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

HOBBS OCD
MAY 07 2013
RECEIVED

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
CHEVRON U.S.A. INC. 15 SMITH ROAD MIDLAND, TEXAS 79705	4323
	3 API Number 30-025-31785

4 Property Code	5 Property Name	6 Well No.
29923	VACUUM GLORIETA WEST UNIT (WILL BE CHANGED TO CVU #222)	29

7 Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
K	25	17-S	34-E		2522	SOUTH	2283	WEST	LEA

8 Pool Information

VACUUM GRAYBURG SAN ANDRES NSL-6653	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	6300'	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

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: REGULATORY SPECIALIST

E-mail Address: leakejd@chevron.com

Date: 05/01/2013 Phone: 432-687-7375

OIL CONSERVATION DIVISION

Approved By:

Title: Petroleum Engineer

Approved Date: MAY 08 2013

Expiration Date:

Conditions of Approval Attached

MAY 20 2013

HOBBS OCD

MAY 07 2013

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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
30-025-31785	62180	VACUUM; GRAYBURG, SAN ANDRES

[4] Property Code	[5] Property Name	[6] Well Number
29923	CENTRAL VACUUM UNIT (PRESENTLY Vacuum Glorieta West Unit #29)	222

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

[10] Surface Location

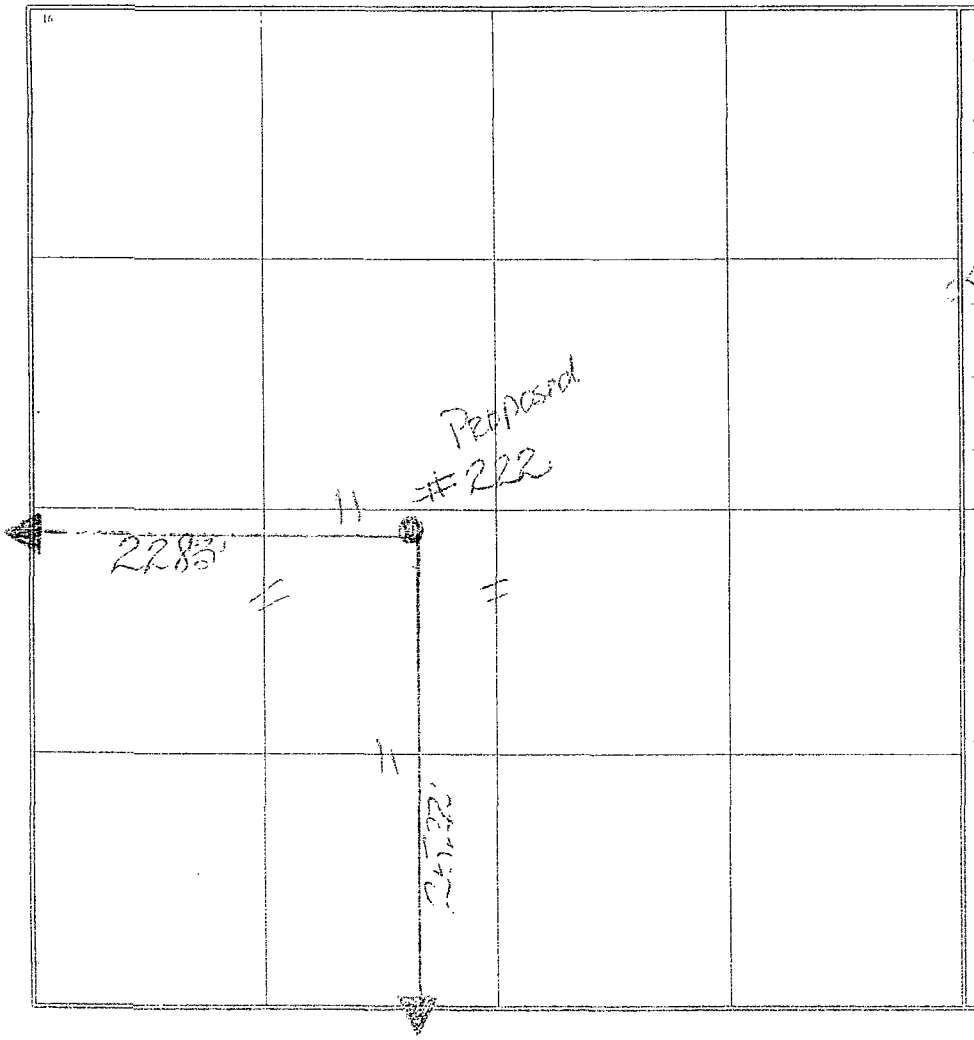
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	25	17-S	34-E		2522	SOUTH	2283	WEST	LEA

[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			NSL-6653

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 06-01-2012

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

State of New Mexico
Energy, Minerals and Natural Resources Department

July 10, 2012

Chevron U.S.A., Inc.
Attn: Ms. Denise Pinkerton

ADMINISTRATIVE NON-STANDARD LOCATION ORDER

Administrative Order NSL-6653
Administrative Application Reference No. pJDO12-17037053

Chevron U.S.A., Inc.
OGRID 4323
Central Vacuum Unit Well No. 222
(Presently Known As Vacuum Glorieta West Unit Well No. 29)
API No. 30-025-31785

Proposed Location:

Footages	Unit	Section	Township	Range	County
2522 FSL & 2283 FWL	K	25	17S	34E	Lea

Proposed Unit:

Description	Acres	Pool	Pool Code
NE/4 SW/4 of Section 25	40	Vacuum; Grayburg-San Andres	62180

Reference is made to your application received on June 15, 2012.

You have requested to drill this well at an unorthodox oil well location described above in the referenced pool or formation. This location is governed by statewide Rule 15.9.A [19.15.15.9.A NMAC], which provides for 40-acre units with wells located at least 330 feet from a unit outer boundary. This location is less than 330 feet from a unit outer boundary.

Your application has been duly filed under the provisions of Division Rules 15.13 [19.15.15.13 NMAC] and 4.12.A(2) [19.15.4.12.A(2) NMAC].

It is our understanding that you are seeking this location in order to utilize an existing well.

It is also understood that you have given due notice of this application to all operators or owners who are "affected persons," as defined in Rule 4.12.A(2), in all adjoining units towards which the proposed location encroaches.

Pursuant to the authority conferred by Division Rule 15.13.B, the above-described unorthodox location is hereby approved.

This approval is subject to your being in compliance with all other applicable Division rules, including, but not limited to Division Rule 5.9 [19.15.15.9 NMAC].

Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

Jami Bailey
Director

JB/db

cc: New Mexico Oil Conservation Division – Hobbs
New Mexico State Land Office

Well: Central Vacuum Unit # 222 (Formerly VGWU 29)
Field: Vacuum Grayburg San Andres
API No.: 30-025-31785
Lea County, New Mexico

Description of work: Recomplete in the SA.

Pre-Work:

Check wellhead and all connections and change out anything that needs to be replaced prior to rigging up on the well

1. Utilize the rig move check list.
2. Check anchors and verify that pull test has been completed in the last 24 months.
3. Ensure location of & distance to power lines is in accordance with MCA SWP. Complete and electrical variance and electrical variance RUMS if necessary.
4. Ensure that location is of adequate build and construction.
5. Ensure that elevators and other lifting equipment are inspected. Caliper all lifting equipment at the beginning of each day or when sizes change.
6. When NU anything over an open wellhead (EPA, etc.) ensure the hole is covered to avoid dropping anything downhole
7. For wells to be worked on or drilled in an H2S field/area, include the anticipated maximum amount of H2S that an individual could be exposed to along with the ROE calculations for 100 ppm and 500 ppm (attached).
8. If the possibility of trapped pressure exists, check for possible obstruction by:
    - Pumping through the fish/tubular – this is not guaranteed with an old fish as the possibility of a hole above the obstruction could yield inconclusive results
    - Dummy run – make a dummy run through the fish/tubular with sandline, slickline, eline or rods to verify no obstruction. Prior to making any dummy run contact RE and discuss.

    If unable to verify that there is no obstruction above the connection to be broken, or if there is an obstruction:

    - Hot Tap at the connection to check for pressure and bleed off

    Observe and watch for signs / indicators of pressure as connection is being broken. Use mud bucket (with seals removed) and clear all non-essential personnel from the floor.

Procedure:

1. Rig up pulling unit. Check wellhead pressure. Kill well as necessary.
2. ND wellhead. NU 5,000 psi BOP with 2-7/8" pipe rams over blinds with hydrill on top.
3. RIH with 1 joint of tubing & 5-1/2" test packer. Set packer at ~25'. Test BOP to 250 psi low / 500 psi high. POH & lay down test packer.
4. Fill hole and test casing from blind rams to CIBP @ 5,900' to 550 psi for 10 minutes. Note any injection rate and pressure response in WellView and notify RE as a potential leak isolation and squeeze may be necessary.
5. Rig up wireline truck. Test lubricator on cat walk to 500 psi. NU Lubricator. Run in hole w/ 5-1/2" gauge ring to 5,000'.

a. If gauge ring tags above 5,000', PU 2-7/8" 6.5# L-80 work string w/ 4-5/8" MTB and make a CO run to 5,000'. TOH and stand back work string.

6. Tie into Halliburton Spectral Density DSN log dated 12/8/92 for correlation and run a GR-CCL-RAL from PBTD to 2,900'. Send logs to Ryan Warmke and RE for review.
7. Rig up full lubricator, and test lubricator on cat walk to 500 psi. RIH Baker's with 4" EHC Predator XP. Perforate the 5-1/2" casing with 3 JSPF (90 degree phasing) as follows:

   - 4433-37'
   - 4440-44'
   - 4454-58'
   - 4466-70'
   - 4702-06'
   - 4730-34'
   - 4740-44'
   - 4770-74'

8. POOH with perforating gun.
9. Rig down wireline truck.
10. TIH with 5-1/2" treating packer on 2-7/8" EUE L-80 6.5# work string. Test tubing to 6,000 psi below slips while RIH. Set packer @ 4,350'. Load casing and test packer to 500 psi.
11. Prepare to acid stimulate.
12. Acidize San Andres perfs from 4,433 – 4,774' with 5,000 gal 15% HCL. Divert using 216, 1.2 SG 7/8" bio-balls and spread evenly throughout the job. Pump acid at 8-10 BPM. Max Pressure = 6,800 psi. Load and pressure backside to 500 psi. Displace acid with FW to bottom perf at 4,774'. Monitor casing pressure for communication around packer.
13. Shut-in for 2 hours to allow acid to spend and bio-balls to break.
14. Attempt to flow back load – surge well if possible to knock ball diverters off seat.
15. If well is dead and will not flow, release packer and run past all perfs to wipe any excess balls off seat. Reset packer @ 4,350'. Swab back load.
16. Release packer. Kill well as necessary. POH and laydown packer and work string.
17. RIH with 2-7/8" production tubing and downhole equipment.
18. RIH with ESP.
19. ND BOP. NU wellhead.
20. Rig down pulling unit.

Well: Central Vacuum Unit # 222 (Formerly VGWU 29)
Field: Vacuum Grayburg San Andres
API No.: 30-025-31785
Lea County, New Mexico

21. Place well on production and test.

RRW 1/22/2013

Contacts:

Remedial Engineer – Larry Birkelbach	(432-687-7650 / Cell: 432-208-4772)
Production Engineer – Ryan Warmke	(432-687-7452 / Cell: 281-460-9143)
Baker Hughes Rep – Doug Lunsford	(432-570-1050 / Cell: 432-559-0396)
ALCR – Danny Acosta	(Cell: 575-631-9033)
D&C Ops Manager – Boyd Schaneman	(432-687-7402 / Cell: 432-238-3667)
D&C Supt. – Heath Lynch	(432-687-7857 / Cell: 281-685-6188)
OS – Nick Moschetti	(Cell: 432-631-0646)

Proposed
WELLBORE DIAGRAM

Created:	3/6/2008	**By:** NC					
Updated:		**By:**					
Lease:	Central Vacuum Unit		**Well No.:**	29	**Field:**	Vacuum San Andres	
Surface Location:	2522 FSL 2283 FWL		**Unit Ltr:**	K	**Sec:**	25	**TSHP/Range:** 17S-34E
Bottomhole Location:			**Unit Ltr:**		**Sec:**		**TSHP/Range:**
County:	Lea	**St:** NM	**St Lease:**	B-2706	**API:**	30-025-31785	**Cost Center:**
Current Status:	Producing		**Elevation:**	4001' GR			
Directions to Wellsite:	Buckeye, New Mexico						

Surface Csg.

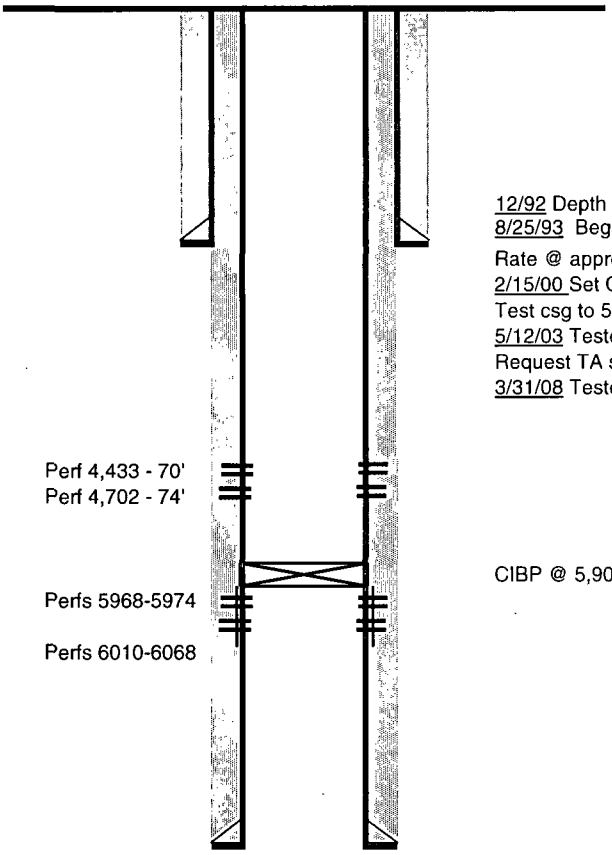
Size:	8 5/8"
Wt.:	24#
Set @:	1550'
Sxs cmt:	650, circ 65 sx
Circ:	Yes
TOC:	Surface
Hole Size:	11"

Production Csg.

Size:	5-1/2"
Wt.:	15.5 & 17 #
Set @:	6300
Sxs Cmt:	1850 sx, circ 188 sx
Circ:	yes
TOC:	surface
Hole Size:	7-7/8"

Detailed Perfs:
4433-37', 4440-44', 4454-58', 4466-70',
4702-06', 4730-34', 4740-44', and 4770-74'

Perfs:
5968-5974, 6010-6068'
2 JSPF: 128 holes



TD: 6300'
PBTD: 6200'

KB: 4015'
DF:
GL: 4001'
Original Spud Date: 11/30/1992
Original Compl. Date: 12/22/1992

12/92 Depth interval 5968-6068. Acid 4000 gal 15% HCL
8/25/93 Began injection of fresh water into well.
Rate @ approx. 900 bbl fresh water on a vacuum
2/15/00 Set CIBP @5900 w/35' cmt.
Test csg to 550#. Well is TA'd.
5/12/03 Tested casing to 520#.
Request TA status extended.
3/31/08 Tested CSG to 510#. TA extension until 03/31/13.

CIBP @ 5,9000' w/ 35' cmt cap