

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980
DISTRICT II
P.O. Box Drawer DD, Artesia, NM 88211-0719
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

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

Form C-101
Revised February 10, 1999
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copy
Fee Lease - 5 Copy
☐ 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 RD, MIDLAND, TX 79705 | | ² OGRID Number 4323 |
| ⁴ Property Code 2597 | ⁵ Property Name R.E. COLE A | ³ API Number 30-025-22109 |
| | | ⁶ Well No. 8 |

| ⁷ Surface Location | | | | | | | | | |
|-------------------------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| UI or lot no. | Section | Township | Range | Lot.Idn | Feet From The | North/South Line | Feet From The | East/West Line | County |
| K | 16 | 22-S | 37-E | | 2130' | SOUTH | 2130' | WEST | LEA |

| ⁸ Proposed Bottom Hole Location If Different From Surface | | | | | | | | | |
|--|---------|----------|-------|---------|-------------------------------|------------------|---------------|----------------|--------|
| UI 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 EUNICE SAN ANDRES SOUTHWEST | | | | | ¹⁰ Proposed Pool 2 | | | | |

| | | | | |
|-------------------------------------|---------------------------------------|--|------------------------------------|---|
| ¹¹ Work Type Code X E | ¹² Well Type Code O | ¹³ Rotary or C.T. ROTARY | ¹⁴ Lease Type Code S | ¹⁵ Ground Level Elevation 3392' |
| ¹⁶ Multiple No | ¹⁷ Proposed Depth 7302' | ¹⁸ Formation SAN ANDRES | ¹⁹ Contractor | ²⁰ Spud Date 4/19/2005 |

| ²¹ Proposed Casing and Cement Program | | | | | |
|--|----------------|-----------------|---------------|-----------------|----------|
| SIZE OF HOLE | SIZE OF CASING | WEIGHT PER FOOT | SETTING DEPTH | SACKS OF CEMENT | EST. TOP |
| NO CHANGE | | | | | |
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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 REENTER AND RECOMPLETE THE SUBJECT WELL TO THE EUNICE SAN ANDRES SOUTHWEST FIELD & POOL. THE WELL IS CURRENTLY PLUGGED. ****A PIT WILL NOT BE USED FOR THIS RECOMPLETION. A STEEL FRAC TANK WILL BE UTILIZED.****
CURRENT & PROPOSED WELLBORE DIAGRAMS ARE ATTACHED FOR YOUR APPROVAL.

SEE ATTACHMENT FOR INTENDED PROCEDURE

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Re-Entry

| | | | |
|--|--|---|--|
| 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: Denise Pinkerton | | Approved By: [Signature] | |
| Printed Name: Denise Pinkerton | | Title: PETROLEUM ENGINEER | |
| Title: Regulatory Specialist | | Approval Date: APR 05 2005 | |
| Date: 3/31/2005 | | Expiration Date: | |
| Telephone: 432-687-7375 | | Conditions of Approval: Attached <input type="checkbox"/> | |

RE Cole A #8
API #30-025-22109
2130' FSL & 2130' FWL
S16, T22S, R37E
Eunice San Andres Southwest
Lea County, New Mexico

PROCEDURE

Use 8.6 ppg brine water.

1. **Complete if applicable:** Displace flowline w/ fresh water. Have Field Specialist close valve at header. Pressure test line according to type. All polypipe (SDR7 and SDR11) will be tested to 100 psi. All steel lines will be tested to 500 psi. If a leak is found, contact Donnie Ives for repair/replacement. If tests good, bleed off pressure and open valve at header. Document this process in the morning report.
2. Repair well location & lease road. Dig out around cut off csg strings. Weld on new csg and tubing heads.
3. MIRU Key PU & Smith RU. Install BOP's & EPA equipment. Test BOP when possible. PU 6-1/8" bit, DC's, and 2-7/8" WS. Establish reverse circulation & drill out 10 sx cement plug at surface. Also drill out plug from 1100'-1200' and plug from 3650'-3750'. RIH & tag PBTB (approximately 5298'). Circulate hole clean. Test csg to 500#. POOH & LD bit & DC's.
4. MIRU WL. Run CBL/CCL log from 5000' to 100' above cement top tied back to Welex's Acoustic Velocity Log dated 5/27/67. Fax log to Midland for cement quality inspection before perforating. If cement bond does not look adequate discuss squeezing options with engineer.
5. Perforate the following intervals with 3-1/8" slick guns loaded w/ 4 JSPF, 120 degree phasing and 23 gram charges tied back to Welex's Acoustic Velocity Log dated 5/27/67. RD Baker Atlas WL.

| Top Depth | Bottom Depth | Total Footage | Total Holes |
|-----------|--------------|---------------|-------------|
| 3748 | 3753 | 5 | 20 |
| 3761 | 3764 | 3 | 12 |
| 3771 | 3774 | 3 | 12 |
| 3784 | 3787 | 3 | 12 |
| 3794 | 3798 | 4 | 16 |
| 3818 | 3823 | 5 | 20 |
| 3832 | 3840 | 8 | 32 |
| 3844 | 3850 | 6 | 24 |
| 3869 | 3878 | 9 | 36 |
| 3886 | 3890 | 4 | 16 |
| 3908 | 3913 | 5 | 20 |

6. RIH w/ 7" PPI packer w/ SCV and 10' element spacing. Test 2-7/8" WS to 4500 psi while RIH. Test PPI packer in blank pipe. Mark settings.
7. MIRU DS. Acidize perfs w/ 2,750 gals 15% NEFE HCl acid at a max rate of 1/2 BPM & 4000 psi surface pressure as follows:

| Perf Interval | Acid Volume | Max Rate | PPI Setting |
|---------------|-------------|----------|---------------|
| 3748-3753 | 250 gals | 1/2 bpm | 3746-3756 |
| 3761-3764 | 250 gals | 1/2 bpm | 3757-3767 |
| 3771-3774 | 250 gals | 1/2 bpm | 3768-3778 |
| 3784-3787 | 250 gals | 1/2 bpm | 3780-3790 |
| 3794-3798 | 250 gals | 1/2 bpm | 3791-3801 |
| 3818-3823 | 250 gals | 1/2 bpm | 3815-3825 |
| 3832-3840 | 250 gals | 1/2 bpm | 3831-3841 |
| 3844-3850 | 250 gals | 1/2 bpm | 3842-3852 |
| 3869-3878 | 250 gals | 1/2 bpm | 3868.5-3878.5 |
| 3886-3890 | 250 gals | 1/2 bpm | 3883-3893 |
| 3908-3913 | 250 gals | 1/2 bpm | 3906-3916 |

Displace acid w/ 8.6# brine to top perf. Record ISIP, 5, and 10 SIP. RD DS. **If communication occurs during treatment, attempt to put away stage without exceeding 1000 psi csg pressure. If stage can not be completed move to next and combine stage volumes.**

8. SI well for 2 hrs for acid to spend. Release PPI & PU above top perf. RU swab and swab back load before SION if possible. Record volumes, pressures, & fluid levels. Discuss results with Engineering. If excessive water is produced, selectively swab perf intervals as discussed w/ engineer.
9. POOH w/ PPI and LD. RIH w/ 7" frac pkr, on/off tool and profile on 3-1/2" WS testing to 7500 psi while RIH. Set packer @ +/- 3650'. Install frac head. Pressure test BS to 750 psi. Hold 700 psi on BS during frac job and observe for communication.
10. MIRU DS. Frac well down 3-1/2" tubing at **40 BPM** w/ 66,000 gals of YF135, 138,000 lbs. 16/30 mesh Jordan Sand, and 30,000 lbs **resin-coated** 16/30 mesh CR4000 proppant. Max treating pressure 7000 psi. Pump job as follows:

Pump 2,000 gals 2% KCl water containing 110 gals Baker SCW-358 Scale Inhibitor
Pump 1,000 gal 2% KCl water spacer
Pump 25,000 gals YF135 pad containing 5 GPT J451 Fluid Loss Additive
Pump 5,000 gals YF135 containing 1.5 PPG 16/30 mesh Jordan Sand
Pump 6,000 gals YF135 containing 2.5 PPG 16/30 mesh Jordan Sand
Pump 7,000 gals YF135 containing 3.5 PPG 16/30 mesh Jordan Sand
Pump 8,000 gals YF135 containing 4.5 PPG 16/30 mesh Jordan Sand
Pump 10,000 gals YF135 containing 5.5 PPG 16/30 mesh Jordan Sand
Pump 5,000 gals YF135 containing 6 PPG resin-coated 16/30 mesh CR4000 proppant

Flush to top perf. **Do not overflush.** SI well and record ISIP, 5, 10, and 15 minute SIP. RD DS. SION. RD DS.

11. Open well and bleed off any pressure. Release packer and POOH. RIH w/ 6-1/8" bit to 4100'. POOH & LD bit. RIH w/ 7" pkr w/ on/off tool and profile. Set pkr @ +/- 3700'. RU swab and swab well checking for sand inflow. Discuss results w/ engineer. RD swab. Release pkr and POOH.
12. RIH w/ 6-1/8" bit on WS & tag for fill. POOH & LD bit & WS
13. RIH w/ 2-7/8" production tbg & hang off as per ALS recommendation. NDBOP NUWH.
14. RD Key PU & Smith RR. Turn well over to production. Contact Lease Operator and inform them that the well is ready for operation.

Engineer - Keith Lopez

CURRENT WELL DATA SHEET

Field: _____
 Location: 2130' FSL & 2130' FWL
 County: Lea St: New Mexico
 Current Status: PA'd
 Current Producing Formation(s): _____
 Initial Producing Formation(s): _____

Well Name: RE Cole A #8 Lease Type: State
 Sec: 16 Township: 22S Range: 37E
 Refno: FG0268 API: 30-025-22109 Cost Center: _____
 Anchor Test Date: _____
 PA'd _____
 Montoya/Silurian _____

Surface Csg.

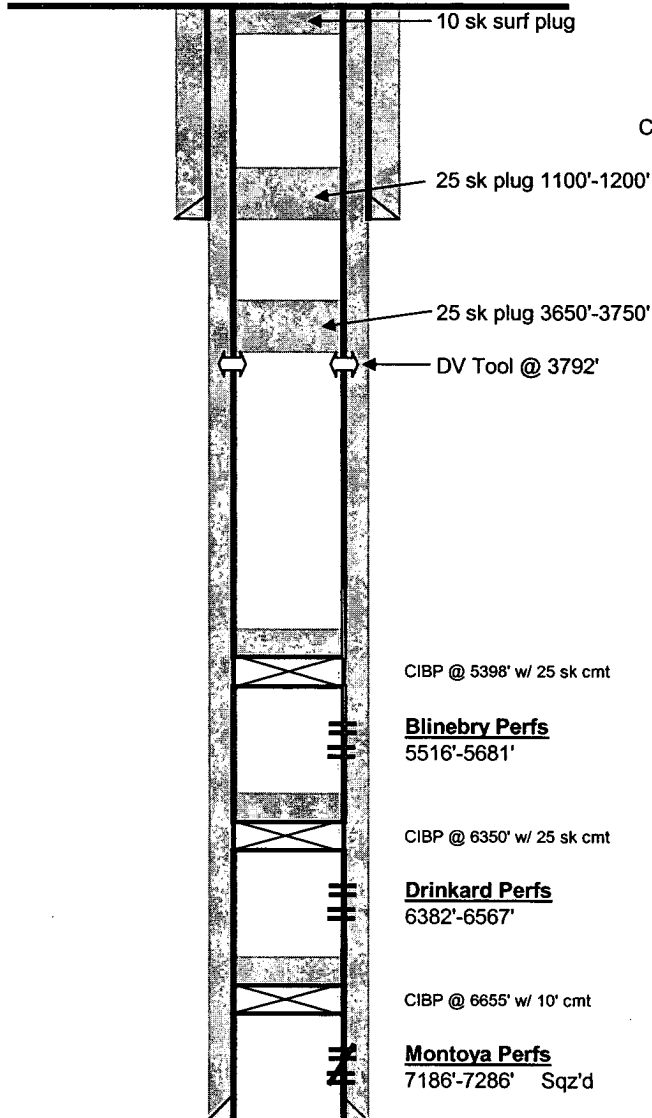
Size: 9-5/8"
 Wt.: 36#
 Set @: 1159'
 Sxs cmt: 425
 Circ: Yes
 TOC: Surface
 Hole Size: 12-1/4"

KB: 3404'
 DF: _____
 GL: 3392'
 Spud Date: 5/5/1967
 Compl. Date: _____

Production Csg.

Size: 7"
 Wt.: 23# & 26#
 Set @: 7302'
 Sxs Cmt: _____
 Circ: Circ 2nd stage
 TOC: Surface
 Hole Size: 8 3/4"

COTD: _____
 PBTD: _____
 TD: 7302'



Remarks: _____

Prepared by: LOPK
 Date: 3/22/2005
 Updated by: _____

PROPOSED WELL DATA SHEET

Field: Eunice San Andres SW
Location: 2130' FSL & 2130' FWL
County: Lea St: New Mexico
Current Status: PR
Current Producing Formation(s):
Initial Producing Formation(s):

Well Name: RE Cole A #8 Lease Type: State
Sec: 16 Township: 22S Range: 37E
Refno: FG0268 API: 30-025-22109 Cost Center: LB10100
Anchor Test Date: San Andres
Montoya/Silurian

Surface Csg.

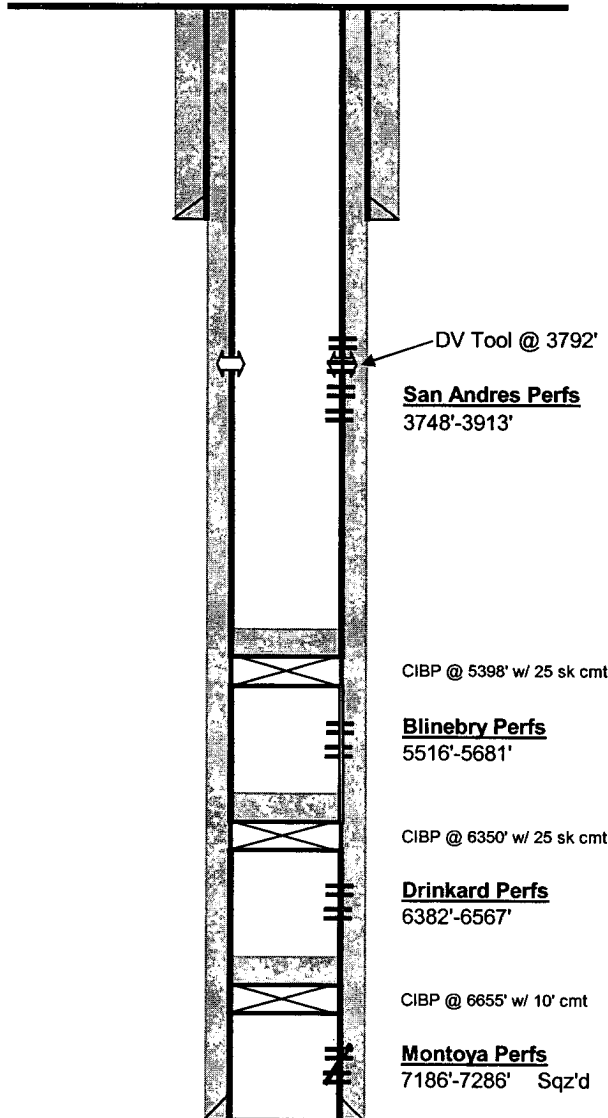
Size: 9-5/8"
Wt.: 36#
Set @: 1159'
Sxs cmt: 425
Circ: Yes
TOC: Surface
Hole Size: 12-1/4"

KB: 3404'
DF:
GL: 3392'
Spud Date: 5/5/1967
Compl. Date:

Production Csg.

Size: 7"
Wt.: 23# & 26#
Set @: 7302'
Sxs Cmt:
Circ: Circ 2nd stage
TOC: Surface
Hole Size: 8 3/4"

COTD:
PBSD: 5298'
TD: 7302'



Remarks:

Prepared by: LOPK
Date: 3/22/2005
Updated by:

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Form C-102

Revised February 10, 199

Instructions on bac

Submit to Appropriate District Office

State Lease - 4 Copie

Fee Lease - 3 Copie

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|---|---|---|
| ¹ API Number 30-025-22109 | ² Pool Code 24180 | ³ Pool Name EUNICE: SAN ANDRES, SOUTHWEST |
| ⁴ Property Code 2597 | ⁵ Property Name R.E. COLE A | ⁶ Well No. 8 |
| ⁷ OGRID Number 4323 | ⁸ Operator Name CHEVRON USA INC | ⁹ Elevation 3392' |

¹⁰ Surface Location

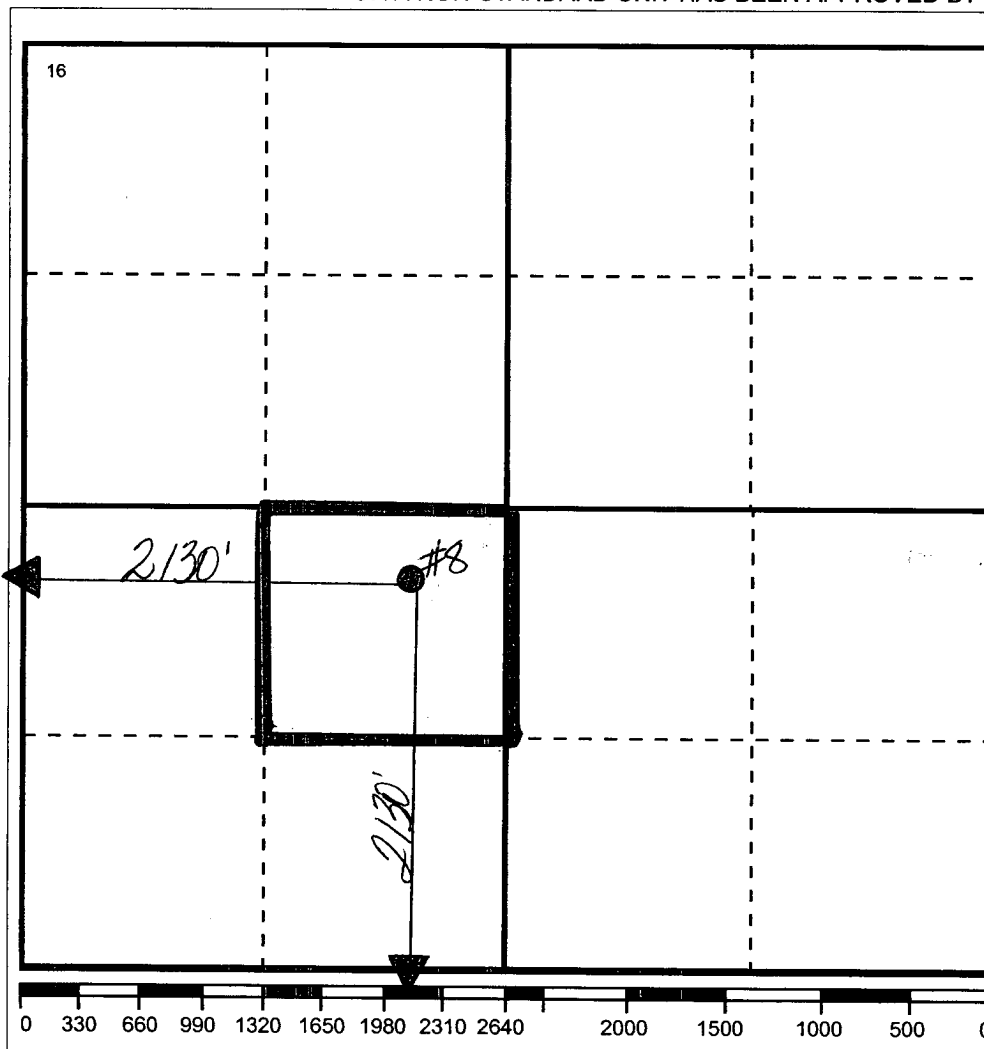
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|--------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| K | 16 | 22-S | 37-E | | 2130' | SOUTH | 2130' | WEST | LEA |

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. |
|------------------------------------|-------------------------------------|----------------------------------|-------------------------|

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

Printed Name

Denise Pinkerton

Positio

Regulatory Specialist

Date

3/31/2005

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.