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District IV
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Phone (505) 476-3460 Fax (505) 476-3462

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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

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

[1] Operator Name and Address	[2] OGRID Number 4323
CHEVRON U S A INC 15 SMITH ROAD MIDLAND, TEXAS 79705	[3] API Number 30-025-20784

[4] Property Code	[5] Property Name	[6] Well No.
30021	VACUUM GLORIETA WEST UNIT (WILL BE CHANGED TO CVU #265)	76

[7] Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
E	31	17-S	35-E		2030	NORTH	510	WEST	LEA

[8] Pool Information

VACUUM GRAYBURG SAN ANDRES	62180

Additional Well Information

[9] Work Type	[10] Well Type	[11] Cable/Rotary	[12] Lease Type	[13] Ground Level Elevation
RC & chng name	O		S	
[14] Multiple	[15] Proposed Depth	[16] Formation	[17] Contractor	[18] Spud Date
NO	6904'	SAN ANDRES		

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

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer

Permit Expires 2 Years From Approval Date Unless Drilling Underway

Plugback

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 ☐

Denise Pinkerton

Printed name: DENISE PINKERTON	Title:
Title REGULATORY SPECIALIST	Approved Date / Expiration Date:
E-mail Address: leakejd@chevron.com	APR 0 3 2012
Date:03-29/2012 Phone 432-687-7375	Conditions of Approval Attached

OIL CONSERVATION DIVISION

Approved By

PETROLEUM ENGINEER

APR 0 3 2012

CVU No. 265 (former VGWU 76)
API No. 30-025-20784
Vacuum (Grayburg-San Andres) Field
Lea County, NM

WORKOVER PROCEDURE

PREWORK:

1. Check anchors and verify that pull test has been completed in the last 24 months.
2. Ensure location of & distance to power lines is in accordance with MCA SWP. Complete and electrical variance and electrical variance RUMS if necessary.
3. Ensure that location is of adequate build and construction.
4. Ensure that elevators and other lifting equipment are inspected/calipered at the beginning of each work day.
5. Ensure that surrounding injection well(s) have been shut in according to the WAG/SI schedule created by Lee Ivanhoe (432) 687-7105.

WITH RIG:

1. MIRU pulling unit & auxiliary equipment.
2. Check well for pressure & bleed off as necessary. Note that the well should be dead due to a CIBP set at 4300'. Open bradenhead valves, bleed pressure, and monitor throughout the job.
3. Ensure well is dead & ND well head.
4. NU 5K hydraulic BOP with blind rams on bottom, 2-3/8" pipe rams on top. NU stripper head. RU choke manifold & 2 blow down tanks.
5. Pick up 4-1/2" 9.5# packer and set at 30'. Test pipe rams to 250 psi low, 500 psi high for 5 minutes. LD test joint and packer.
6. Fill hole and test casing / blind rams against CIBP to 250 psi low / 550 psi high for 15 minutes. Notify remedial engineer if the casing fails the pressure test.
7. TIH with 3-7/8" MT bit and 6 x 3-1/8" drill collars on 2-3/8" 4.7# L-80 workstring. Rig up reverse unit w/ power swivel and drill out the CIBP at 4300'. Drop down and tag the CIBP set at 5832'. Note this CIBP was recently capped with approximately 35' of cement. TOH with bit and workstring.
8. TOH LD bit & collars; stand back WS.
9. TIH with BP & perf'd sub on 2-3/8" 4.7# L-80 EUE workstring & lightly tag top of CIBP @ +/- 5832'
10. RU cementing unit. Test lines to 1000 psi.

    Spot balanced cement plug from top of CIBP @ 5832' to 5000' using 80 sks Class H neat cement (density = 16.4 ppg, mix water = 4.3 gal H_2O / sk, yield = 1.06 ft^3/sk).

11. Pull up hole to 5000' & reverse clean. (Ensure TOC plug is @ 5000' due to highly damaged joint of casing located just below 5000').

12. TOH stand back 2-3/8" workstring & LD BP & perf sub.

13. SI & WOC 6 hrs.

14. Shut blind rams & test casing to 550 psi against top of cement plug @ 5000' for 15 minutes. If casing tests OK, skip steps 15-17.

15. If casing does ***NOT*** test, TIH withy 4-1/2" packer & RBP on 2-3/8" workstring and locate the leak interval. Based on a recent Microvertilog, the leaks are most likely at 4434', 4674' or 4684'. Once the interval is located, establish & injection rate, pressure, & total volume injected behind pipe. Give results to RE for cement squeeze design.

16. Perform cement squeeze per design.

17. Drill out cement. Pressure test squeeze to 550 psi.

18. LD all workstring & tools.

19. MIRU E-line unit & lubricator. Pressure test lubricator to 500 psi against cement plug. Run GR-CNL-CCL log from 5000' to 4000'. Forward the log to Scott Ingram for perf selection. Perforate the 4-1/2" casing with 3-1/8" 3325 Predator guns (23g charge, 0.35" AEHD, 31.1" ATP) at 2 JSPF as per the technical team recommendation. RDMO E-line unit.

20. RIH with 4-1/2" 9.5# treating packer on new 2-3/8" 4-7# J-55 EUE production tubing. Set the packer 100' above top perf. Load the casing and test to 500 psi. Hydrotest tubing to 6000 psi.

21. Rig up acid truck. Acidize perfs with approximately 6,000 gallons 15% NEFE HCl (exact acid volume to be calculated at 100 gallons/ft of net pay, call Paul Brown @ 432-687-7351 to confirm acid volume). Divert acid using 1.2 s.g. 7/8" bio-ball sealers spread out evenly throughout the job. Utilized 50 % excess ball sealers. Pump acid at 8-10 bpm. Maximum pressure = 5800 psi. Displace acid with freshwater to bottom perf.

    Apply +/- 250 psi to annulus during acid job & monitor to ensure packer does not leak.

22. Shut-in one hour to allow acid to spend.

23. Open well up and flow back load – attempt to surge bio-balls off seat. If well will not flow, begin swabbing. Swab until fluid recovered is clean – consult with Production Engineer Paul Brown prior to completing swab operations to ensure collected swab data and/or fluid quality is sufficient.

24. Release packer. Drop down to 4970' to knock off any ball sealers that did not unseat / degrade.

25. TOH stand back production tubing & LD treating packer.

26. Rig up cable spooler & RIH with Centrilift P12 submersible pump on 2-3/8" production tubing. Set bottom of motor at +/- 4,850'.

27. Ensure well is dead & ND BOP.

28. NU QCI wellhead.

29. Place well on production.

PTB 3/21/12

Contacts:

Nate Brummert – Remedial Engineer (office: 432-687-7512, cell: 713-409-6170)
Paul Brown – Production Engineer (office: 432-687-7351, cell: 432-238-8755)
Heath Lynch - Drilling Supt. (office: 432-687-7402, cell: 432-238-8667)
Danny Acosta – ALCR (cell: 432-631-9033)
Nick Moschetti – OS (cell: 432-631-0646)

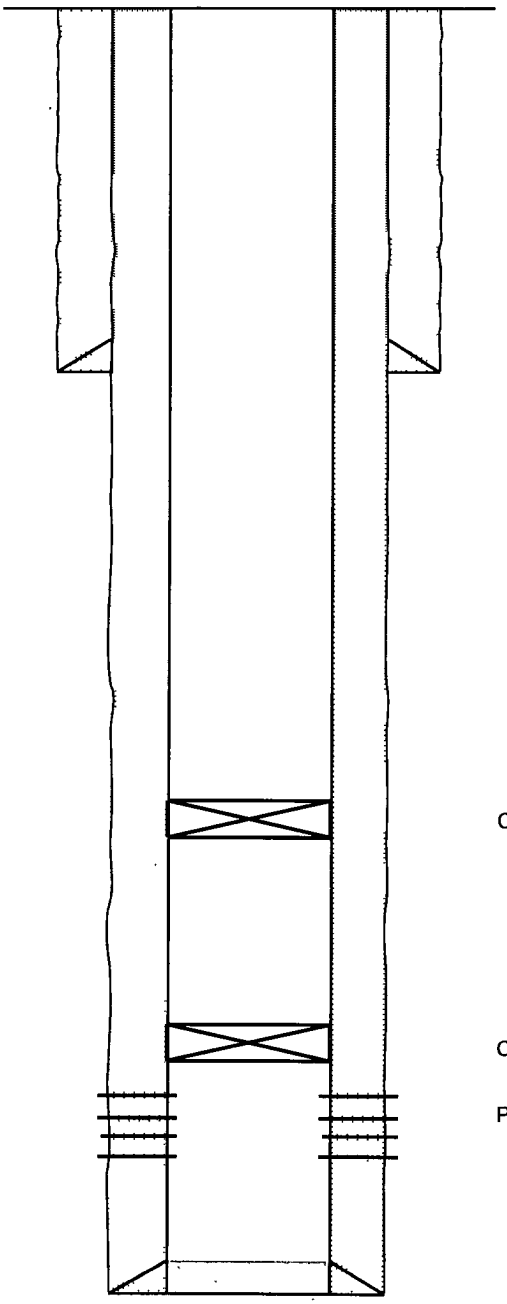
CVU 265 Wellbore Diagram

Created:	03/09/12	By:	PTB	Well #:	265	St. Lse:	
Updated:		By:		API			30-025-207
Lease:	Central Vacuum Unit			Unit Ltr.:	E	Section:	
Field:	Vacuum Grayburg San Andres			TSHP/Rng:			17S / 35I
Surf. Loc.:	2030' FNL & 510' FWL			Unit Ltr.:		Section:	
Bot. Loc.:				TSHP/Rng:			
County:	Lea	St.:	NM	Directions:			Buckeye, N
Status:	TA'd Producer (former VGWU 76)			CHEVNO:			FB4259
				OGRID:			4323

Surface Casing

Size:	8 5/8"
Wt., Grd.:	24#
Depth:	1585
Sxs Cmt:	700
Circulate:	yes
TOC:	Surface
Hole Size:	12 1/4"

Remedial Cement Job
Sqz 500 sx Class "H" thru perf @ 1590'



KB:
DF:
GL:
Ini. Spud:
Ini. Comp.:

CIBP @ 4300'

CIBP @ 5832' capped with ce

Perfs: 5982' - 6140'

-

Production Casing

Size:	4-1/2"
Wt., Grd.:	9.5#, 10.5#
Depth:	6904'
Sxs Cmt:	1,083
Circulate:	No
TOC:	1500' - TS
Hole Size:	7 7/8"

PBTD: 4300'
TD: 6904'

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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	[2] Pool Code	[3] Pool Name
30-025-20784	62180	VACUUM; GRAYBURG, SAN ANDRES

[4] Property Code	[5] Property Name	[6] Well Number
	VACUUM GLORIETA WEST UNIT (will be changed to Central Vacuum Unit #265)	76

[7] OGRID No.	[8] Operator Name	[9] Elevation
4323	CHEVRON U.S.A. INC.	

[10] Surface Location

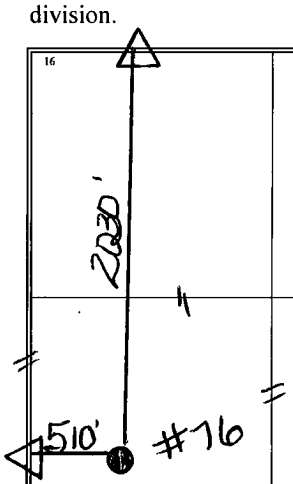
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	31	17-S	35-E		2030	NORTH	510	WEST	LEA

[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 Acres	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
40			

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, 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

Denise Pinkerton 03-29-2012
Signature Date

DENISE PINKERTON REGULATORY SPECIALIST
Printed Name

leakejd@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