

District I
1825 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
May 27, 2004

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

| | | |
|---|--|------------------------------|
| Operator Name and Address CHEVRON U.S.A. INC. 15 SMITH ROAD, MIDLAND, TX 79705 | | OGRID Number 4323 |
| | | API Number 30 - 025-02272 |
| Property Code 30022 | Property Name VACUUM GRAYBURG SAN ANDRES UNIT | Well No. 23 |
| Proposed Pool 1 VACUUM GRAYBURG SAN ANDRES | | Proposed Pool 2 |

Surface Location

| | | | | | | | | | |
|--------------------|--------------|------------------|---------------|---------|------------------------|---------------------------|------------------------|------------------------|---------------|
| UL or lot no. J | Section 2 | Township 18-S | Range 34-E | Lot Idn | Feet from the 1980' | North/South line SOUTH | Feet from the 1980' | East/West line EAST | County LEA |
|--------------------|--------------|------------------|---------------|---------|------------------------|---------------------------|------------------------|------------------------|---------------|

Proposed Bottom Hole Location If Different From Surface

| | | | | | | | | | |
|--------------------|--------------|------------------|---------------|---------|------------------------|---------------------------|-----------------------|------------------------|---------------|
| UL or lot no. L | Section 2 | Township 18-S | Range 34-E | Lot Idn | Feet from the 1980' | North/South line SOUTH | Feet from the 780' | East/West line WEST | County LEA |
|--------------------|--------------|------------------|---------------|---------|------------------------|---------------------------|-----------------------|------------------------|---------------|

Additional Well Information

| | | | | |
|---|----------------------------|--|----------------------|-------------------------------------|
| Work Type Code HORIZONTAL | Well Type Code OIL | Cable/Rotary | Lease Type Code S | Ground Level Elevation 4017' DF |
| Multiple NO | Proposed Depth 4710' VD | Formation GRAYBURG S/A | Contractor | Spud Date 2-15-05 |
| Depth to Groundwater | | Distance from nearest fresh water well | | Distance from nearest surface water |
| Pit: Liner: Synthetic <input type="checkbox"/> _____ mils thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input type="checkbox"/> See C-144 Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> | | | | |

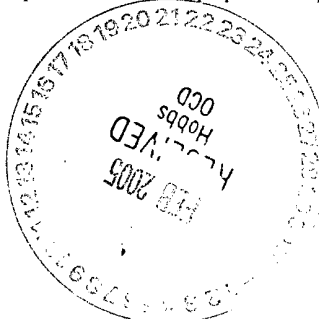
Proposed Casing and Cement Program

| | | | | | |
|-----------|-------------|--------------------|---------------|-----------------|---------------|
| Hole Size | Casing Size | Casing weight/foot | Setting Depth | Sacks of Cement | Estimated TOC |
| 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.

KICK OFF POINT - 4170'
TOP OF WINDOW - 4160'
BOTTOM OF WINDOW - 4167'
TARGET INTERVAL - 4440' - 4760'
LENGTH OF LATERAL - 2500'
PERFORATIONS - OPEN HOLE LATERAL (SEE CURRENT WELLBORE DIAGRAM)

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Horizontal



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 ☐.

OIL CONSERVATION DIVISION

Approved by:

Printed name: DENISE PINKERTON

Title:

PETROLEUM ENGINEER

Title: REGULATORY SPECIALIST

Approval Date:

FEB 07 2005

Expiration Date:

E-mail Address: LEAKEJD@CHEVRONTXACO.COM

Date: 2-03-05

Phone: 432 687-7375

Conditions of Approval Attached ☐

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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 June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | | | | |
|------------------------------|--|--|--|---|-------------------------|
| 1 API Number 30-025-02272 | | 2 Pool Code 62180 | | 3 Pool Name VACUUM GRAYBURG SAN ANDRES | |
| 4 Property Code 30022 | | 4 Property Name VACUUM GRAYBURG SAN ANDRES UNIT | | | 5 Well Number 23 |
| 6 OGRID No. 4323 | | 7 Operator Name CHEVRON U.S.A. INC. | | | 8 Elevation 4017' DF |

10 Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the 1980' | North/South line | Feet from the 1980' | East/West line | County |
|---------------|---------|----------|-------|---------|---------------------|------------------|---------------------|----------------|--------|
| J | 2 | 18-S | 34-E | | 1980' | SOUTH | 1980' | EAST | LEA |

11 Bottom Hole Location If Different From Surface

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the 1980' | North/South line | Feet from the 1980' | East/West line | County |
|--------------------------|---------|--------------------|-------|-----------------------|---------------------|------------------|---------------------|----------------|--------|
| L | 2 | 18-S | 34-E | | 1980' | SOUTH | 1980' | WEST | LEA |
| 9 Dedicated Acres 120 | | 10 Joint or Infill | | 11 Consolidation Code | | 12 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

| | |
|---|--|
| <p>10</p> <p><i>See map In Unit</i></p> <p>#23 BHL 780'</p> <p>#23 SHL 1980'</p> <p>1980'</p> | <p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Denise Pinkerton</i> Signature</p> <p>DENISE PINKERTON Printed Name</p> <p>REGULATORY SPECIALIST LEAKED@CHEVRONTEXACO.COM Title and E-mail Address</p> <p>2-03-2005 Date</p> |
| | <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p> |

**CURRENT
WELLBORE DIAGRAM**

Created: 2/20/2003
 Updated: 1/14/2005
 Lease: Vacuum Grayburg San Andres Unit
 Surface Location: 1980' FSL & 1980' FEL
 Bottomhole Location: Same
 County: Lea NM
 Current Status: Active Oil Well
 Directions to Wellsite: Buckeye, New Mexico

By: SMG/MCD
 By:
 Well No.: 23
 Unit Ltr: J
 Unit Ltr:
 St Lease: B-1189
 Elevation: 4017' DF

Field: Vacuum Grayburg San Andres
 Sec: 2 TSHP/Range: 18S-34E
 Sec: TSHP/Range:
 API: 30-025-02272 Cost Center: BCT492200

Surface Casing

| | |
|-------------------------------|--------------------------|
| Size: | 8 5/8" |
| Wt.: | 32#, LW |
| Set @: | 1644' |
| Sxs cmt: | 265 |
| Circ: | Yes |
| TOC: | Surface |
| Hole Size: | 10" |
| Bradenhead Squeeze (12/11/80) | 750 sxs 1670' to surface |

Production Casing

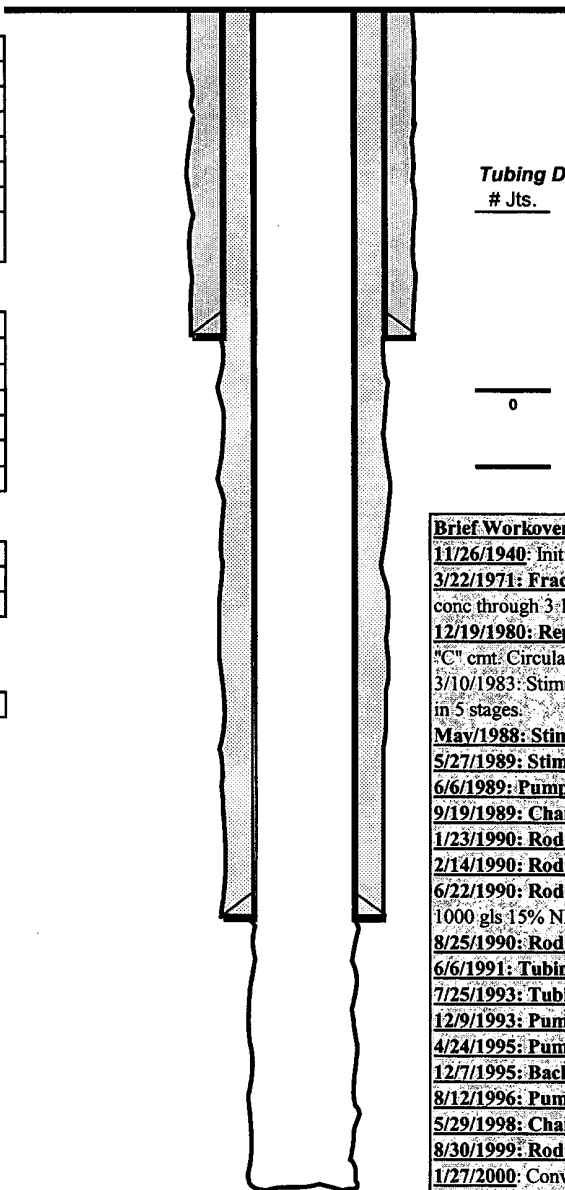
| | |
|------------|-----------------|
| Size: | 5 1/2" |
| Wt.: | 15#, Elec. Weld |
| Set @: | 4206' |
| Sxs Cmt: | 200 |
| Circ: | Yes |
| TOC: | Surface |
| Hole Size: | 6 3/4" |

Open Hole

| | |
|------------|-------------|
| Hole Size: | 4 3/4" |
| Depth: | 4206'-4710' |
| TD: | 4710' |

PERFS:

| | |
|-----------|-------------|
| Open Hole | 4206'-4710' |
|-----------|-------------|



TD: 4710'

KB:
 DF: 4017'
 GL: 4007'
 Original Spud Date: 10/28/1940
 Original Compl. Date: 11/26/1940

Tubing Detail **Date:**

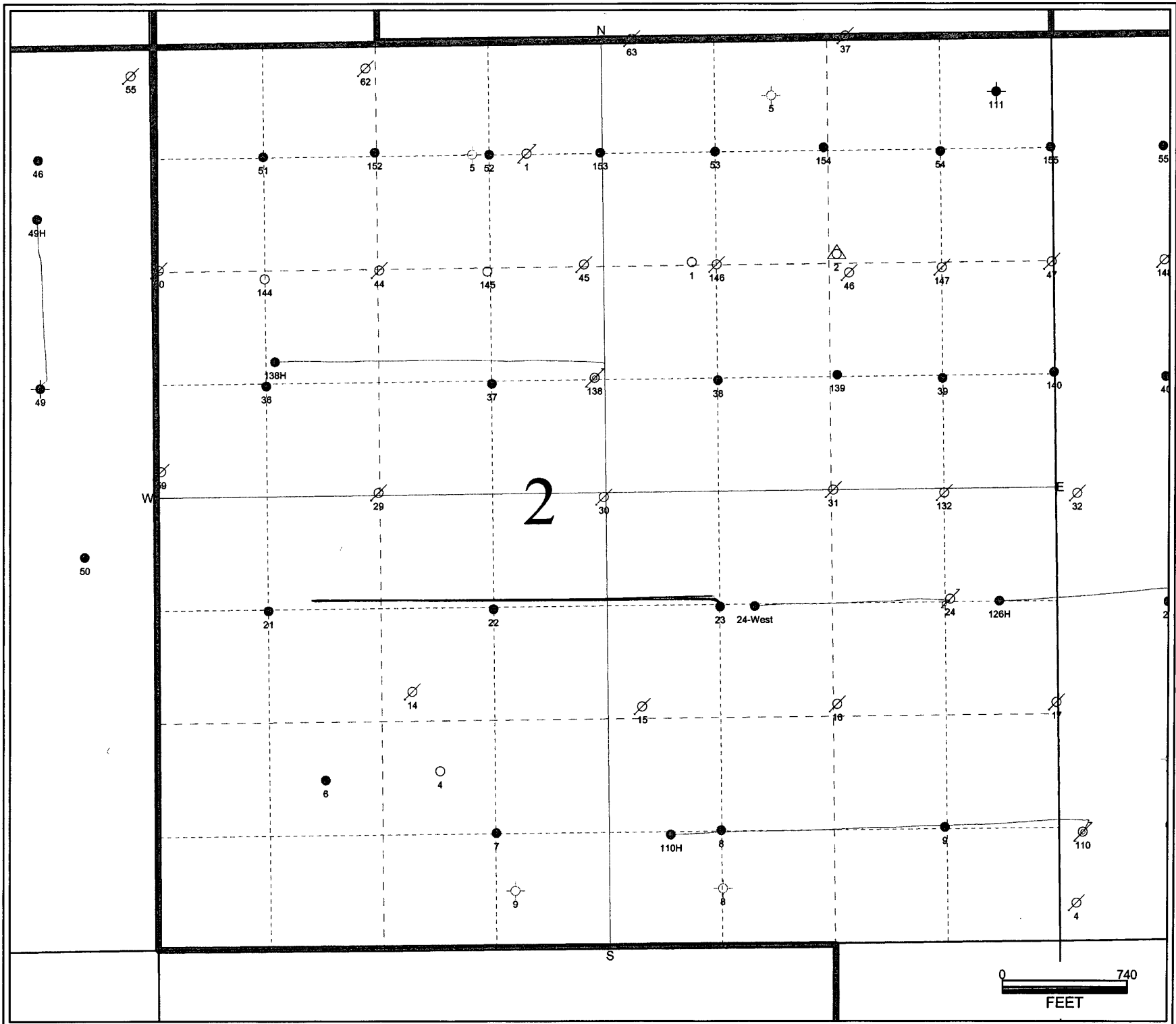
| # Jts. | Size | Footage |
|--------|------|---------|
|--------|------|---------|

| | | |
|---|-------------|------|
| 0 | Pump Intake | 0.00 |
|---|-------------|------|

| | | |
|--|-----|------|
| | EOT | 0.00 |
|--|-----|------|

Brief Workover History:

11/26/1940: Initial Completion.
3/22/1971: Frac open Hole: 4206-4710 w/ 30000 gls gelled brine. 2# sand conc through 3 1/2" tubing.
12/19/1980: Repair Water Flow: Perf 5 1/2" csg @ 1670'. Pump 750 sx cl "C" cmt: Circulated to surface. Acid OH 4206-4710 w/ 3000 gls 15% NE
3/10/1983: Stimulation: C/O to 4710'. Acid OH 4206-4710 w/ 10,000 gls 15% in 5 stages.
May/1988: Stimulation & Convert to rods: Report not in files
5/27/1989: Stimulation: Clean Out and Acid
6/6/1989: Pump
9/19/1989: Change Tubing and Redesign Rods.
1/23/1990: Rod Part
2/14/1990: Rod Part
6/22/1990: Rod Part + Stimulation: Signs of Bacteria. Clean Out and acid w/ 1000 gls 15% NE. SIS. Pmax=200#, AIR=4 bpm, ISIP=Vac.
8/25/1990: Rod Part
6/6/1991: Tubing Leak: Body leak 3800' down.
7/25/1993: Tubing Leak: Split joint.
12/9/1993: Pump
4/24/1995: Pump
12/7/1995: Back Off Tool unscrewed
8/12/1996: Pump: Cage worn.
5/29/1998: Changed rod design: Added sinker bars.
8/30/1999: Rod Part + Stimulation: C/O and Acid. Not in files
1/27/2000: Convert to Sub.
2/27/2004: DHS: Pull and Run



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State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

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

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: CHEVRON U.S.A. INC. Telephone: 432 687-7375 e-mail address: LEAKEJD@CHEVRONTXACO.COM | | |
| Address: 15 SMITH ROAD MIDLAND, TX 79705 | | |
| Facility or well name: VACUUM GRAYBURG SAN ANDRES #23 API #: 30-025-02272 U/L or Qtr/Qtr J Sec 2 T 18-S R 34-E | | |
| County: LEA Latitude Longitude NAD: 1927 <input type="checkbox"/> 1983 <input type="checkbox"/> | | |
| Surface Owner: Federal <input type="checkbox"/> State <input type="checkbox"/> Private <input checked="" 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 type="checkbox"/> Thickness 20 mil Clay <input type="checkbox"/> Pit Volume 1965 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 (20 points) 50 feet or more, but less than 100 feet (10 points) 100 feet or more 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 (20 points) No 0 points | |
| Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.) | Less than 200 feet (20 points) 200 feet or more, but less than 1000 feet (10 points) 1000 feet or more 0 points | |
| Ranking Score (Total Points) | | 10 |

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: (check the onsite box if you are burying in place) 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.

| |
|----------------------|
| Additional Comments: |
| |
| |
| |
| |
| |

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 ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 2-03-2005

Printed Name/Title MARK GARZA DRILLING ENGINEER

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:

PETROLEUM ENGINEER

Printed Name/Title

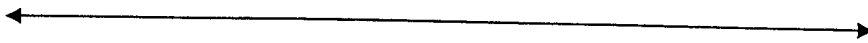
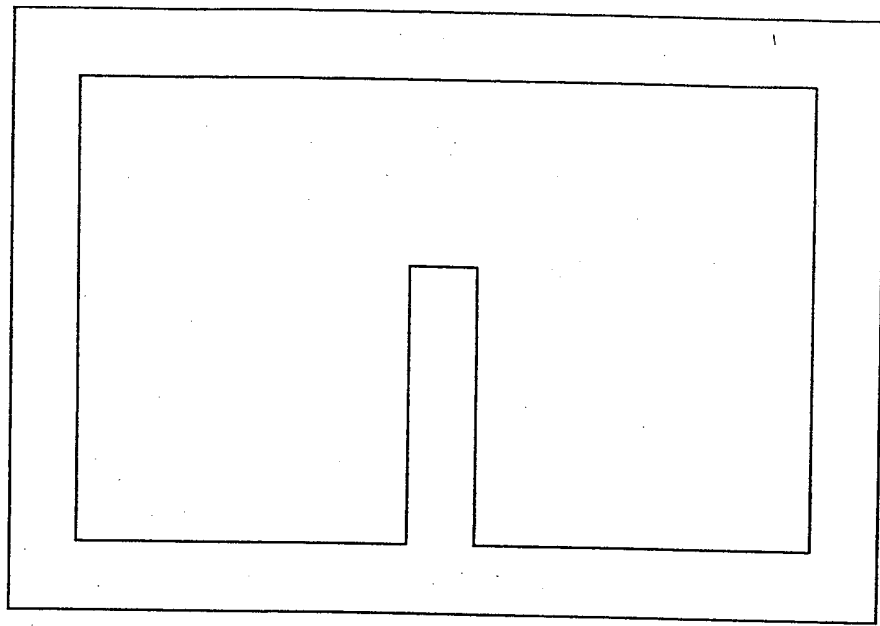
Signature

Date:

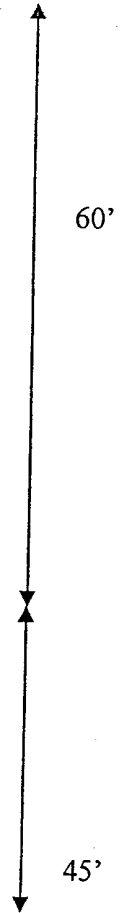
FEB 07 2005

Key #117 Pit Design

VGSAJ 23H



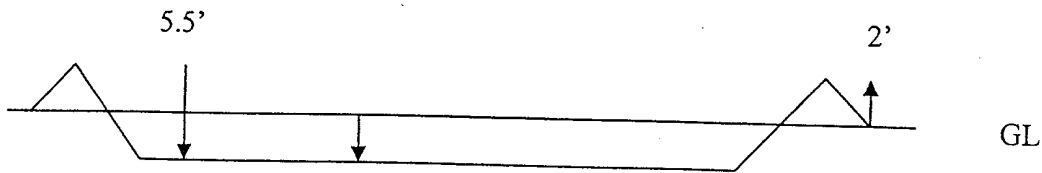
60'



60'

45'

○
Wellbore



5.5'

2'

GL

3.5'