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-101
May 27, 2004

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	[2] OGRID Number
CHEVRON U.S.A. INC. 15 SMITH ROAD, MIDLAND, TX 79705	4323
	[3] API Number: 30 – 025-02273

[5] Property Code	[5] Property Name	[6] Well No.
30022	VACUUM GRAYBURG SAN ANDRES UNIT	22

[9] Proposed Pool 1	[10] Proposed Pool 2
VACUUM GRAYBURG SAN ANDRES	

[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	2	18-S	34-E		1980'	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

Additional Well Information

[11] Work Type Code	[12] Well Type Code	[13] Cable/Rotary	[14] Lease Type Code	[15] Ground Level Elevation
D	O		S	4013'
[16] Multiple	**[17] Proposed Depth**	**[18] Formation**	**[19] Contractor**	**[20] Spud Date**
NO	4900'	GRAYBURG SAN ANDRES		2-23-05

Depth to Groundwater	Distance from nearest fresh water well	Distance from nearest surface water

Pit: Liner: Synthetic ☐ ____mils thick Clay ☐ Pit Volume:____bbls

Closed-Loop System ☐

Drilling Method:

Fresh Water ☐ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐

[21] Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
NO CHANGE					

RECEIVED
FEB 2005
Hobbs
OCD

[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 DEEPEN THE SUBJECT WELL TO 4900'.
LAST CLEAN OUT WAS IN 9-02-04. C/O DEPTH WAS 4710'. DEEPENED IN 5-15-74 FR 4710-4755.
PLUGGED BACK IN 12-22-98 TO 4700'.
PLEASE SEE ATTACHED PAGE FOR INTENDED PROCEDURE.
CURRENT AND PROPOSED WELLBORE DIAGRAMS ARE ATTACHED FOR YOUR APPROVAL.

A PIT WILL NOT BE USED FOR THIS DEEPENING. A STEEL FRAC TANK WILL BE UTILIZED.

Permit Expires 1 Year From Approval Date Unless Drilling Underway Deepening

[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 ☐.**

Printed name: DENISE PINKERTON Denise Pinkerton

Title: REGULATORY SPECIALIST

E-mail Address: LEAKEJD@CHEVRONTEXACO.COM

Date: 2-17-05 Phone: 432-687-7375

OIL CONSERVATION DIVISION

Approved by:

Title: PETROLEUM ENGINEER

Approval Date: FEB 23 2005 Expiration Date:

Conditions of Approval Attached ☐

VI- **Procedure:**

1- **MIRU**. ND well head & NU BOP.
2- **Pull Out Rods**. TOH w/ rods. L/D rods. Inspect for replacement. Evaluate pump condition and replace if required.
3- **Pull Out Tubing**: Unset TAC. TOH w/ tubing. Inspect visually.
4- **Clean Out**: P/U 4 ¾" bit, 10 Drill Collars (4 ¼" x 2" ID or 1 ¾" ID – 37.5#/ft or 40#/ft) and 2 7/8" tubing. TIH to tag and clean out to PBTD @ 4710'. Drill from 4710' to 4900'. If we find signs of water flow STOP immediately. That will be new TD point. Short trip. C/O to 4900'. TOH and lay down DC's and bit.
5- **Log Well**: R/U Schlumberger. Run Spectral GR, Neutron Density w Pe., Resisitivity Logs w/ Rxo tool, Sonic Log. From 4333' to 4900'.
6- **Stimulate Open Hole**: TIH w/ 2 7/8" tubing and 5 ½" packer. Set @ 4230'. Pump 6000 gls 15% acid in 3 stages (2000 gls each) w/ 4000 # rock salt. This will account for 3 feet of penetration from the top of the San Andres to the PBTD.

7- **Run Production Equipment:** Run production tubing and rods. Upsize rod pump. Set pump at same depth. Optimum Pump design is:

Previous Production:	= Oil Rate + Water Rate
	= 15*1.2 + 300 = **318** bpd
Incremental Production	= 10 Oil + 100 Water = 110
New Production	= 428 bpd

8- **Return well to Production.**

Prepared by
Mario A. Ballesteros

VGSAU 22

API # 30-025-022730001
DATE: 16-Feb-05

1980' FSL & 1980' FWL
SEC 2, TWN 18-S, Range 34-E, County Lea
ELEVATION: 4013' GL, 4022' DF
Completed: 12/27/1940

ACTUAL WELLBORE DIAGRAM

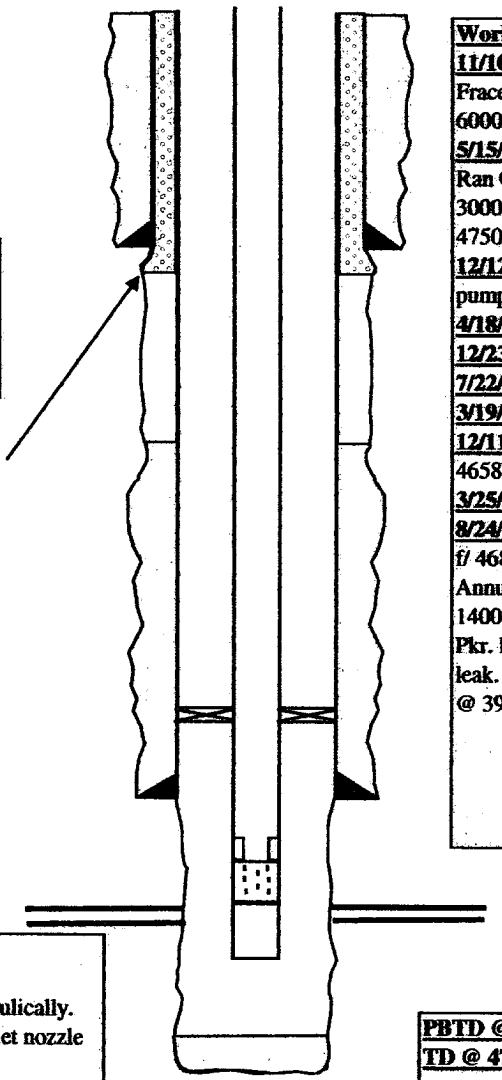
Surface Casing:
12 1/4" hole
8 5/8" csg - 32# 8V
set @ 1688'. Cemented w/ 300 sx class "C" in 1940. Perforated @ 1713' and pump 770 Sx in dec-1980.

Production Casing:
6 3/4" hole
5 1/2" csg - 15#
set @ 4333'. Cemented w/ 200 sx in 12/19/1940.

Cement Job:
Perforated @ 1713' and pump 770 Sx to surface.

Zones

Top	Depth	Interval
GB Marker	4,426	
GB Dol Top	4,547	51
GB Dol Bott	4,598	
San Andres	4,666	44
PBTD	4,710	
O/W	4,720	
LSA		
TOTAL		95



Workover History:
11/10/1972: Frac Open Hole: Ran GR-N log. Ran 3" Frac tbg. Fraced open hole f/ 4333' to 4668' in 3 stgs. 18200 # 20/40 mesh, 6000 # 10/20 sand w/ 33000gls lease crude oil.
5/15/1974: Deepen & Stimulation: C/O to 4710'. Deepen to 4755'. Ran GR-N log f/ 4749'-4000'. Acid open hole f/ 4692' to 4755' w/ 3000 gls 20% NEA. Reset pkr @ 4282'. Acid open hole f/ 4333' to 4750' w/ 2600 gls 20% NEA in 2 stgs.
12/12/1980: Cement 5 1/2"-8 5/8" Annular. Perf @ 1713' and pump 770 Sx cl "H" cmt to surface.
4/18/90: Stimulation: C/O to 4755'. Pump 2000 gls acid.
12/23/1991: Pump: Valve rod and rod guides corroded.
7/22/1992: Tubing Failure
3/19/1997: Tubing Failure: 2 JTS above SN
12/11/98-12/22/98: Drill 4-1" laterals. Two @ 4648' & Two 4658'. C/O to 4700'.
3/25/2003: Pump: Split in pump barrel
8/24/04 - 9/02/2004: Stimulation: TOH w/ tbg (147 Jts total). C/O f/ 4689' to 4710'. TIH w/ pkr & set @ 4230'. Test to 300 psi. Annulus leaked 200# in 3 min. Pump 2500 gls 15% acid. ISIP = 1400 psi.Swabbed load back. SIS. TOH w/ Pkr. TIH w/ RBP & Pkr. Isolate leaks. Leak @ wellhead on 5 1/2" riser. R/D and repair leak. Pull RBP. Ran 2 7/8" Prod tbg w/ pump and new rods. TAC @ 3961'. Ran 146 JTS total.

Completion:
1940: Open Hole: 4 3/4" f/ 4333' to 4710'.
12/11/98-12/22/98: Drill 1" laterals Hydraulically.
@ 4648' two laterals were drilled with 1" jet nozzle 400' into the formation.
@ 4658' four laterals were drilled with 1" nozzles 400' into the formation

PBTD @ 4710'
TD @ 4755'

PRODUCTION COMMENTS

VGSAU 22

API # 30-025-022730001
DATE: 16-Feb-05

1980' FSL & 1980' FWL
SEC 2, TWN 18-S, Range 34-E, County Lea
ELEVATION: 4013' GL, 4022' DF
Completed: 12/27/1940

PROPOSED WELLBORE DIAGRAM

Surface Casing:
12 1/4" hole
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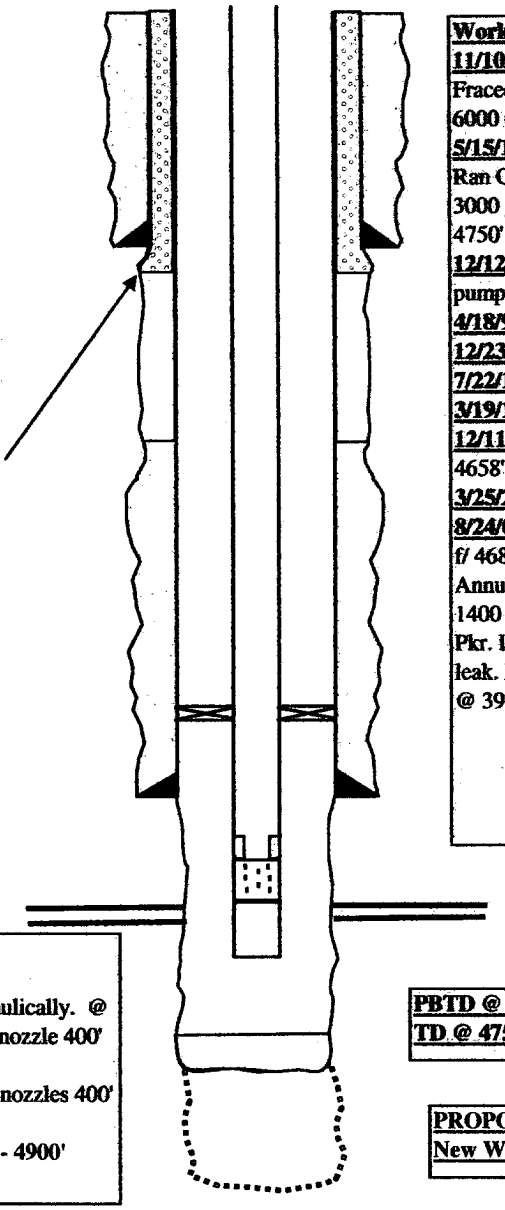
set @ 1688'. Cemented w/ 300 sx class "C" in 1940. Perforated @ 1713' and pump 770 Sx in dec-1980.

Production Casing:
6 3/4" hole
5 1/2" csg - 15#
set @ 4333'. Cemented w/ 200 sx in 12/19/1940.

Cement Job:
Perforated @ 1713' and pump 770 Sx to surface.

Zones

Top	Depth	Interval
GB Marker	4,426	
GB Dol Top	4,547	51
GB Dol Bott	4,598	
San Andres	4,666	44
PBTD	4,710	
O/W	4,720	
LSA		
TOTAL		95



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@ 4658' four laterals were drilled with 1" nozzles 400' into the formation
Feb/2005: New Open Hole: 4 3/4: 4333' - 4900'

PBTD @ 4710'
TD @ 4755'

PROPOSED NEW PBTD @ 4900'
New Wellbore Size: 4 3/4"

PRODUCTION COMMENTS