pkr w/ 25' spacing and SCV. Test tbg in hole to 5,000 PSI. Mark settings.

11. MIRU DS. Acidize perms 3650'-3890' w/ 2000 gals 15% NEFE HCl acid at max rates shown below and maximum surface pressure of 4000 PSI. Pump as follows:

Perfs	Acid Vol	Max Rate	PPI Setting
3650-3654	250 gal	½ Bpm	3639-3664
3670-3675 3685-3690	250 gal	½ Bpm	3668-3693
3715-3718 3725-3730	250 gal	½ Bpm	3710-3735
3757-3763	250 gal	½ Bpm	3748-3773
3795-3800	250 gal	½ Bpm	3785-3810
3818-3825	250 gal	½ Bpm	3809-3834
3845-3850	250 gal	½ Bpm	3835-3860
3875-3880 3885-3890	250 gal	½ Bpm	3870-3895

12. Displace acid with 8.6 ppg brine. Record ISIP, 5 and 10 minute SIP's. RD DS. **Pickle tbg in 1 run of 500 gals acid, prior to acidizing perms. Pickle acid is to contain only ½ gal A264 and 1 gal W53. If communication occurs during treatment of any interval, attempt to finish stage without exceeding 350 psi casing pressure. If stage can not be finished, move to next PPI setting and combine treatment.**

13. Release PPI tool and move above top perf (+/- 3525'). RU swab and swab back load before SI for the night, if possible. Record recovered volumes, pressures, & fluid levels. **If excess water is produced, selectively swab perfs as discussed w/ Engineer.**
14. POOH w/ tubing and PPI packer. LD pkr. RIH w/ 7" frac packer, on/off tool w/ profile on 3-1/2" WS. Test WS in hole to 7500 psi. Set pkr @ 3610'. Install frac head. Pressure BS to 300 PSI to test pkr. Leave 200 psi on BS during frac job to observe for communication. **Do not exceed 350 psi anytime during this job.**
15. MIRU DS. RU chemical company truck and tie into DS line. Pump scale inhibitor (2 drums of SCW358 mixed in 2000 gal 2% KCl). Flush w/ 1000 gal 2% KCl spacer. Frac well per DS recommendation. Max treating pressure 7000 psi. SI well and record ISIP, 5, 10, and 15 minute SIP. RD DS. SION
16. Open well. RU swab and swab well. Check for sand inflow. Discuss swab results with Engineer. Release pkr and POH w/ WS. RIH w/ 6-1/4" bit on 2-7/8" WS and cleanout to 5070' using 8.6 ppg brine. POOH w/ bit.
17. RIH w/ production tbg & hang off as per ALS recommendation. NDBOP NUWH. RIH w/ rods & pump as per ALS design.
18. RD Key PU & Smith RR. Turn well over to production. Contact Lease Operator and inform them the well is ready for operation.

Engineer - Keith Lopez

432-687-7120 Office

505-390-2227 Cell

303-949-3021 Home

ALS - Felix Trevino

505-394-1245 Office

505-390-7180 Cell

Lease Operators

Well: **Graham State I # 2**

Field: **PENROSE SKELLY**

Reservoir: **GRAYBURG**

see **Eunice Com #2**

Location:
 1980' FSL & 560' FWL
 Section: 19
 Township: 21S
 Range: 37E
 County: Lea State: NM

Elevations:
 GL: 3515'
 KB: 3526'
 DF: 3525'

Tbg Detail:
 EOT @ 3300'
 9 5/8" Guib Uni-VI pkr @ 3294'
 On-Off Tool w/ 1.875" "F" profile
 106 jts. 2 3/8" EUE 8R J-55 tbg

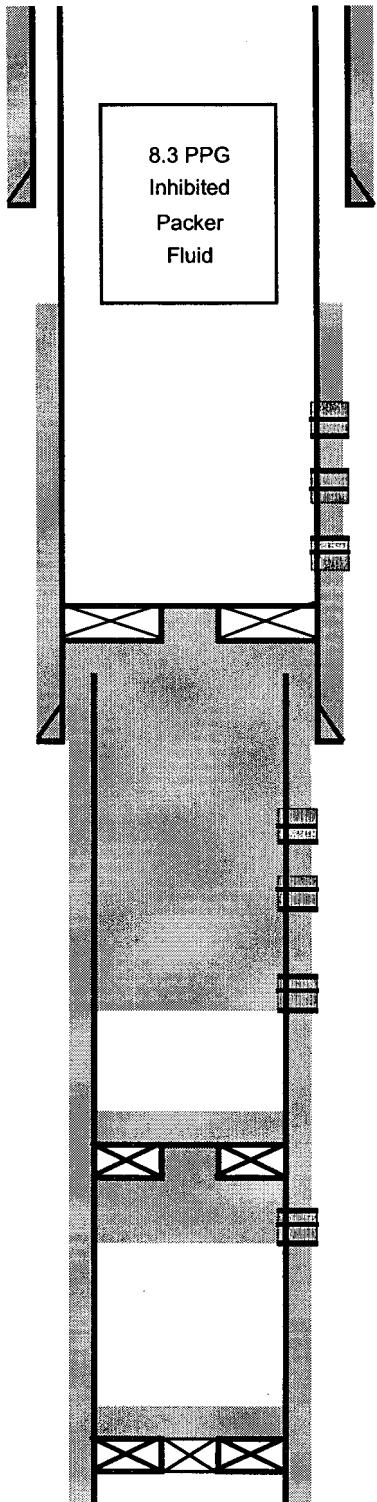
CICR @ 3599'

TOL @ 3601'

CICR @ 5100'
 (24' cmt on top)

Baker Mod D Pkr @ 6500'
 (w/ BP'd seal assembly)
 (35' cmt on top)

Proposed
Wellbore Diagram



Well ID Info:
 Chevno: FB3576
 API No: 30-025-20088
 L5/L6: U314700
 Spud Date: 11/18/62
 Compl. Date: 1/11/63

Surf. Csg: 13 3/8", 48#, H-40
Set: @ 355' w/ 350 sks
Hole Size: 17 1/2"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Perfs:

3374'	3493'
3377'	3497'
3394'	3502'
3397'	3510'
3481'	3514'

Interm. Csg: 9 5/8", 36#, J-55
Set: @ 3700' w/ 400 sks
Hole Size: 12 1/4"
Circ: No **TOC:** 2450'
TOC By: Temperature Survey

Perfs: **Status:**

3722-24'	Penrose Skelly -
3744-46'	Penrose Skelly -
3793-95'	Penrose Skelly -

5176-86' Paddock - Cmt

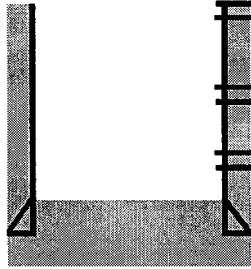
Perfs: **Status:**

COTD: 3599'

PBTD: 3599'

TD: 6700'

Updated: 9/20/2001



By: A. M. Howell

6575'

6614'

6631'

6667'

Drinkard - Below

Drinkard - Below

Drinkard - Below

Drinkard - Below

Liner: 7" OD 23# J-55

Set: @ 6673' w/ top @ 3601'

Hole Size: 8 3/4"

Circ: Yes **TOC:** 3601' (Top of liner)

TOC By: Circulated