

District I
1625 N French Dr, Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
811 S First St, Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 848-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St Francis Dr, Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

State of New Mexico
Energy Minerals and Natural Resources
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
Revised August 1, 2011

Permit

HOBBS OCD

JAN 27 2012

RECEIVED

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address CHEVRON U S A INC 15 SMITH ROAD MIDLAND, TEXAS 79705		² OGRID Number 4323
		³ API Number 30-025-33569
⁴ Property Code	⁵ Property Name NEW MEXICO "O" STATE NCT-1	⁶ Well No 39

⁷ Surface Location

UL - Lot G	Section 36	Township 17-S	Range 34-E	Lot Idn	Feet from 2075	N/S Line NORTH	Feet From 2110	E/W Line EAST	County LEA
---------------	---------------	------------------	---------------	---------	-------------------	-------------------	-------------------	------------------	---------------

⁸ Pool Information

NORTH VACUUM ABO 61760	
------------------------	--

Additional Well Information

⁹ Work Type RECOMPLETE	¹⁰ Well Type O	¹¹ Cable/Rotary	¹² Lease Type S	¹³ Ground Level Elevation
¹⁴ Multiple NO	¹⁵ Proposed Depth 10,300'	¹⁶ Formation ABO	¹⁷ Contractor	¹⁸ Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

¹⁹ Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
			NO CHANGE			

Casing/Cement Program: Additional Comments

SEE ATTACHED INTENDED PROCEDURE, C-102, C-144CLEZ, WELLBORE DIAGRAMS, C-107A TO DHC ABO, WOLFCAMP, PENN

Proposed Blowout Prevention Program

Type Permit Expires 2 Years From Approval Date Unless Drilling Underway	Working Pressure
Oil Conservation Division Conditions of approval: Approval for drilling/workover ONLY-- CANNOT produce Downhole Commingled until DHC is approved by Santa Fe	
OIL CONSERVATION DIVISION	
Approved By:	
Title:	
Approved Date: Expiration Date:	
JAN 31 2012	
Conditions of Approval Attached	

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
Title: REGULATORY SPECIALIST
E-mail Address: leakejd@chevron.com
Date 01-26-2012 Phone: 432-687-7375

JAN 31 2012

District I
1625 N French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
811 S First St., Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 848-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office

HOBBS OCD
JAN 27 2012

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION

¹ API Number 30-025-33569		² Pool Code 61760		³ Pool Name VACUUM; ABO NORTH	
⁴ Property Code		⁵ Property Name NEW MEXICO "O" STATE NCT-1			⁶ Well Number 39
⁷ OGRID No. 4323		⁸ Operator Name CHEVRON U.S.A. INC.			⁹ Elevation

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	36	17-S	34-E		2075	NORTH	2110	EAST	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 Acres 40	¹³ Joint or Infill	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.

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Denise Pinkerton</i> 01-26-2012 Signature Date</p> <p>DENISE PINKERTON REGULATORY SPECIALIST Printed Name</p> <p>leakejd@chevron.com E-mail Address</p>	
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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>	

District I
1625 N French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
811 S First St., Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 848-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office
☒ AMENDED REPORT

JAN 27 2012

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-33569	² Pool Code 62340	³ Pool Name VACUUM; WOLFCAMP
⁴ Property Code	⁵ Property Name NEW MEXICO "O" STATE NCT-1	⁶ Well Number 39
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	36	17-S	34-E		2075	NORTH	2110	EAST	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 Acres AD	¹³ Joint or Infill	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.

	<p>¹⁷ OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</p> <p><i>Denise Pinkerton</i> 01-26-2012 Signature Date</p> <p>DENISE PINKERTON REGULATORY SPECIALIST Printed Name</p> <p>leaked@chevron.com E-mail Address</p>
	<p>¹⁸ SURVEYOR CERTIFICATION</p> <p>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>

District I
1625 N French Dr., Hobbs, NM 88240
Phone (575) 393-6161 Fax (575) 393-0720
District II
811 S First St., Artesia, NM 88210
Phone (575) 748-1283 Fax (575) 848-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-33569	² Pool Code 62320	³ Pool Name VACUUM; UPPER PENN
⁴ Property Code	⁵ Property Name NEW MEXICO "O" STATE NCT-1	⁶ Well Number 39
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	36	17-S	34-E		2075	NORTH	2110	EAST	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 Acres 40	¹³ Joint or Infill	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.

¹⁶ 	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division Signature: <i>Denise Pinkerton</i> Date: 01-26-2012 DENISE PINKERTON REGULATORY SPECIALIST Printed Name leakerjd@chevron.com E-mail Address	
	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.	
	Date of Survey Signature and Seal of Professional Surveyor	
	Certificate Number	

New Mexico O State NCT-1 #39 – Add Pay, Acidize, Replace Rod Pump

API No. 30-025-33569

Lea County, NM

PREWORK:

- Ensure pad is of adequate size & build
- Ensure anchors load tested within last 24 months
- Electrical line issues – is variance required?
- Rig move checklist
- If well has slip type Larkin head, notify remedial engineer and prep to change WH equipment.
- Ensure that elevators and other lifting equipment is callipered and visually inspected each time tubular / rod size is changed and at the start of each day.

WITH RIG

1. MIRU pulling unit.
2. Record tubing and casing pressures for kill weight calculations. Check pressure on surface and intermediate risers & bleed pressure if necessary. Leave bradenhead valves open & monitor throughout workover.
3. Kill well as necessary.
4. Pull rods and pump (Rod and pump details shown on WBD).
5. Ensure well is dead. ND wellhead.
6. NU 5K hydraulic BOP with blind rams in bottom, 2 7/8" pipe rams in top & 3M hydraulic annular.
7. Unset TAC. TOH scanning 2-7/8" 6.5# L80 8RD EUE tubing (blue and yellow joints OK to rerun).
8. TIH with 4-3/4" MT bit & 6 x 3-1/2" DCs on and 2 7/8" EUE, L-80, 6.5# WS. Cleanout to 10,282' (PBSD).
9. TOH stand back WS; LD DC's & bit.

10. RU Baker Hughes perforating services & lubricator. Tie into Schlumberger's GR-CBL-CCL dated 2/19/97. Perforate 5 1/2" casing with 4" Predator guns loaded with 2 JSPF at 120 degree phasing, 0.48" EHD, & 49" penetration as follows:

9090-98', 9108-16', 9136-44', 9148-56', 9184-92', 9228-36', 9240-56' (128 holes)

RDMO wire line unit.

11. RIH with 5-1/2" 17# RBP & 5-1/2" 17# packer on 2-7/8" EUE, L-80, 6.5# workstring. Test tbg to 6000 psi below slips while RIH.

12. Set RBP @ 10,250' & test to 1000 psi with packer. PUH and set packer @ 10,075'.

13. MIRU Acid Unit. Have 8000 lbs of rock salt on site. Pump acid at 6-8 BPM. Max Pressure = 5900 psi. Acidize Upper Penn perfs f/ 10,102'-10,217' with 6000 gallons 15% NEFE HCL in 4 stages of acid and 3 stages of Rock Salt (Use BW during acid job) as follows:

- 1) 500 gals = 12 bbls Brine Water as a pad to establish injection rate
- 2) 4000 gals 15% NEFE HCL
- 3) 3000# Rock Salt (Gelled Brine Water w/ 1.5 lbm/gal concentration)
- 4) 2000 gals 15% NEFE HCL
- 5) 1500# Rock Salt (Gelled Brine Water w/ 1.5 lbm/gal concentration)
- 6) 2000 gals 15% NEFE HCL
- 7) 1000# Rock Salt (Gelled Brine Water w/ 1.5 lbm/gal concentration)
- 8) 1500 gals 15% NEFE HCL
- 9) Switch to FW & displace to bottom of perfs

Note: Adjust Rock Salt volumes based on results of previous drops

14. SI well for 1 hrs to allow acid to spend.

15. Flow back load. If well will not flow, do NOT swab.

16. Release pkr, RIH, latch onto RBP @ 10,250' and unset. Wash salt as necessary to get to RBP.

17. PUH & re-set RBP @ 10,075'. Pressure test to 1000 psi with packer. PUH, and re-set pkr @ 9275'.

18. MIRU Acid Unit. Have 4000 lbs of rock salt on site. Pump acid at 6-8 BPM. Max Pressure = 5900 psi. Acidize perfs with 10,000 gallons 15% NEFE HCL in 4 stages of acid and 3 stages of Rock Salt (Use BW during acid job) as follows:

- 10) 500 gals = 12 bbls Brine Water as a pad to establish injection rate
- 11) 4000 gals 15% NEFE HCL
- 12) 1000# Rock Salt (Gelled Brine Water w/ 1.5 lbm/gal concentration)
- 13) 2000 gals 15% NEFE HCL
- 14) 1000# Rock Salt (Gelled Brine Water w/ 1.5 lbm/gal concentration)
- 15) 2000 gals 15% NEFE HCL
- 16) 1000# Rock Salt (Gelled Brine Water w/ 1.5 lbm/gal concentration)
- 17) 2000 gals 15% NEFE HCL
- 18) Switch to FW & displace to bottom of perfs

Note: Adjust Rock Salt volumes based on results of previous drops

19. SI well for 1 hrs to allow acid to spend.

20. Release pkr, RIH, latch onto RBP @ 10,075' and unset. Wash salt as necessary to get to RBP.

21. PUH & re-set RBP @9275'. Pressure test to 1000 psi with packer. PUH, and set pkr @ 8990'. Load and test backside to 250 psi, monitor backside during job.

22. Acidize perfs (9090'-9256') w/ 6,500 gallons of 15% HCL. Divert using 190, 1.2 SG, 7/8" bio balls and spread evenly throughout the job. Pump acid at 6-8 BPM. Max Pressure = 5900 psi. Displace acid w/ FW to bottom perf @ 9256'. Monitor casing pressure for communication around packer.

23. Shut-in for 1 hours to allow acid to spend and bio-balls to break.

24. Flow back load. If well will not flow, swab back load *from upper perforations only*.

25. Squeeze per Scale Inhibitor into new perfs f/ 9090-9256' (lower perfs were recently squeezed):

- a. Rig up truck to pump down tubing under packer during well pull

- b. Mix 165 gallons SCW358 (scale inhibitor) and 20 gallons of XC-302 with 20 barrels fresh water.
- c. Pump the chemical mixture down the tubing under packer.
- d. Overflush with 500 barrels fresh water.

26. Release packer, RIH, latch onto RBP and unset. TOH LD WS, RBP, & packer.

27. RIH with existing 2-7/8" 6.5# L80 production tbg as shown below:

Tubing - 2 7/8" 6.5# L-80
 1 - 2 7/8" X 4' Marker Sub
 2 - Joints 2 7/8" L-80 tubing
 1 - 2 7/8" X 5 1/2" TAC @ 9030'
 Tbg 2 7/8" L-80
 2 - 2 7/8" X 31' Internal Plastic Coated TK-99 Jts
 1 - SS Mechanical Seat Nipple @ 10132' no higher w/ Crow
 Strainer
 1 - 2 3/8" X 16' Tubing Sub

End of Tubing 10148'

28. Confirm well is dead & ND BOP.

29. NU wellhead.

30. RIH w/ pump and rods:

1 - 1 1/2" X 26' SM Polish Rod w/1" pin & PR coupling (Garner)
 1 - Set 1 1/4" Fiberod FG Pony Rods W/SH Tee couplings
 107ea. - 4012.5' Fiberod 1 1/4" FG Rods W/SH Tee couplings
 120ea. - 3000' Norris 1" N-97 Rods W/SH Tee couplings
 109ea. - 2725' Norris 7/8" N-97 Rods W/FH Tee couplings
 16ea. - 400' Grade K 1 1/2" Sinker Bars W/3/4" pins & FH Tee
 boxes
 1 - 4' Guided Pony Sub 3-guides, 7/8" body, 3/4" pins (Garner)
 1 - 2" Insert Pump (Garner)

1 - 1" x 7/8" crossover coupling
 1 - 7/8" X 3/4" crossover coupling

Garner Pump 575 397-4788

COMPANY NAME - Chevron

WELL - New Mexico O State NCT-1-# 39

TRIM- 316 Stainless Steel

T/V CAGES -Monel Insert Guided S/V CAGES Monel Insert Guided

VALVE ROD N/A PULLTUBE N/A

TRAVELING VALVES PRI- S/N Ball-Extreme Seat SEC- N/A.

STANDING VALVES PRI- S/N Ball-Extreme Seat SEC- N/A

PLUNGER Spray Metal Monel Pin FEET 24' FIT 002

BARRELS 6' METAL- Brass Nickle-Carbide

EXTENSIONS 18' Brass

Hold Down Assembly - 316 Stainless Steel Mechanical Holddown

TOP PLUNGER ADAPTER Monel

API PUMP DESCRIPTION 25-150-RHBM-6-24-18

COMMENTS - It is intended to run a 1.5" regular style pampa
 pump in this well. Make sure we can get below the perms.
 Run a crow strainer in the holddown

31. RDMO PU.

32. Turn well over to production.

**CURRENT
WELLBORE DIAGRAM**

Lease:	New Mexico O State NCT-1	Well No.:	39	Field:	Vacuum Wolfcamp
Surface Location:	2075' FNL & 2110' FEL	Unit Ltr:	G	Sec:	36 TSHP/Range: 17S-34E
Bottomhole Location:	Same	Unit Ltr:		Sec:	TSHP/Range:
County:	Lea St: NM	St Lease:	B-155	API:	30-025-33569
Current Status:	Active Oil Well	Elevation:	3997' GR	Cost Center:	TEPI.
Directions to Wellsite:	Buckeye, New Mexico				BCT494900 (XBM-TANG)
					BCT495000 (XBM-IDC)
					BCT495200 (XBM-LDE)

Surface Csg.

Size: 11 3/4"
Wt.: 42#, WC-50
Set @: 1480'
Sxs cmt: 800
Circ: Yes, 135 sxs
TOC: Surface
Hole Size: 14 3/4"

Intermediate Csg.

Size: 8 5/8"
Wt.: 32#, M-80 & K-55
Set @: 5310'
Sxs cmt: 2125
Circ: No
TOC: 90'
Hole Size: 11"

Production Csg.

Size: 5 1/2"
Wt.: 17#, L-80
Set @: 10300'
Sxs cmt: 1000
Circ: No
TOC: 3550'
Hole Size: 7 7/8"

KB: 4015.5'
DF: 4014.5'
GL: 3997'
Original Spud Date: 12/31/1996
Original Compl Date: 6/16/1997

HISTORY:

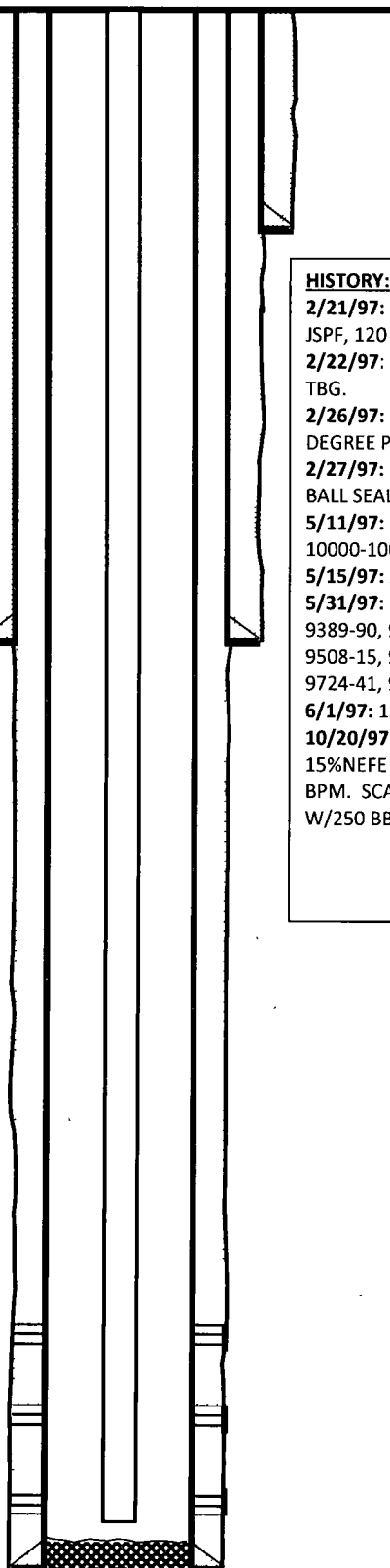
2/21/97: PERF UPPER PENN 10145-10217 W/2 JSPF, 120 DEGREE PHASING.
2/22/97: BULLHEAD 1000 GAL 15%HCL NEFE DOWN TBG.
2/26/97: PERF 10102-10230 W/2 JSPF, 120 DEGREE PHASING.
2/27/97: ACIDIZE W/13000 GALS 15% ACID & 368 BALL SEALERS, NO BALL ACTION.
5/11/97: SET RBP @ 10100, PERF 9944-9986, 10000-10048 W/2 JSPF
5/15/97: ACIDIZE W/9000 GALS
5/31/97: PERF 9302-43, 9346-53, 9365-73, 9376-85, 9389-90, 9408-12, 9414-17, 9421-34, 9480-84, 9508-15, 9555-63, 9572-76, 9587-90, 9680-86, 9724-41, 9813-17, 9882-86 (284 HOLES)
6/1/97: 15000 GAL 15% HCL
10/20/97: ACIDIZE 9303-10048 W/ 10000 GAL 15%NEFE & 700 BALL SEALERS. MAX-622. AIR-9.4 BPM. SCALE SQZ W2 DRUMS TH756 & FLUSH W/250 BBLS WTR.

Tubing Strings							
Tubing Description		Planned Run?	Set Depth (ft) (ft)		Set Depth (FVD) (ft)		
Tubing - Production		No	10,150.0		9,636.4		
Run Date		Run Job	Pull Date		Pull Job		
7/25/2010		Pump Repair.					
7/15/2010 10:30							
Jts	Item Description	OD (in)	ID (in)	Wt (lb/ft)	Grade	Top Thread	Len (ft)
279	Tubing	2 7/8	2.438	6.50	N-80		9,191.35
	Anchor/catcher	5 1/2	0.000				2.92
27	Tubing	2 7/8	2.438	6.50	N-80		888.96
1	TK-99 Joint	2 7/8	2.441	6.50	L-80		31.50
	Seat Nipple	2 7/8					0.80
	Dip Tube (mule shoe)	2 3/8	2.000				16.41
							10,150.0
Rods							
Rod Description		Planned Run?	Set Depth (ft) (ft)		Set Depth (FVD) (ft)		
PUMP CHANGE		No	10,133.0		9,619.4		
Run Date		Run Job	Pull Date		Pull Job		
9/22/2010							
Jts	Item Description	OD (in)	Len (ft)	Btm (ft)			
1	Polished Rod	1 1/2	26.00	18.0			
3	Pony Rod 2' 6" 8'	7/8	12.00	30.0			
100	Sucker Rod	7/8	2,500.00	2,530.0			
290	Sucker Rod	7/8	7,250.00	9,780.0			
13	Sinker Bar	1 1/2	325.00	10,105.0			
1	Pony Rod W/ GUIDES	7/8	4.00	10,109.0			
1	Rod Insert Pump MECH	2 1/2	24.00	10,133.0			

Proposed Abo Perfs: 9090'-9256' (2 JSPF)

Wolfcamp Perfs: 9303'-10048' (2 JSPF)

Upper Penn Perfs: 10102'-10230' & 10145'-10217' (2 JSPF)



PBTD: 10282'
TD: 10300'