

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 Copie
Fee Lease - 5 Copie

☐ 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
		³ API Number 30-025-06843
⁴ Property Code 2615	⁵ Property Name EUNICE KING	⁶ Well No. 7

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
G	28	21-S	37-E		1980'	NORTH	1980'	EAST	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 PENROSE SKELLY GRAYBURG					¹⁰ Proposed Pool 2				

¹¹ Work Type Code P <i>Permit</i>	¹² WellType Code O	¹³ Rotary or C.T. ROTARY	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3447' GL
¹⁶ Multiple No	¹⁷ Proposed Depth 8063'	¹⁸ Formation GRAYBURG	¹⁹ Contractor	²⁰ Spud Date 4/15/2005

²¹ Proposed Casing and Cement Program					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
	NO CHANGE				

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 RE-ENTER THE SUBJECT WELL AND RECOMPLETE FROM THE HARE SIMPSON MCKEE RESERVOIR TO THE PENROSE SKELLY GRAYBURG RESERVOIR.

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

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

PLEASE SEE ATTACHMENT FOR THE 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.

Signature

Denise Pinkerton

Printed Name Denise Pinkerton

Title Regulatory Specialist

Date 4/6/2005

Telephone 432-687-7375

OIL CONSERVATION DIVISION

Approved By: *[Signature]*

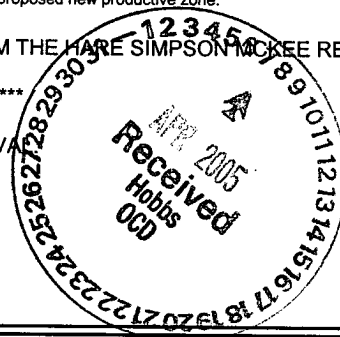
Title:

Approval Date:

Expiration Date:

Conditions of Approval:

Attached APR 08 2005



Eunice King # 7
Penrose Skelly Field
T21S, R37E, Section 28
Job: Reenter And Complete In Grayburg Formation

Procedure:

1. Displace flowline with fresh water. Have field specialist close valve at header. Pressure line according to the type of line. AGU, EMSU, and EMSUB buried fiberglass lines will be tested with 300 psi. All polypipe (SDR7 and SDR11) will be tested w/100 psi. All steel lines will be tested w/500 psi. If a leak is found, contact Donnie Ives for repair/replacement. If test is good, bleed off pressure and **open valve** at header. Document this process in the morning report.
2. Repair well location and lease road. Dig out around cut off csg strings. Weld on new csg and tubing heads. MI & RU workover unit. Install BOP's and test to 1000 psi. PU 6 1/4" MT bit, DC's, and 2 7/8" work string. Establish reverse circulation using 8.6 PPG cut brine. Drill out cement plug in 7" casing from surface to 350'. LD and cleanout 7" casing to 1000'. Reverse circulate well clean from 1000'. Pressure test csg to 500 psi. LD and drill out cement plug in 7" casing from 1000' to 1150'. LD and cleanout 7" casing to 2750'. Reverse circulate well clean from 2750'. Pressure test csg to 500 psi. LD and drill out cement plug in 7" casing from 2750' to 2950'. LD and cleanout 7" casing to 3450'. Reverse circulate well clean from 3450'. Pressure test csg to 500 psi. LD and drill out cement and CIBP in 7" casing from 3450' to 3600'. LD and cleanout 7" casing to 4844'. Reverse circulate well clean from 4844'. POH with 2 7/8" work string, DC's, and 6 1/4" bit. LD DC's and bit. **Note: If any set of sqzd perfs fails pressure test, cmt squeeze before drilling ahead and uncovering next set of sqzd perfs. Also, well will be a producer, so a slight pressure loss is acceptable.**
3. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH and conduct GR/CBL/CCL log from 4844' up to 2600'. POH. Inspect logs for good cement bond from approximately 4200' up to 3500'. If bond does not appear to be good across proposed completion interval, discuss with Engineering before proceeding. Cmt squeeze as necessary to obtain good cmt across completion interval. GIH with 3 1/8" DP slick casing gun and perforate from 3670-77', 3683-90', 3696-3702', 3714-22', 3732-38', 3758-66', 3774-78', 3784-90', 3798-3806', 3812-18', 3823-29', 3836-44', 3850-54', 3866-72', 3883-91', 3899-3907', and 3922-30' with 4 JSPF at 120 degree phasing, using 23 gram premium charges. POH. RD & release electric line unit. **Note: Use casing collars from Welex Radioactivity Log dated 7/19/60 for depth correction.**
4. PU and GIH w/ 7" PPI pkr (with 10' element spacing) and SCV on 2 7/8" work string to approximately 3650'. Test tbg to 5500 psi while GIH.
5. MI & RU DS Services. Acidize perfs 3670-3930' with 3,400 gals anti-sludge 15% HCl acid * at a maximum rate **as shown below** and a maximum surface pressure of **3500 psi**. Spot acid across perfs at beginning of each stage and let soak to lower breakdown pressure and prevent communication. Pump job as follows:

Interval	Amt. Acid	Max Rate	PPI Setting
3922-30'	200 gals	½ BPM	3921-31'
3899-3907'	200 gals	½ BPM	3898-3908'
3883-91'	200 gals	½ BPM	3882-92'
3866-72'	200 gals	½ BPM	3864-74'
3850-54'	200 gals	½ BPM	3846-56'
3836-44'	200 gals	½ BPM	3835-45'
3823-29'	200 gals	½ BPM	3820-30'
3812-18'	200 gals	½ BPM	3810-20'
3798-3806'	200 gals	½ BPM	3797-3807'
3784-90'	200 gals	½ BPM	3782-92'
3774-78'	200 gals	½ BPM	3770-80'
3758-66'	200 gals	½ BPM	3757-67'
3732-38'	200 gals	½ BPM	3730-40'
3714-22'	200 gals	½ BPM	3713-23'
3696-3702'	200 gals	½ BPM	3694-3704'
3683-90'	200 gals	½ BPM	3682-92'
3670-77'	200 gals	½ BPM	3668-78'

Displace acid with 8.6 PPG cut brine water -- do not overdisplace. Use a SCV to control displacement fluid. Record ISIP, 5 & 10 minute SIP's. RD and release DS services. **Note:** Pickle tubing in 1 run of 500 gals acid, prior to acidizing perfs. Pickle acid is to contain only 1/2 gal A264 and 1 gal W53. Also, if communication occurs during treatment of any interval, monitor casing pressure and attempt to complete stage w/o exceeding 350 psi csg pressure. If cannot, then move PPI to next setting depth and combine treatment volumes of the intervals. Do not exceed 350 psi casing pressure due to cmt sqzd perfs in wellbore.

* Acid system is to contain:	1 GPT A264	Corrosion Inhibitor
	8 GPT L63	Iron Control Agent
	2 PPT A179	Iron Control Aid
	20 GPT U66	Mutual Solvent
	2 GPT W53	Non-Emulsifier

- Release PPI pkr and PUH to approximately 3650'. Swab back all intervals together. Recover 100% of treatment and load volumes before shutting well in for night, if possible. Report recovered fluid volumes, pressures, and/or swabbing fluid levels. **Note:** Selectively swab perfs as directed by Engineering if excessive water is produced.
- Open well. Release PPI pkr. POH with tbg and PPI packer. LD PPI tool.
- PU and GIH w/ 7" Lok-Set pkr & On-Off tool w/ 2.25" "F" profile and 118 jts. of 3 ½" EUE 8R L-80 work string, testing to 7500 psi. Set pkr at approximately 3550'. Install frac head. Pressure annulus to 350 psi to test csg and pkr. Leave pressure on csg during frac job to observe for communication.

9. MI & RU DS Services and Tracer-Tech Services (Mike Mathis (866) 595-3115). Frac well down 3 ½" tubing at **40 BPM** with 84,000 gals of YF130, 160,000 lbs. 16/30 mesh Jordan Sand, and 30,000 lbs **resin-coated** 16/30 mesh CR1630 proppant. Observe a maximum surface treating pressure of **7400 psi**. Tag frac with 2 radioactive isotopes (1 in main proppant stages, and 1 in resin-coated proppant stage). Pump job as follows:

Pump 2,000 gals 2% KCL water containing 55 gals Baker RE 4777-SCW Scale Inhibitor

Pump 1,000 gals 2% KCL water spacer

Pump 14,000 gals YF130 pad containing 5 GPT J451 Fluid Loss Additive

Pump 14,000 gals YF130 containing 0.5 PPG 16/30 mesh Jordan Sand & 5 GPT J451 FL Additive

Pump 12,000 gals YF130 containing 1.5 PPG 16/30 mesh Jordan Sand

Pump 12,000 gals YF130 containing 2.5 PPG 16/30 mesh Jordan Sand

Pump 12,000 gals YF130 containing 3.5 PPG 16/30 mesh Jordan Sand

Pump 14,000 gals YF130 containing 4.5 PPG 16/30 mesh Jordan Sand

Pump 6,000 gals YF130 containing 5 PPG **resin-coated** 16/30 mesh CR1630 proppant.

Flush to 3642' with 1,449 gals WF130. **Do not overflush.** Shut well in. Record ISIP, 5, 10, and 15 minute SI tbg pressures. SWI. RD & Release DS Services and Tracer-Tech Services. **Leave well SI overnight.**

10. Open well. Release pkr and POH with 3 ½" work string. Lay down work string and pkr.
11. PU and GIH with 6 ¼" MT bit on 2 7/8" work string to 4500'. If fill is found above 4500', clean out fill to 4500' using 8.6 PPG cut brine water and air unit (if necessary). POH with 2 7/8" work string and bit. LD bit.
12. PU & GIH with 7" pkr on 2 7/8" work string to 3500'. Set pkr at 3500'. Open well. GIH and swab well until there is no sand inflow. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH and conduct after-frac GR/Temp/CCL log from 4500' up to 3000'. POH. RD & release electric line unit. **Note: Correlate logs and run flat with Baker Atlas GR/CBL/CCL Log conducted in Step # 3.**
13. Release pkr. POH LD 2 7/8" work string and pkr.
14. PU and GIH w/ Centrilift sub pump assembly, drain sub, 2 7/8" x 6' tbg sub, SN, and 121 jts 2 7/8" EUE 8R J-55 tbg, testing to 5000 psi. Suspend tbg with bottom of sub pump assembly at approximately 3805'.
15. Remove BOP's and install WH. RD & release workover unit.
16. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

AMH

4/6/2005

Well: Eunice King # 7

Field: Hare Simpson

Reservoir: McKee

Location:

1980-FNL & 1980-FEL
 Section: 28
 Township: 21S
 Range: 37E
 County: LEA, NM.

Elevations:

GL: 3447'
 DF: 3457'
 KB: 3458'

Current Wellbore Diagram

Well ID Info:

Reino: FA7940
 API No: 3002506843
 L5/L6: UCU900400
 Spud Date: 12/18/1947
 Compl. Date: 3/7/48
 Wellbore#: 047459

Surf. Csg:

Size 13 3/8" OD H-40
 Weight 48#
 Set @ 292'
 With: 300 sxs
 Hole Size: 17 1/4"
 Circ: Yes
 TOC @ Surface

Int. Csg:

Size 9 5/8" OD H-40
 Weight 36#
 Set @ 2850'
 With: 1300 sxs
 Hole Size: 12 1/4"
 Circ: No
 TOC @ 1625' by TS

Perfs:**Status:**

3677 U. Grayburg - Cmt Sqzd
 3699 U. Grayburg - Cmt Sqzd
 3720 U. Grayburg - Cmt Sqzd
 3735 U. Grayburg - Cmt Sqzd

Perfs:**Status:**

5066-77 Paddock - Below CIBP
 5098-5104 Paddock - Below CIBP
 5118-28 Paddock - Below CIBP
 5138-44 Paddock - Below CIBP
 5152-60 Paddock - Below CIBP
 5168-74 Paddock - Below CIBP
 5180-84 Paddock - Below CIBP
 5188-98 Paddock - Below CIBP
 5206-10 Paddock - Below CIBP
 5262-72 Paddock - Below CIBP

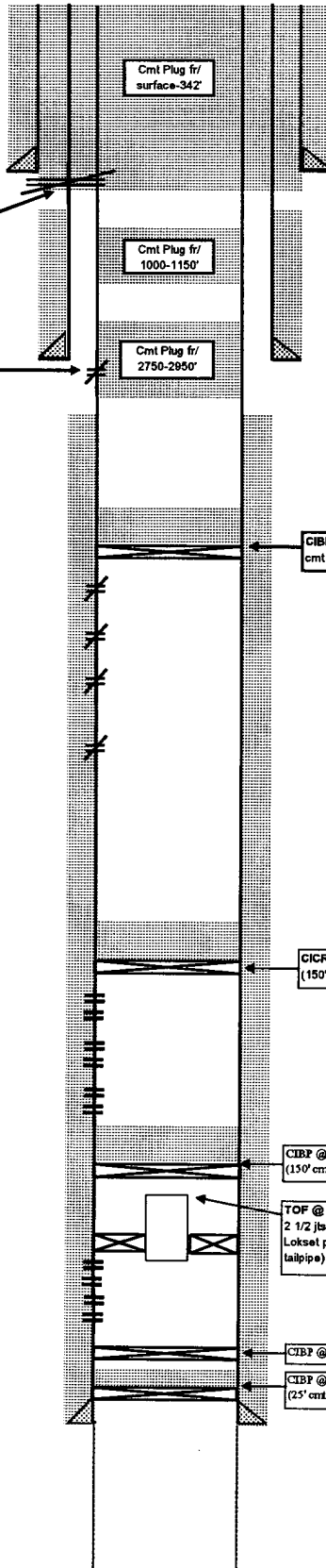
Perfs**Status**

7394-7420 McKee Sand - Below CIBP
 7433-7520 McKee Sand - Below CIBP

Open Hole**Status**

7904-8063 Ellenburger - Below CIBP

PBTD: Surface
 TD: 8063'

**Tubing Detail:**

Jlts:

Size:

Footage

0 Bottom Of String >>

0.00

Prod. Csg:

Size 7" OD J-55 & N-80
 Weight 23#
 Set @ 7904'
 With: 800 sxs
 Hole Size: 8 3/4"
 Circ: No
 TOC @ 2985' by TS

Updated: 5-Apr-05
 By: AMH

Well: Eunice King # 7

Field: Penrose Skelly

Reservoir: Grayburg

Location:
 1980-FNL & 1980-FEL
 Section: 28
 Township: 21S
 Range: 37E
 County: LEA, NM.

Elevations:
 GL: 3447'
 DF: 3457'
 KB: 3458'

Block Sqz Perfs @ 342'
 (Circulated cmt to surface)

Block Sqz Perfs @ 2900'
 (CN pump into perfs, not cmt
 sqzd)

Perfs:	Status:
3670-77'	Grayburg - Open
3683-90'	Grayburg - Open
3696-3702'	Grayburg - Open
3714-22'	Grayburg - Open
3732-38'	Grayburg - Open
3758-66'	Grayburg - Open
3774-78'	Grayburg - Open
3784-90'	Grayburg - Open
3798-3806'	Grayburg - Open
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3823-29'	Grayburg - Open
3836-44'	Grayburg - Open
3850-54'	Grayburg - Open
3866-72'	Grayburg - Open
3883-91'	Grayburg - Open
3899-3907'	Grayburg - Open
3922-30'	Grayburg - Open

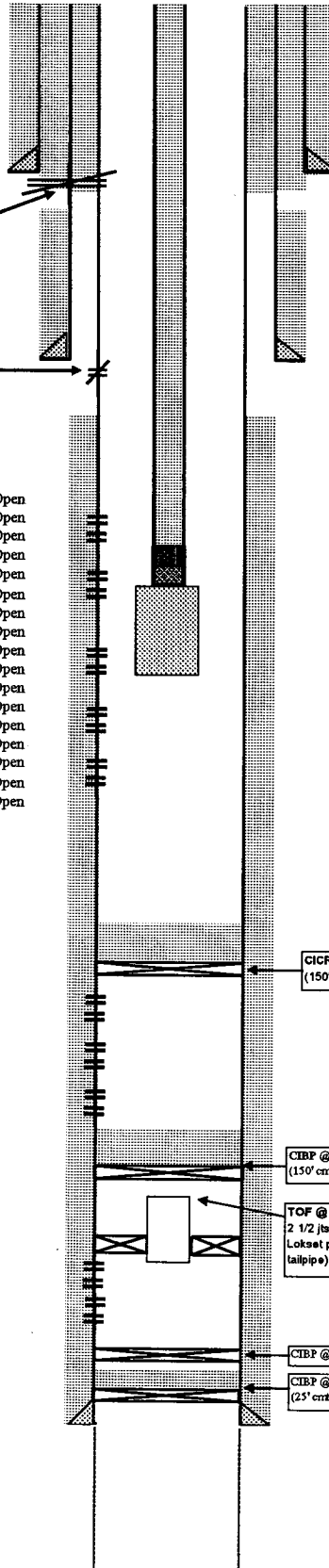
Perfs:	Status:
5066'-77'	Paddock - Below CIBP
5098'-5104'	Paddock - Below CIBP
5118'-28'	Paddock - Below CIBP
5138'-44'	Paddock - Below CIBP
5152'-60'	Paddock - Below CIBP
5168'-74'	Paddock - Below CIBP
5180'-84'	Paddock - Below CIBP
5188'-98'	Paddock - Below CIBP
5206'-10'	Paddock - Below CIBP
5262'-72'	Paddock - Below CIBP

Perfs	Status
7394'-7420'	McKee Sand - Below CIBP
7433'-7520'	McKee Sand - Below CIBP

Open Hole	Status
7904'-8063'	Ellenburger - Below CIBP

PBTD: 4844'
 TD: 8063'

Proposed Wellbore Diagram



Well ID Info:

Refno: FA7940
 API No: 3002506843
 L5/L6: UCU491600
 Spud Date: 12/18/1947
 Compl. Date: 3/7/48
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 Weight 48#
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 With: 300 sxs
 Hole Size: 17 1/4"
 Circ: Yes
 TOC @ Surface

Int. Csg:

Size 9 5/8" OD H-40
 Weight 36#
 Set @ 2850'
 With: 1300 sxs
 Hole Size: 12 1/4"
 Circ: No
 TOC @ 1625' by TS

Tubing Detail:

Alts:	Size:	Footage
	KB Correction	11.00
121	Jbs. 2 7/8" J-55 CL. 8'	3751.00
	2 7/8" x 6" Tbg Sub	6
	Drain Valve	0.55
	2 7/8" x 2 3/8" X-Over	0.80
	Centrifugal Sub Pump	35.41
121	Bottom Of Mtr >>	3804.56

Prod. Csg:

Size 7" OD J-55 & N-80
 Weight 23#
 Set @ 7904'
 With: 800 sxs
 Hole Size: 8 3/4"
 Circ: No
 TOC @ 2985' by TS

Updated: 5-Apr-05
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Revised February 10, 1999

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Fee Lease - 3 Copy

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-06843	² Pool Code 50350	³ Pool Name PENROSE SKELLY GRAYBURG
⁴ Property Code 2615	⁵ Property Name EUNICE KING	⁶ Well No. 7
⁷ OGRID Number 4323	⁸ Operator Name CHEVRON USA INC	⁹ Elevation 3447' GL

¹⁰ Surface Location

UI or lot no	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
G	28	21-S	37-E		1980'	NORTH	1980'	EAST	LEA

¹¹ 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
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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

<div data-bbox="126 959 152 980">16</div> <div data-bbox="97 1879 1063 1942"> 0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0 </div>	<div data-bbox="1091 919 1471 949">17 OPERATOR CERTIFICATION</div> <div data-bbox="1091 959 1471 1045">I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief</div> <div data-bbox="1091 1123 1549 1207"> Signature </div> <div data-bbox="1091 1192 1549 1260"> Printed Name Denise Pinkerton </div> <div data-bbox="1091 1266 1549 1329"> Positio Regulatory Specialist </div> <div data-bbox="1091 1335 1549 1396"> Date 4/6/2005 </div> <div data-bbox="1091 1404 1471 1434">18 SURVEYOR CERTIFICATION</div> <div data-bbox="1091 1442 1471 1617">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.</div> <div data-bbox="1091 1623 1549 1650">Date Surveyed</div> <div data-bbox="1091 1690 1549 1745">Signature & Seal of Professional Surveyor</div> <div data-bbox="1091 1856 1549 1881">Certificate No.</div>
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