

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.	30-025-06620
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	HARRY LEONARD 'E'
8. Well No.	1
9. Pool Name or Wildcat	PENROSE SKELLY GRAYBURG
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3506' DF

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.

1. Type of Well:	OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER
2. Name of Operator	CHEVRON USA INC
3. Address of Operator	15 SMITH RD, MIDLAND, TX 79705
4. Well Location	Unit Letter <u>G</u> : <u>1980'</u> Feet From The <u>NORTH</u> Line and <u>1980'</u> Feet From The <u>EAST</u> Line Section <u>16</u> Township <u>21-S</u> Range <u>37-E</u> NMPM <u>LEA</u> COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3506' DF

11.

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ACIDIZE & SCALE SQZ GRAYBURG & DHC ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPERATION ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
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 ACIDIZE & SCALE SQUEEZE THE GRAYBURG INTERVAL AND DOWNHOLE COMMINGLE WITH THE BLINEBRY & DRINKARD ZONES. DOWNHOLE COMMINGLE APPROVAL IS BEING SOUGHT FROM SANTA FE (PACKAGE ATTACHED).

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

THE INTENDED PROCEDURE IS ALSO ATTACHED.

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

FORM C-102'S ARE ATTACHED FOR THE THREE RESERVOIRS TO BE DHC.



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 6/21/2005
TYPE OR PRINT NAME Denise Pinkerton Telephone No. 432-687-7375

(This space for State Use)

APPROVED [Signature] TITLE
CONDITIONS OF APPROVAL, IF ANY:

PETROLEUM ENGINEER

DATE

JUL 06 2005

H Leonard E #1
 API #30-025-06620
 1980' FNL & 1980' 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/ 6-1/8" bit on 2-7/8" WS to 5767' (TOS). POOH & LD bit.
4. RIH w/ 7" PPI packer w/ 12' element spacing and SCV. Test 2-7/8" WS to 3500 psi while RIH. Test PPI packer in blank pipe. Mark settings.
5. MIRU DS. Spot acid across perforated interval. Acidize perfs 3770'-3972' w/ 4,250 gals 15% NEFE HCl acid at a max rate of 3 BPM & 3,500 psi surface pressure as follows:

Perfs	Acid Volume	Max Rate	PPI Setting
3994-4004	250 gals	3 bpm	3993-4005
3984-3990	250 gals	3 bpm	3981-3993
3975-3980	250 gals	3 bpm	3972-3984
3966-3971	250 gals	3 bpm	3962-3974
3958-3962	250 gals	3 bpm	3952-3964
3924-3934	250 gals	3 bpm	3923-3935
3912-3918	250 gals	3 bpm	3911-3923
3898-3908	250 gals	3 bpm	3897-3909
3872-3880	250 gals	3 bpm	3870-3882
3860-3866	250 gals	3 bpm	3856-3868
3846-3854	250 gals	3 bpm	3845-3857
3833-3843	250 gals	3 bpm	3832-3844
3822-3824	250 gals	3 bpm	3819-3831
3812-3818	250 gals	3 bpm	3809-3821
3800-3808	250 gals	3 bpm	3797-3809
3781-3791	250 gals	3 bpm	3780-3792
3770-3774	250 gals	3 bpm	3765-3777

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.**

6. 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.
7. MIRU pump truck. Pump down tbq 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 PPI pkr.
8. RIH w/ RBP retrieving head on 2-7/8" WS. Reverse circulate out sand on top of RBP @ 5800' using air unit if necessary. Latch and release RBP & POOH. RIH w/ retrieving tool and pull DR plug out of Baker's Model D Pkr @ 6375' (plug is latch type). POOH. RIH w/ pkr plucker and drill over pkr slips. POOH w/ pkr. RIH w/ bit to 6600' & circulate out any fill using air unit if necessary. POOH.
9. RIH w/ 2-7/8" production tbq & 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 E # 1

Field: Penrose Skelly

Reservoir: Grayburg

Location:
1980' FNL & 1980' FEL
Section: 16
Township: 21S
Range: 37E
County: Lea State: NM

Elevations:

GL: 3494'

KB: 3507'

DF: 3506'

Current
Wellbore Diagram

Well ID Info:

Chevron: FA7724
API No: 30-025-06620
L5/L6: U492000
Spud Date: 9/14/47
Compl. Date: 11/16/47

Surf. Csg: 13 3/8", 48#, SS Csg
Set: @ 294' w/ 300 sks
Hole Size: 17 1/4"
Circ: Yes TOC: Surface
TOC By: Circulated

Intermed. Csg: 9 5/8", 36#, H-40
Set: @ 2950' w/ 1300 sks
Hole Size: 12 1/4"
Circ: No TOC: 1345'
TOC By: Temperature Survey

TAC @ 3,704'

Perfs:	Status:
3770-74'	Grayburg - Open
3781-91'	Grayburg - Open
3800-08'	Grayburg - Open
3812-18'	Grayburg - Open
3822-24'	Grayburg - Open
3833-43'	Grayburg - Open
3846-54'	Grayburg - Open
3860-66'	Grayburg - Open
3872-80'	Grayburg - Open
3898-3908'	Grayburg - Open
3912-18'	Grayburg - Open
3924-34'	Grayburg - Open
3960-72'	Grayburg - Open
3958-62'	Grayburg - Cmt. Sqz'd
3966-71'	Grayburg - Cmt. Sqz'd
3975-80'	Grayburg - Cmt. Sqz'd
3984-90'	Grayburg - Cmt. Sqz'd
3994-4004'	Grayburg - Cmt. Sqz'd

RBP @ 5800'
(Sand on top to 5,767')

Perfs:	Status
5822-24'	Blinbry - Below RBP
5835-37'	Blinbry - Below RBP
5883-85'	Blinbry - Below RBP
5920-22'	Blinbry - Below RBP
5958-60'	Blinbry - Below RBP

Baker Model D Pkr w/ DR Plug @ 6375'

6438-40'	Drinkard - Below Plug
6464-66'	Drinkard - Below Plug
6495-97'	Drinkard - Below Plug
6538-40'	Drinkard - Below Plug
6571-73'	Drinkard - Below Plug
6592-94'	Drinkard - Below Plug

Prod. Csg: 7", 23#, J-55 & N-80
Set: @ 6610' w/ 700 sks
Hole Size: 8 3/4"
Circ: No TOC: 1360'
TOC By: Temperature Survey

OH from 6610-70' filled with 20/40 frac sand

CICR @ 6600'

COTD: 6600'
PBDT: 6600'
TD: 6670'

Updated: 6-24-02

By: LPW

Well: Harry Leonard E # 1

Field: Penrose Skelly/Blinebry O&G

Reservoir: Grayburg/Blinebry/Drinkard

Location:
1980' FNL & 1980' FEL
Section: 16
Township: 21S
Range: 37E
County: Lea State: NM

Elevations:
GL: 3494'
KB: 3507'
DF: 3506'

Proposed Wellbore Diagram

Well ID Info:
Chevno: FA7724
API No: 30-025-06620
LS/LB: U492000
Spud Date: 9/14/47
Compl. Date: 11/16/47

Surf. Csg: 13 3/8", 48#, SS Csg
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RBP @ 5800'
(Sand on top to 5,767')

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5883-85'	Blinebry - Open
5920-22'	Blinebry - Open
5958-60'	Blinebry - Open

6438-40'	Drinkard - Open
6464-66'	Drinkard - Open
6495-97'	Drinkard - Open
6538-40'	Drinkard - Open
6571-73'	Drinkard - Open
6592-94'	Drinkard - Open

Prod. Csg: 7", 23#, J-55 & N-80
Set: @ 6610' w/ 700 sks
Hole Size: 8 3/4"
Circ: No TOC: 1360'
TOC By: Temperature Survey

OH from 6610-70' filled with 20/40 frac sand

CICR @ 6600'

COTD: 6600'
PBSD: 6600'
TD: 6670'

Updated: 6-14-05 LOPK

By: LPW

District I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised March 17, 1999

District II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

2040 South Pacheco
Santa Fe, NM 87505

District IV
2040 South Pacheco, Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-06620	² Pool Code 19190	³ Pool Name Drinkard
⁴ Property Code 2669	⁵ Property Name Harry Leonard E	⁶ Well Number 1
⁷ OGRID No. 4323	⁸ Operator Name Chevron Corporation	⁹ Elevation 3506' DF

¹⁰ Surface Location

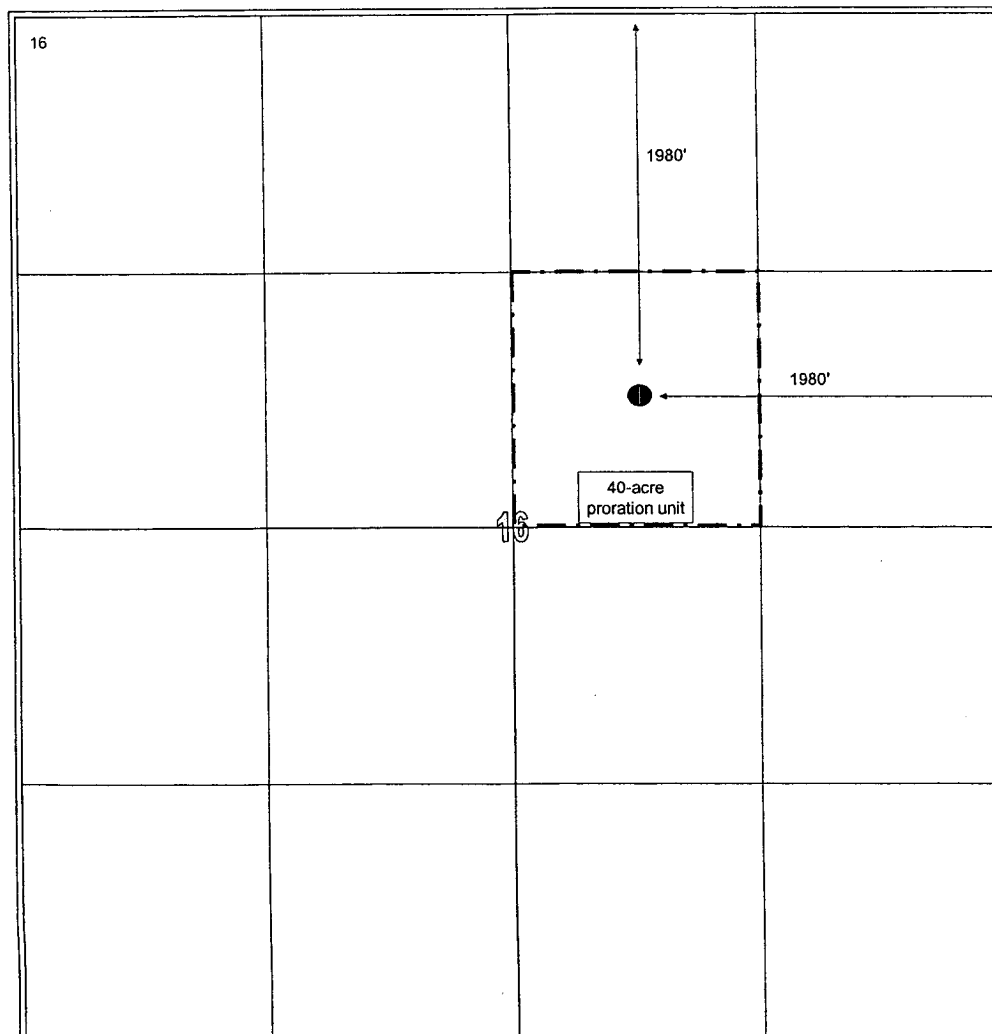
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
G	16	21S	37E		1980'	North	1980'	East	Lea

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

<div>16</div> 	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Keith Lopez</i></p> <p>Signature Keith Lopez</p> <p>Printed Name Petr. Engineer</p> <p>Title June 13, 2005</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>Signature and Seal of Professional Surveyor:</p>
	Certificate Number

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Santa Fe, NM 87505

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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-06620	² Pool Code 06660	³ Pool Name Blinberry Oil & Gas
⁴ Property Code 2669	⁵ Property Name Harry Leonard E	⁶ Well Number 1
⁷ OGRID No. 4323	⁸ Operator Name Chevron Corporation	⁹ Elevation 3506' DF

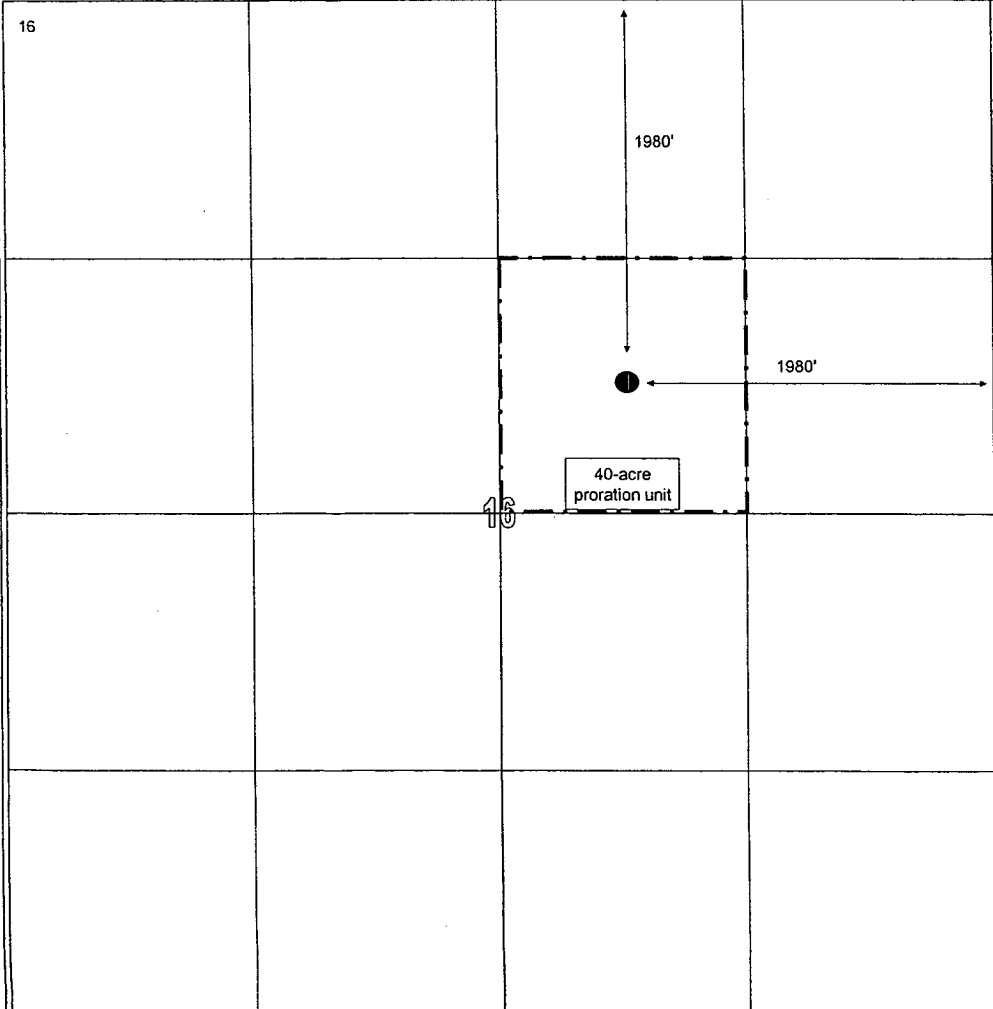
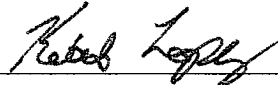
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WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-06620	² Pool Code 50350	³ Pool Name Penrose Skelly; Grayburg
⁴ Property Code 2669	⁵ Property Name Harry Leonard E	⁶ Well Number 1
⁷ OGRID No. 4323	⁸ Operator Name Chevron Corporation	⁹ Elevation 3506' DF

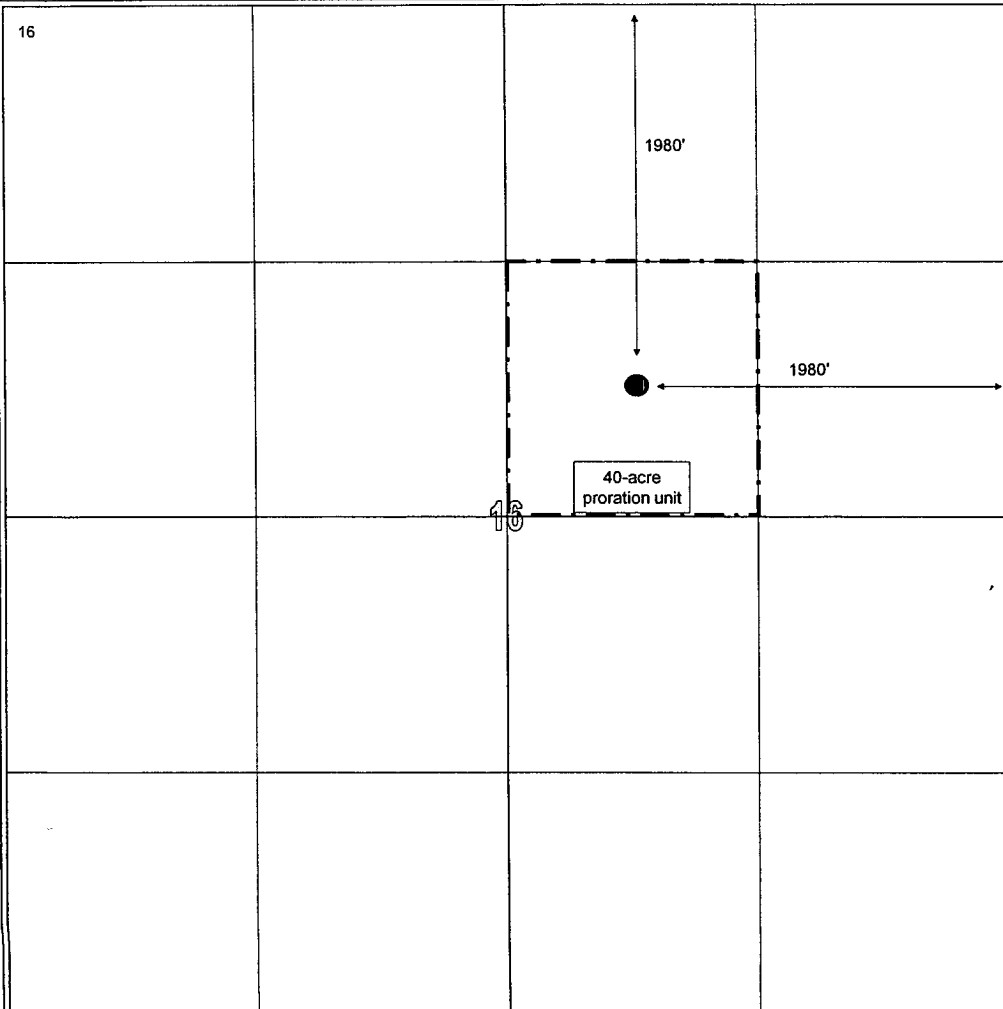
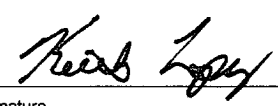
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