Submit 3 copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

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. 30-025-06624

5. Indicate Type of Lease STATE ☐ FEE ☑

6. State Oil / Gas Lease No.

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.

7. Lease Name or Unit Agreement Name: HARRY LEONARD 'E'

1. Type of Well: OIL WELL ☑ GAS WELL ☐ OTHER

2. Name of Operator: CHEVRON USA INC

8. Well No. 5

3. Address of Operator: 15 SMITH RD, MIDLAND, TX 79705

9. Pool Name or Wildcat: PENROSE SKELLY GRAYBURG

4. Well Location

Unit Letter H : 2310' Feet From The NORTH Line and 330' Feet From The EAST Line

Section 16 Township 21-S Range 37-E NMPM LEA COUNTY

10. Elevation (Show whether DF, RKB, RT,GR, etc.) 3481' GL

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPERATION	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐			CASING TEST AND CEMENT JOB	☐		
OTHER: ADD PERFS & ACIDIZE	☑			OTHER:			☐

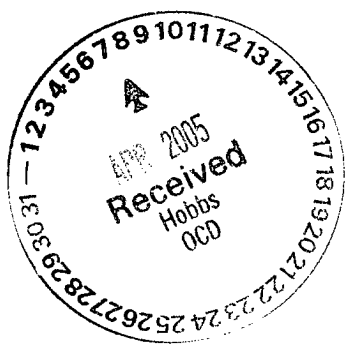
12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

CHEVRON U.S.A. INC. INTENDS TO ADD PERFS AND ACIDIZE THE GRAYBURG RESERVOIR IN THE SUBJECT WELL.

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

THE CURRENT & PROPOSED WELLBORE DIAGRAMS ARE ATTACHED FOR YOUR APPROVAL.

PLEASE SEE ATTACHMENT FOR INTENDED PROCEDURE.



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

SIGNATURE Denise Pinkerton TITLE Regulatory Specialist DATE 4/6/2005

TYPE OR PRINT NAME Denise Pinkerton Telephone No. 432-687-7375

(This space for State Use)

APPROVED

CONDITIONS OF APPROVAL, IF ANY: TITLE PETROLEUM ENGINEER DATE APR 0 8 2005

DeSoto/Nichols 12-93 ver 1.0

H Leonard E #5
API #30-025-06624
2310' FNL & 330' FEL
S16, T21S, R37E
Penrose Skelly
Lea County, New Mexico

PROCEDURE

Use 8.6 ppg brine water.

1. 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. MIRU Key PU & Smith RU. Bleed any pressure off well. Use 8.6 ppg brine water to kill well. POOH w/ rods & pump (see Tbg Detail). NDWH NUBOP & EPA equipment. Test BOP when possible. POOH w/ 2-7/8" Tbg (see Tbg Detail).

3. RIH w/ 4-3/4" bit on 2-7/8" WS to 4115' (PBTD). Reverse circulate out any fill using Air Unit if necessary. POOH & LD bit.

4. MIRU Baker Atlas WL. RIH w/ 3-1/8" slick guns loaded w/ 4 spf, 120 degree phasing, and 23 gram charges tied back to Baker Atlas' CPNL Log dated 11/29/2001 and perf the following intervals: **3727'-3734', 3743'-3748', and 3752'-3758'**. RD Baker Atlas.

5. RIH w/ 5-1/2" PPI packer w/ 8' element spacing and SCV. Test 2-7/8" WS to 3500 psi while RIH. Test PPI packer in blank pipe. Mark settings.

6. MIRU DS. Spot acid across perforated interval. Acidize perfs 3727'-3985' w/ 4,750 gals 15% NEFE HCl acid at a max rate of 2 BPM & 3500 psi surface pressure as follows:

Perfs	Acid Volume	Max Rate	PPI Setting
3981-3985	250 gals	2 bpm	3979-3987
3966-3970	250 gals	2 bpm	3964-3972
3952-3956	250 gals	2 bpm	3950-3958
3932-3936	250 gals	2 bpm	3930-3938
3909-3913	250 gals	2 bpm	3907-3915
3888-3892	250 gals	2 bpm	3886-3894
3864-3868	250 gals	2 bpm	3862-3870
3846-3850	250 gals	2 bpm	3844-3852
3831-3835	250 gals	2 bpm	3829-3837
3818-3822	250 gals	2 bpm	3816-3824
3804-3808	250 gals	2 bpm	3802-3810
3793-3797	250 gals	2 bpm	3791-3799
3768-3772	250 gals	2 bpm	3766-3774

3752-3758	500 gals	½-1 bpm	3751-3759
3743-3748	500 gals	½-1 bpm	3741-3749
3727-3734	500 gals	½-1 bpm	3726.5-3734.5

NOTE: Break down new perfs easy, not exceeding 1 bpm. 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 1,000 psi csg pressure. If stage can not be completed move to next and combine stage volumes.**

7. 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.

8. MIRU pump truck. Pump down tbg w/ 50 bbls 8.6 PPG cut brine water containing 110 gals Baker RE-4777 Scale Inhibitor followed by 200 bbls 8.6 PPG cut brine water @ 5 BPM & 2500 psi max pressure. RD pump truck. POOH & LD WS & PPI pkr.

9. RIH w/ 2-7/8" production tbg & hang off as per ALS recommendation. NDBOP NUWH. RIH w/ rods & pump as per ALS recommendation.

10. 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
432-687-7120 Office
432-687-3281 Cell
303-949-3021 Home

Well: **Harry Leonard (NCT-E) # 5** Field: **Penrose Skelly** Reservoir: **Grayburg**

Location:
2310' FNL & 330' FEL
Section: 16
Township: 21S
Range: 37E
County: Lea State: NM

Elevations:
GL: 3481'
KB:3491'
DF:3490'

Current Wellbore Diagram

Well ID Info:
Chevno: FA7728
API No: 30-025-06624
L5/L6: U492000
Spud Date: 6/22/52
Compl. Date: 10/27/52

Surf. Csg: 12 3/4", 50#, H-40
Set: @ 268' w/ 325 sks
Hole Size: 17 1/2"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Interm. Csg: 8 5/8", 32#, J-55
Set: @ 2799' w/ 708 sks
Hole Size: 11"
Circ: No **TOC:** 2290'
TOC By: Temperature Survey
(Perfed at 2240' and cmtd to surface 7/52)

Block Sqz Perfs @ 2850'
(Circ cmt to surface 7/83)

Perfs:	Status:
3768-72'	Grayburg - Open
3793-97'	Grayburg - Open
3804-08'	Grayburg - Open
3818-22'	Grayburg - Open
3831-35'	Grayburg - Open
3846-50'	Grayburg - Open
3864-68'	Grayburg - Open
3888-92'	Grayburg - Open
3909-13'	Grayburg - Open
3932-36'	Grayburg - Open
3952-56'	Grayburg - Open
3966-70'	Grayburg - Open
3981-85'	Grayburg - Open

Sqzd Csg Leak @ 3928-60'
(Sqzd w/ 225 sks 10/97)

CIBP @ 4150'
(35' cmt on top)

Bowen Csg Patch @ 5351'

Block Sqz Perfs @ 6200'
(Sqzd w/ 300 sks 1/53)

CIBP @ 6425'
(No cmt on top)

Perfs:	Status:
6484-86'	Drinkard - Below CIBP
6527-29'	Drinkard - Below CIBP
6586-88'	Drinkard - Below CIBP
6608-10'	Drinkard - Below CIBP
6661-63'	Drinkard - Below CIBP

CICR @ 6707'
(5' cmt on top)

6745-47'	Abo - Cmt Sqzd
6820-22'	Abo - Cmt Sqzd
6888-90'	Abo - Cmt Sqzd
6956-58'	Abo - Cmt Sqzd
7024-26'	Abo - Cmt Sqzd
7161-63'	Abo - Cmt Sqzd
7198-7200'	Abo - Cmt Sqzd
7227-29'	Abo - Cmt Sqzd

CIBP @ 7280'
(35' cmt on top)

7295-97'	Montoya - Below CIBP
7317-19'	Montoya - Below CIBP
7331-33'	Montoya - Below CIBP

Block Sqz Perfs @ 7400'
(Sqzd w/ 355 sks 1/53, TOC 5392' by TS)

CICR @ 7700'
(10' cmt on top)

7865-7920' McKee - Cmt Sqzd

COTD: 4115'
PBTD: 4115'
TD: 8220'

Prod. Csg: 5 1/2", 14, 15.5, 17 & 20#, J-55 & N-80
Set: @ 7999' w/ 131 sks
Hole Size: 7 7/8"
Circ: No **TOC:** 7540'
TOC By: Temperature Survey

Updated: 8/22/02

By: LPW

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Updated: 8/22/02 LOPK **By:** LPW