

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

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO. 30-025-31816
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 VACUUM GLORIETA WEST UNIT
8. Well Number #54
9. OGRID Number 4323
10. Pool name or Wildcat VACUUM GLORIETA
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR 3996

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.)

1. Type of Well: Oil Well Gas Well Other **INJECTION**

2. Name of Operator
CHEVRON USA INC

3. Address of Operator
15 SMITH RD MIDLAND, TX 79705

4. Well Location
 Unit Letter B : 51 feet from the NORTH line and 1588 feet from the EAST line
 Section 36 Township 17S Range 34E NMPM County LEA

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
DOWNHOLE COMMINGLE <input type="checkbox"/>	P AND A <input type="checkbox"/>
CLOSED-LOOP SYSTEM <input type="checkbox"/>	CASING/UNDERGROUND INJECTION CONTROL PROGRAM MANUAL
OTHER: <input type="checkbox"/>	OTHER: <input type="checkbox"/>

11.6 C Packer shall be set within or less than 100 feet of the uppermost injection perfs or open hole.

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 USA INC. INTENDS TO ADD PERFS AND ACIDIZE ABOVE WELL.

PLEASE FIND ATTACHED THE INTENDED PROCEDURE.

DURING THE PROCEDURE WE PLAN TO USE THE CLOSED LOOP SYSTEM WITH A STEEL TANK AND HAUL TO A REQUIRED DISPOSAL, PER OCD 19.15.17

SEP 16 2013

RECEIVED

The Oil Conservation Division

Condition of Approval: notify

OCD Hobbs office 24 hours

Spud Date: **MUST BE NOTIFIED 24 Hours**
Prior to the beginning of operations

Rig Release Date: **prior of running MIT Test & Chart**

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 09/09/2013

Type or print name CINDY HERRERA-MURILLO E-mail address: CHERRERAMURILLO@CHEVRON.COM
 PHONE: 575-263-0431

For State Use Only

APPROVED BY [Signature] TITLE Dist. MGR DATE 9-17-2013

CONDITION OF APPROVAL: Operator shall give the OCD District Office 24 hour notice before running the MIT test and chart.

SEP 17 2013

Well: VGWU No. 054
API No.: 30-025-31816
Lea County, New Mexico

Description of Work: Pull equipment, plug-back, add perforations, and acidize. Return well to injection.

Pre-Job Work:

- Utilize the rig move check list.
- Check location, anchors (if they haven't been tested in the last 24 months, retest).
- Ensure location of & distance to power lines is in accordance with MCBU SWP. Complete and electrical variance and electrical variance RUMS if necessary.
- Ensure that location is adequate build and construction.
- Ensure that elevators and other lifting equipment are inspected. Caliper all lifting equipment at the beginning of each day or when sizes change.
- When NU anything over an open wellhead (EPA, etc.) ensure the hole is covered to avoid dropping anything downhole.
- 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.
- If the possibility of trapped pressure exists, check for possible obstructions 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 – Consult with remedial engineer before making any dummy run. Make a dummy run through the fish/tubular with sandline, slickline, eline, or rods to verify no obstruction.
- 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.
- CAUTION H₂S MAY BE PRESENT, TAKE PROPER PRECAUTIONS

Well: VGWU No. 054
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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 2-3/8" pipe rams. Test pipe rams against injection pkr to 250 psi low/ 500 psi high for 5 minutes.
3. Unset packer. TOH with 2-3/8" injection tubing. LD all tubing.
4. PU/RIH w/4-3/4" MT bit, on 2-3/8" WS. Tag and record fill depth. If fill tagged above top paddock perforation at 6,030', RU power swivel, C/O to past top perforation.
5. TOH w/ 4-3/4" MT bit standing back WS.
6. MI RU WL. Test lubricator to 1000 psi. RIH with 5-1/2" CIBP. Set plug at 6,025'. Dump bail 15' of cement on top of cast iron bridge plug.
7. Establish exclusion zone. Turn off all electronic equipment.
8. Perforate new perforations 5,914-24', 5,960-70', 5,982-88', 5,996-6,000', with 3-1/8" HP Slick Guns EXP-3323-322T charges with 3 SPF as per Weatherford's recommended procedure. Tie into Halliburton's Depth Control Log dated 02/09/1993 (tie in strip included). Another vender may be used if desired utilize equivalent charges.
9. Pull out of hole with perforating gun. Make sure all shots fired.
10. Rig down lubricator and wireline truck.
11. RIH with 5-1/2" treating packer on 2-3/8" EUE L-80 4.7# work string. Test tubing to 6,000 psi below slips while RIH. Set packer ~5,850'. Load casing and test packer to 500 psi.
12. Acidize new Glorieta perms from 5,914 – 6,000' with 4,000 gal 15% HCL. Divert using 96 7/8" RCN 1.3 gravity ball sealers (100% excess), spaced evenly in groups of 10 throughout the job. Pump acid at 6-7 BPM. Max Pressure = 6,000 psi. Load and pressure

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backside to 500 psi. Displace acid with FW to bottom perf at 6,000'. Monitor casing pressure for communication around packer.

13. Shut-in for 2 hours to allow acid to spend.
14. Attempt to flow back load.
15. Swab back load. Release Packer and TIH to knock balls off seat. TOH LD WS & treating pkr.
16. PU new 2-3/8" TK-15 IPC injection tubing with nickel coated IPC pkr with On-Off tool 1.43 PN w/plug in place. Set pkr at ~5,850'.
17. Release from On-Off tool, circulate pkr fluid. Latch back up.
18. ND BOP and install WH. Install wellhead connections.
19. Obtain MIT test chart for > 30 minutes and @ +300 psi. Send chart to Denise Pinkerton in Midland Regulatory Dept.
20. Rig down and move off pulling unit & equipment.
21. Turn well over to Operations.

SPH 07/26/13

Contacts:

Remedial Engineer – Larry Birkelbach	(432-687-7650 / Cell: 432-208-4772)
Production Engineer – Sean Heaster	(432-687-7366 / Cell: 432-640-9031)
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)