

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

NOCD-HOBBS
HOBBS OCD
FEB 17 2012
RECEIVED

SUBMIT IN TRIPLICATE – Other instructions on page 2		5 Lease Serial No NMNM14218
1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		6 If Indian, Allottee or Tribe Name
2 Name of Operator CHEVRON U.S.A. INC		7 If Unit of CA/Agreement, Name and/or No
3a Address 15 SMITH ROAD MIDLAND, TEXAS 79705	3b Phone No (include area code) 432-687-7375	8 Well Name and No C.C. FRISTOE "B" NCT-2 #27
4 Location of Well (Footage, Sec., T, R, M., or Survey Description) 2310 FSL, & 990 FEL, SECTION 26, UL 1, T-24S, R-37E		9 API Well No 30-025-35589
		10 Field and Pool or Leasing Area BLINEBRY/TUBB/DRINKARD
		11 Country or Parish, State LEA COUNTY, NEW MEXICO

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other AND DOWNHOLE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	COMMINGLE
	<input type="checkbox"/> Convert to Injection	<input checked="" type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13 Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

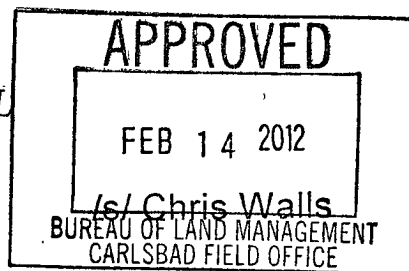
CHEVRON U.S.A. INC. INTENDS TO RECOMPLETE THE SUBJECT WELL FROM THE ELLENBURGER TO THE BLINEBRY/TUBB/DRINKARD INTERVALS. THE ELLENBURGER INTERVAL WILL BE ISOLATED, DO A SAND FRAC, CLEAN OUT, SCALE SQUEEZE & RUN RODS & TBG

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, THE WELLBORE DIAGRAMS, C144CLEZ INFO, & PERMIT FOR DOWNHOLE COMMINGLING

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

**SUBJECT TO LIKE
APPROVAL BY STATE**

Conditions of Approval: Approval to drill & test all new zones separate, but cannot produce Downhole commingle until DHC is approved in Hobbs District office according to R-11363



DENISE PINKERTON

Title: REGULATORY SPECIALIST

Signature: *Denise Pinkerton*

Date: 11/30/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by:

PETROLEUM ENGINEER

Date: FEB 21 2012

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title:
Office:

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212 make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

FEB 21 2012



WELL NAME: Fristoe B NCT-2 #27

API #: 30-025-35589

OPERATOR: CHEVRON USA INC.

Location: 2310 FSL & 990 FEL Township/Range/Section: 24S 37E 26I

Spud Date: 10/02/2001

The purpose of this project is to recompleat the Fristoe B NCT-2 #27 from the Ellenberger to the Blinebry/Tubb/Drinkard intervals. The job plan is to isolate the Ellenberger interval, do a three staged sand frac, clean out, scale squeeze and run rods and tubing. This procedure is meant to be a guide only. It is up to the ALCR, WSM and Remedial Engineer to make the decisions necessary to do SAFELY what is best for the well.

Contacts: Byron Smith - PE - 432-687-7704
Darrell Carriger - TTL - 432-687-7445
John Bermea - ALCR - 432-813-5368
Mike Archer - OS - 432-269-5541
Aaron Dobbs - PS - 575-631-9071

Jamie Castagno - PE - 432-687-7688
Jordan Haug - RE - 432-894-7908
Heath Lynch - DS - 281-685-6188

Wellbore Information:

Surface Casing - 11 3/4" 42# H-40 set @ 1215'

Intermediate Casing - 9 5/8" 32# K-55 set @ 4,700' w/ 1920 sx cmt circulated

Production Casing - 5 1/2" 17# L-80 set @ 9,930' w/ 1945sx cmt circulated in 2 stages
DV tool @ 6837'

Current PBTD - 9,886'

Current tubing assembly

Kelly bushing - 12'
2 7/8" 6.5# L-80 TBG - 309 jts - 9527'
2 7/8" X 5 1/2" TAC - 3'
2 7/8" 6.5# L-80 TBG - 6 jts - 189'
2 7/8" 6.5# L-80 IPC TK-99 - 31'
2 7/8" SS MECH SEAT NIPPLE - 1'
2 3/8" Dip Tube - 12'
Final hanging depth = 9775'

Current Rod assembly

1 Polished Rod - 26'
103 1" EL rods - 2575'
107 7/8" EL Rods - 2675'
169 3/4" EL Rods - 4225'
9 'C' Sinker Bars - 225'
1 N-97 Rod Sub - 4'
1 1.5" 25-150-RHBM-24-6 Rod Pump

Current Perforations:

Ellenberger - 9610'-9634" - OPEN
Ellenberger - 9687-9706' - OPEN
Ellenberger - 9724'-9751" - OPEN

Proposed Perforations:

Blinebry 6160'-6290'
Tubb 6410'-6510'
Drinkard 6640'-6792'

Proposed CIBP Placement: 7000' w/ 20' cmt on top



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Spud Date: 10/02/2001

Job Procedure:

- 1) MIRU. Record SICP, SITP. Kill well or bleed down as necessary.
- 2) POOH and LD rods. ND WH. Release TAC. NU 5K BOP. Test BOP w/ 5 1/2" PKR 250/1500 psi. Ensure tbq head is 5K. POH with 2 7/8" tbq scanning. Make bit run with 4-3/4" bit to 9600'. LD tbq.
- 3) RIH w/ 5 1/2" PKR on 2 7/8" 6.5# L80 WS. Set PKR @ 9550'. Test CSG to surf to 500 psi. **Looking to identify good CSG to set CIBP.**
- 4) PU tubing to 1st perf interval and spot 1000 gals 10% acetic acid across the perf interval (6640' - 6812'). POOH w/ tubing. LD WS.
- 5) RU Wireline company. RIH and set CIBP @ 9550'. Dump bail 20' cmt on top and test to 500 Psi. POOH w/ wireline and PU new CIBP. RIH and set CIBP @ 7000'. Dump bail 20' cmt on top and test to 3500 psi to see if casing will hold for fracture treatment. **If casing holds proceed with staged frac down 5 1/2" L-80 casing. ND BOP. NU 5K full open frac valve. Test frac valve/casing to 3500 psi. RDMO.**
- 6) RU Schlumberger Perforating. Test lubricator to 1000 psi. RIH w/ 3 3/8" perforating guns. Perforate the Blinbry/Drinkard/Tubb w/ 4 SPF, 120 degree phasing, Ultrajet 3406, 22.7 gram charges, 0.44", 31.4" entry. Correlate w/ GRN log dated **November 14th, 2001.**
6640-6656
6696-6722
6770-6780
6792-6812
- 7) RU Schlumberger Frac to frac 1st stage down 5 1/2" L-80 17# csg. Follow Frac specs as defined in the Schlumberger proposal. Acid will be bullheaded at the beginning of this stage and will be apart of the flush to prepare the casing for perforating. Pressure test lines to 3500 psi. Max frac pressure is expected to be 3000#.
- 8) RU wireline and test lubricator to 1000 psi. RIH w/ plug and guns and set frac plug @ 6580' on wireline. Test to 500#.
- 9) RIH w/ 3 3/8" perforating guns on same line as frac plug. Perforate the Blinbry/Drinkard/Tubb w/ 4 SPF, 120 degree phasing, Ultrajet 3406, 22.7 gram charges, 0.44", 31.4" entry. Correlate with GRN log dated November 14th, 2001.
6410-6430
6450-6460
6472-6486
6510-6520
- 10) Frac 2nd stage down 5 1/2" L-80 17# csg. Follow Frac specs as defined in the Schlumberger proposal. Acid will be bullheaded at the beginning of this stage and will be apart of the flush to prepare the casing for perforating. Pressure test lines to 3500 psi. Max frac pressure is expected to be 3000#.

11) RU wireline and test lubricator to 1000 psi. RIH w/ plug and gunsand set frac plug 6360' on wireline. Test to 500#.

12) RIH w/ 3 3/8" perforating guns. Perforate the Blinbry/Drinkard/Tubb w/ 4 SPF, 120 degree phasing, Ultrajet 3406, 22.7 gram charges, 0.44", 31.4" entry. Correlate w/ GRN log dated November 14th, 2001.

6160-6178

6220-6240

6250-6260

6290-6310

13) Frac 3rd stage down 5 1/2" L-80 17# csg. Follow Frac specs as defined in the Schlumberger proposal. Acid will be bullheaded at the beginning of this stage, but will not be in this flush. Pressure test lines to 3500 psi. Max frac pressure is expected to be 3000#.

14) RD Schlumberger and Wireline Company.

15) RU flowback crew to 5k frac valve. Flowback through choke manifold to pit/tank until dead.

16) MIRU. ND BOP and ND 5K frac valve. Set PKR @ 500' and TOH. NU BOP. PU 4 3/4" mill on 2 7/8" WS (install retrievable float in string) and make mill run to clean out frac sand and bridge plugs to PBTD of 6970'. POOH and LD bit.

17) PU 5 1/2" treating PKR on 2 7/8" WS. RIH w/ PKR. Set PKR +/- 6060 and test backside to 500#.

18) Pump 4 drums of scale inhibitor mixed 50/50 w/ FW. SI overnight. POOH w/ 2 7/8" tbg and PKR. LD WS.

19) RIH w/ sand screen, seat nipple, 1 jnt IPC, TAC and hydrotesting 2 7/8" production tubing. RD hydrotesters. NU BOP. Set TACRIH w/ rods. Tubing and rod design will be supplied by the ALCR or PE.

20) RDMO. Return to production and notify ALCR.



WELL NAME Fristoe B NCT-2 #27

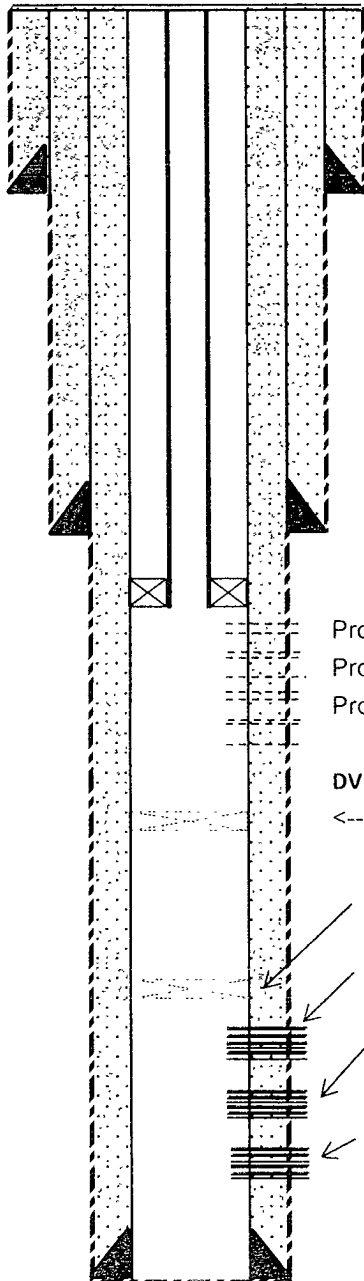
API # 30-025-35589

OPERATOR CHEVRON USA INC.

Location 2310 FSL & 990 FEL Township/Range/Section 24S 37E 26I

Spud Date 10/02/2001

Original Well Construction



11 3/4" 42# H-40 CSG in 14 3/4" Hole
set @ 1215' w/ 720 sx cmt
TOC = surface by circulation

<-- Proposed 3 1/2" L-80 9 3# Frac String

9 5/8" 32# K-55 CSG in 11" Hole
set @ 4700' w/ 1920 sx cmt
TOC = surface by circulation

Proposed Perfs from 6160'-6290' Blinebry/Tubb/Drinkard
Proposed Perfs from 6410'-6510' Blinebry/Tubb/Drinkard
Proposed Perfs from 6640'-6792' Blinebry/Tubb/Drinkard

DV Tool @ 6837'

<-- Proposed CIBP @ 7000' w/ 20' cmt on top - PBTD = 6980'

Proposed CIBP @ 9550' w/ 20' cmt on top

Ellenberger perfs - 9610-9634 - perfed in 2001

Ellenberger perfs - 9687-9706 - perfed in 2001

Ellenberger perfs - 9724-9751 - perfed in 2001

5 5/8" 17# L-80 in 7 7/8" Hole
set @ 9930' w/ 1945 sx cmt - 2 stages
TOC = surface by circulation - 2 stages

TD = 9930' PBTD = 9886'

WELL NAME: Fristoe B NCT-2 #27

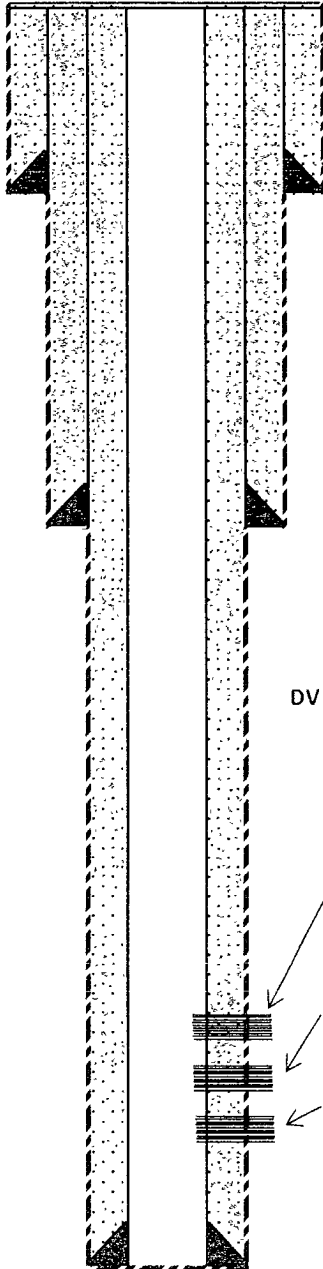
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Original Well Construction



11 3/4" 42# H-40 CSG in 14 3/4" Hole
set @ 1215' w/ 720 sx cmt
TOC = surface by circulation

9 5/8" 32# K-55 CSG in 11" Hole
set @ 4700' w/ 1920 sx cmt
TOC = surface by circulation

DV Tool @ 6837'

Ellenberger perms - 9610-9634 - perfed in 2001
acidize w/ 50 gals 20% HCL

Ellenberger perms - 9687-9706 - perfed in 2001
acidize w/ 2050 gals 20% HCL

Ellenberger perms - 9724-9751 - perfed in 2001
acidize w/ 2500 gals 20% HCL NEFE 4 BPM 4225 psi

5.5" 17# L-80 in 7 7/8" Hole
set @ 9930' w/ 1945 sx cmt
TOC = surface by circulation

TD = 9930' PBTD= 9886'

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 30-025-35589	² Pool Code 34200	³ Pool Name JUSTIS, BLINEBRY
⁴ Property Code	⁵ Property Name C.C. FRISTOE "B" FEDERAL ACT-2	⁶ Well Number 27
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation 3166'

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
1	26	24-S	37-E		2310	SOUTH	990	EAST	LEA

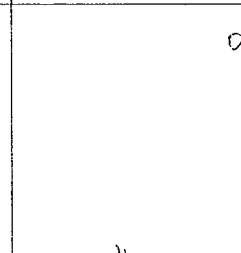
¹¹ Bottom Hole Location If Different From Surface

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.
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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.

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: 11-30-2011 DENISE PINKERTON REGULATORY SPECIALIST Printed Name lea.led@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	

16				<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><u><i>[Signature]</i></u> 11-30-2011</p> <p>Signature Date</p> <p>DENISE PINKERTON REGULATORY SPECIALIST</p> <p>Printed Name</p> <p>leakeid@chevron.com</p> <p>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>

DATE	RESPONSE	ENGINEER	LOGGED IN	TYPE	APPROVED
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AND IF THIS LINE FOR DEACON USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☒ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☒ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands - State Land Office

[E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or.

[F] ☐ Waivers are Attached

[3] SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.

[4] CERTIFICATION: I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity

Byron Smith
 Print or Type Name

Byron Smith
 Signature

Petroleum Engineer
 Title

10/01/11
 Date

byronsmith@chevron.com
 e-mail Address