Submit 1 Copy To Appropriate District Office
District I – (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II – (575) 748-1283
811 S. First St., Artesia, NM 88210
District III – (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV – (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD
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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-103
Revised July 18, 2013

WELL API NO. 30-025-02272	
5. Indicate Type of Lease STATE ☒ FEE ☐	
6. State Oil & Gas Lease No. 857948	
SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	7. Lease Name or Unit Agreement Name Vacuum Grayburg San Andres Unit
1. Type of Well: Oil Well ☒ Gas Well ☐ Other	8. Well Number 23H
2. Name of Operator Chevron USA Inc	9. OGRID Number 4323
3. Address of Operator 15 Smith Rd Midland, TX 79705	10. Pool name or Wildcat Vacuum Grayburg San Andres
4. Well Location Unit Letter J : 1980 feet from the South line and 1980 feet from the East line Section 2 Township 18S Range 34E NMPM County Lea	
	11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☒	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
CLOSED-LOOP SYSTEM ☐			
OTHER: Return well to production ☒		OTHER: ☐	

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Chevron Intends to return well to production

Please find attached procedure

During the procedure we plan to use the closed loop system with a steel tank and haul to required disposal facility, per OCD Rule 19.15.17

Spud Date: Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Cindy Herrera-Murillo TITLE Permitting Specialist DATE 07/31/2013

Type or print name Cindy Herrera-Murillo E-mail address: cherreramurillo@chevron.com PHONE: 575-263-0431

For State Use Only

APPROVED BY: E Gonzales TITLE Dist. Mgr DATE 8-6-2013

Conditions of Approval (if any):

AUG 06 2013

VGSAU 23H Wellbore Diagram

Created:	01/13/06	By:	C. A. Irle	Well #:	23H	St. Lse:	857948
Updated:	03/09/10	By:	PTBP	API	30-025-02272		
Lease:	Vacuum Grayburg San Andres			Unit Ltr.:	J	Section:	2
Field:	Vacuum Grayburg San Andres			TSHP/Rng:	S-18 E-34		
Surf. Loc.:	1,980' FSL & 1,980' FEL			Unit Ltr.:	L	Section:	2
Bot. Loc.:	2,061' FSL & 4,377' FEL			TSHP/Rng:	S-18 E-34		
County:	Lea	St.:	NM	Directions:	Buckeye, NM		
Status:	Active Oil Well			Chevno:	FA3433		

Surface Casing

Size:	8 5/8"
Wt., Grd.:	32#
Depth:	1,644'
Sxs Cmt:	265
Circulate:	Yes
TOC:	Surface
Hole Size:	10"

Production Casing

Size:	5 1/2"
Wt., Grd.:	15#
Depth:	4,206'
Sxs Cmt:	200
Circulate:	Yes
TOC:	Surface
Hole Size:	6 3/4"

Open Hole

Depth:	4,710'
Hole Size:	4 3/4"

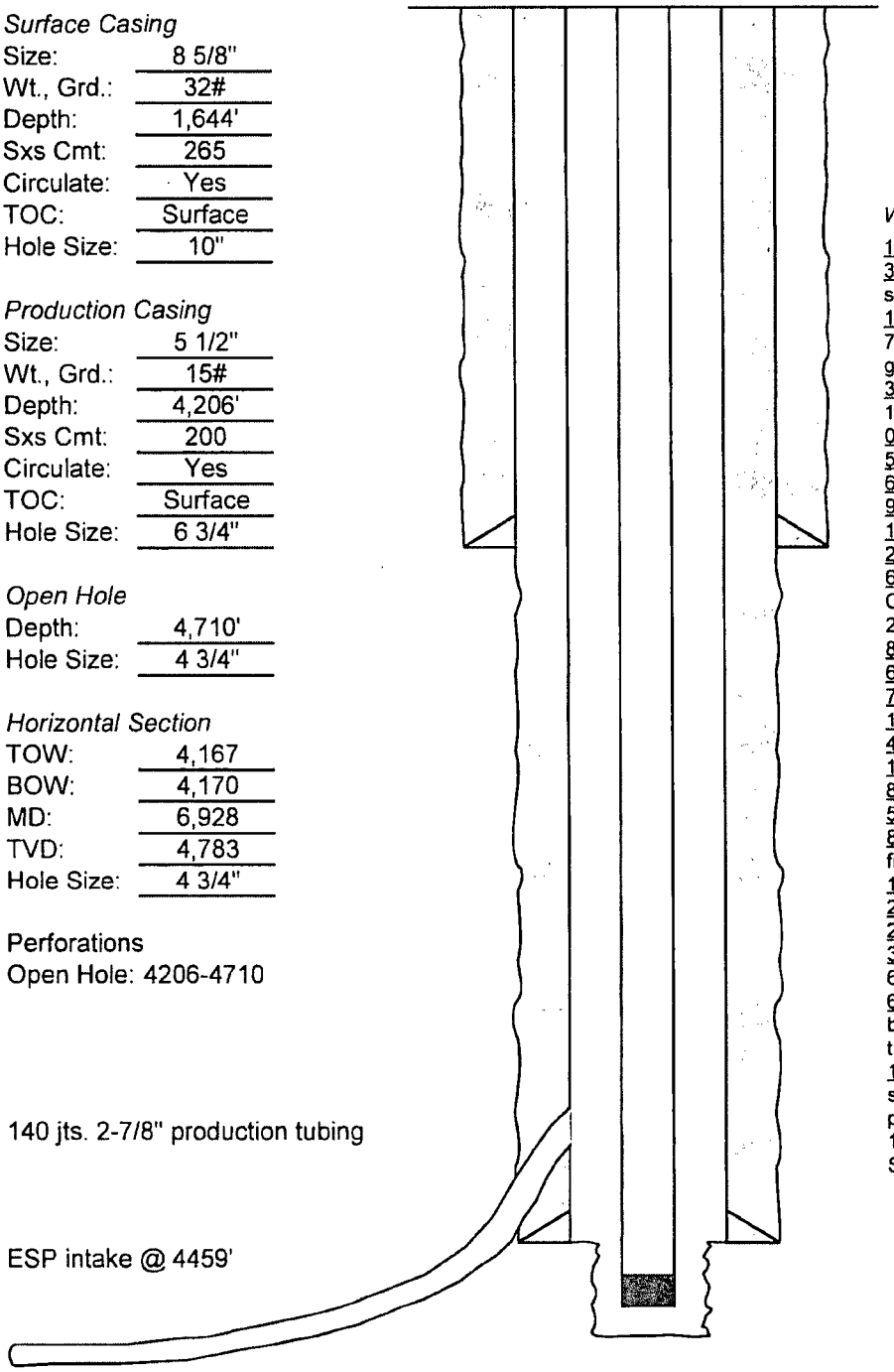
Horizontal Section

TOW:	4,167
BOW:	4,170
MD:	6,928
TVD:	4,783
Hole Size:	4 3/4"

Perforations
Open Hole: 4206-4710

140 jts. 2-7/8" production tubing

ESP intake @ 4459'



PBTD: 4,708
TD: 4,712

KB:
DF: 4,017'
GL: 4,007'
Ini. Spud: 10/28/40
Ini. Comp.: 11/26/40

Well History

11/26/40 Initial Completion.
3/22/71 Frac OH: 30000 gls gelled brine 2# sand conc.
12/19/80 Water Flow: Perf 5 1/2" csg 1670, 750 sx C cmt, circ to surface, acid OH 3000 gls 15% NE.
3/10/83 Stim: CO 4710, acid OH 10,000 gls 15% in 5 stages.
05/88 Stim & Conv to Rods: Not in files.
5/27/89: Stim: CO & acid.
6/6/89: Pump
9/19/89: Chg tbg and redesign rods.
1/23/90: Rod part.
2/14/90: Rod part.
6/22/90 Rod Part & Stim: Signs of bacteria, CO & acid 1000 gls 15% NE, SIS, Pmax = 200#, AIR=4 bpm, ISIP=Vac.
8/25/90: Rod part.
6/6/91 Tbg Leak: Body leak 3800.
7/25/93 Tubing Leak: Split joint.
12/9/93: Pump
4/24/95: Pump
12/7/95: Back Off Tool unscrewed.
8/12/96 Pump: Cage worn.
5/29/98: Chg Rod Design: Add Sinkers.
8/30/99 Rod Part & Stim: CO & acid. not in files.
1/27/00: Convert to Sub.
2/27/04: DHS
2/21/04 Prep for Horz: CIBP 4172.
3/7/05 Drill Horz: TOW 4167 BOW 4170 MD 6928 TVD 4783. 50o 28g 700w
6/16/05: Pulled whipstock, drilled CIBP, bailer kept going in window, drag @ window, tag solid 4507.
1/26/06 Stim Ported Subs: CBP 4180 did not shear, fish CBP all except bottom housing, push to 4253, CBP 4180, acid 80000 gls 15% 34500 WF, drill CBP & push to 4702, SIS vert.

Chevron

Vacuum Grayburg San Andres Unit #23H

County: Lea **State:** New Mexico **API:** 30-025-02272

Current Wellbore:

8 5/8" 32# Surface casing set at 1,644'. Cement Circulated to surface

5 ½" 15.5# production casing set at 4,206'. Cement Circulated to surface.

4 ¾" Open hole 4,206' to 4,710'

Window 4,167' to 4,170

4 ¾" Lateral: 4,170' – 6,928'

Description of work:

Clean out lateral and acidize with coil tubing.

Tubular Specifications:

2 7/8" 6.5# J-55 Production Tubing: 2.441" ID, 2.347" Drift, 7,260 psi yield @ 100%, 5,808 psi @ 80%, 99,700 lbs. Tensile @ 100%, 79,760 lbs. Tensile @ 80%, 1,650 ft lbs make up torque. .005794 bbls/ft capacity

Pre-Work:

1. Utilize the rig move check list.
2. Evaluate pressure ratings and condition of wellhead and all valves. Repair and/or replace as needed.
3. Check anchors and verify that pull test has been completed in the last 24 months.
4. Ensure location of & distance to power lines is in accordance with MCA SWP. Complete and electrical variance and electrical variance RUMS if necessary.
5. Ensure that location is of adequate build and construction.
6. Ensure that elevators and other lifting equipment are inspected. Caliper all lifting equipment at the beginning of each day or when sizes change.
7. When NU anything over an open wellhead (EPA, etc.) ensure the hole is covered to avoid dropping anything down hole
8. 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).
9. 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 & equipment. Check wellhead pressure. Kill well as required. Monitor to verify well is static.
2. ND wellhead. Nipple up 7 1/16" 5,000 psi BOP with 2 7/8" pipe rams over blinds & 7 1/16" annular BOP.
3. Pull the tubing hanger and 1 joint of 2 7/8" production tubing and cable. Cut and band cable.
4. Make up 5 1/2" test packer in production tubing string. Run in hole with packer and 1 joint 2 7/8" tubing, Set packer at +/- 30'. Test BOP to 250 psi low / 500 psi high. Pull out of hole with test packer.
5. Rig up spooler, pull out of hole with tubing and ESP equipment.
6. Set up exclusion zone. Move in and rig up wireline equipment. Run in hole and set 5 ½" composite bridge plug at 4,180'. Rig down wireline equipment.
7. Run in hole with 2 7/8" production tubing with 1 "bent" joint of 2 7/8" tubing on bottom. **Note:** Bent joint should have a gentle bend through the full length of the joint with a +/- 6 to 10" offset. Joint should also have the pin end cut off and a half muleshoe cut with the taper facing the outside of the bend. (see attached drawing)
8. Run in hole to window at 4,167'. Orientate end of tubing into window. Run in hole past CBP depth of 4,180' to +/- 4,200' to ensure tubing is in window. Space out tubing to have a "ground level" connection.
9. Nipple down BOP equipment.
10. Nipple up 7 1/16" X 2 7/8" B-1 adapter flange, land tubing. Install full opening valve on adapter flange.
11. Shut well in. Rig down pulling unit & equipment.
12. Move in and rig up 1 1/4" coil tubing unit and required flow control equipment with flowback tank.
13. Clean out and acidize 4 ¾" lateral as per Baker Coil Tubing recommendations with +/- 20,000 gallons 15% HCL from toe to heel. Do not exceed 1,000 psi on 5 ½" casing. Adjust rate and surface choke to control casing pressure as required.
14. Pull coil tubing into vertical section of wellbore. Circulate clean with fresh water.
15. Pull out of hole and rig down coil tubing equipment.
16. Move in and rig up pulling unit & equipment.
17. Open well, Flow well to flowback pit until dead.
18. Kill well as required.