| District 1<br>1625 N. French Dr., Hobbs, NM 88240<br>Phone: (575) 393-6161 Fax: (575) 393-0720<br>District II<br>811 S. First St., Artesia, NM 88210<br>Phone: (575) 748-1283 Fax: (575) 748-9720<br>District III<br>1000 Rio Brazos Road, Aztec, NM 87410<br>Phone: (505) 334-6178 Fax: (505) 334-6170<br>District IV<br>1220 S. St. Francis Dr., Santa Fe, NM 87505<br>Phone: (505) 476-3460 Fax: (505) 476-3462 |  |            | ) 393-0720<br>0<br>748-9720<br>4 87410<br>334-6170<br>NM 87505 | HOBBS OCE<br>SEP 0.3 201<br>RECEIVER                                   | 3                          | Santa Fe, NM 87505        |                           |   |                           | Form C-101<br>Revised July 18, 2013 |                                       |  |              |                    |  |  |
|--|--|------------|--|--|----------------------------|---------------------------|---------------------------|---|---------------------------|-------------------------------------|---------------------------------------|--|--------------|--------------------|--|--|
| APP  | LICA   | TIO        | N FOR  | PERMIT T<br>' Operator Name a  |                            |                           | TER                       | , DEI   | E <b>PEN,</b>             | PL                                  | UGBAC                                 | <b>K, OR</b><br><sup>2</sup> OGRID<br>4323 |              |                    |  |  |
|  |  |            |  | CHEVRON U.S.A. INC.<br>15 SMITH ROAD<br>MIDLAND, TEXAS 79705           |                            |                           |                           |   |                           |                                     |                                       | API Number<br>30-025-33301                 |              |                    |  |  |
| * PropertysCosts   |  |            |  |  | <sup>3</sup> Property Name |                           |                           |   |                           |                                     | <sup>o.</sup> Well No.                |  |              |                    |  |  |
|  | 2993 NEW MEXICÓ  |            |  |  |                            |                           |                           |   | "L" STATE 18              |                                     |                                       |  |              |                    |  |  |
| UL - Lo  |  | ation      | Tourship   | Panga  | Lot Idn                    | 7. Surface Lo             |                           |   | Lina                      |                                     | Faat From                             | E/W Li                                     | na           | County             |  |  |
| A  | 1  | ction      | Township<br>18S  | Range<br>34E   |                            | 810                       |                           | N/S Line<br>NORTH                                 |                           | Feet From<br>650                    |                                       | EAST                                       |              | LEA                |  |  |
| UL - Lo  | Sec  | ction      | Township   | Range  | • Pro                      | posed Bottor              |                           |   |                           |                                     | Feet From                             | E/W Line                                   |              | County             |  |  |
| 01.10  |  | cuon       | rownship   | Kunge  | Lorida                     |                           |                           | 110   |                           |                                     |                                       |  |              | County             |  |  |
| L  | !  | I          |  | <b>I</b>   | <br>!                      | <sup>9.</sup> Pool Inform | mation                    |   | I                         |                                     |                                       |  |              |                    |  |  |
|  |  |            | VACUUM   | 1: DRINKARD  |                            | Pool Name                 |                           |   |                           |                                     |                                       |  |              | Pool Code<br>62110 |  |  |
|  |  |            |  |  | Addi                       | tional Well I             | nform                     | ation   |                           |                                     |                                       |  |              |                    |  |  |
|  | RECOMPLETE   |            |  | <sup>12.</sup> Well Type <sup>13.</sup> Cable/R<br>OIL                 |                            |                           |                           |   |                           | ATE                                 | <sup>15.</sup> Ground Level Elevation |  |              |                    |  |  |
| 1  | <sup>16</sup> Multiple<br>NO   |            |  | <sup>17.</sup> Proposed Depth <sup>18.</sup> Forma<br>11,500' DRINKARD |                            |                           | ion <sup>19.</sup> C      |   | <sup>19.</sup> Cor        | Contractor                          |                                       | <sup>20.</sup> Spud Date                   |              |                    |  |  |
| Depth to (   | Depth to Ground water  |            |  | Distance from nearest fresh water                                      |                            |                           | well                      | /ell Distanc                                      |                           |                                     | Distance                              | e to nearest surface water                 |              |                    |  |  |
| We wi  | ll be usi  | ng a c     | losed-loop   | system in lieu of  | lined pits                 |                           |                           |   |                           |                                     | <u>.</u>                              |  |              |                    |  |  |
|  |  |            |  | 21.  | Proposed                   | l Casing and              | Ceme                      | nt Prog   | gram                      |                                     |                                       |  |              |                    |  |  |
| Туре   | Type Hole Size   |            | Size   | Casing Size  | Casing                     | Casing Weight/ft          |                           | Setting Depth                                     |                           | Sacks of Co                         |                                       | Cement                                     |              | Estimated TOC      |  |  |
|  |  |            |  | <u></u>  | NO C                       | CHANGE                    |                           |   |                           |                                     |                                       |  |              |                    |  |  |
|  |  |            |  |  |                            |                           |                           |   |                           |                                     |                                       |  | <u> </u>     |                    |  |  |
|  |  |            |  |  |                            |                           |                           |   |                           |                                     |                                       |  |              |                    |  |  |
|  | 1 0  | 10         |  |  | <u> </u>                   | t Program: A              | Additio                   | onal Co   | $\leq -4$                 | s                                   | <i>n.</i>                             |  |              |                    |  |  |
| L24#   | O  | <u>rde</u> | 212  | lieing s   | soug                       | ht M                      | vugi                      |   | ant                       | p.                                  | JL                                    |  |              |                    |  |  |
|  |  |            |  | U 22.  | Proposed                   | Blowout Pr                | eventio                   | on Pro  | gram                      |                                     |                                       | r  |              |                    |  |  |
|  | Туре   |            |  | Working Pressure   |                            |                           | _                         | Test Pressur                                      |                           |                                     | re                                    |  | Manufacturer |                    |  |  |
|  |  |            |  |  |                            |                           |                           |   |                           |                                     |                                       |  |              |                    |  |  |
|  |  |            |  | on given above is t  | rue and com                | plete to the              |                           |   |                           |                                     |                                       |  |              |                    |  |  |
| I further  | best of my knowledge and belief.<br>I further certify that I have complied with 19.15.14.9 (A) NMAC and/or |            |  |  |                            |                           |                           | OIL CONSERVATION DIVISION Approved By:            |                           |                                     |                                       |  |              |                    |  |  |
| 1  | 19.15.14.9 (B) NMAC [], if applicable.<br>Signature: Dim Haton   |            |  |  |                            |                           |                           | Marte   |                           |                                     |                                       |  |              |                    |  |  |
| Printed na   | Printed name: DENISE PINKERTON   |            |  |  |                            |                           |                           |   | Title: Petroleum Engineer |                                     |                                       |  |              |                    |  |  |
|  | Title: REGULATORY SPECIALIST   |            |  |  |                            |                           |                           | Approved Date: 09/19/13 Expiration Date: 09/19/15 |                           |                                     |                                       |  |              |                    |  |  |
|  |  |            | @chevron.c   |  |                            |                           |                           |   |                           |                                     |                                       |  |              | 11.11/2            |  |  |
| Date: 08   | 29/2013  |            |  | Phone: 432-6   | 87-7375                    |                           | Oil Conservation Division |   |                           |                                     |                                       |  |              |                    |  |  |

| SEP | 19 | 201 <b>3</b> |
|-----|----|--------------|
|-----|----|--------------|

Conditions of approval: Approval for drilling/workover ONLY -- CANNOT produce Downhole Commingled until DHC is approved in the OCD Santa Fe office.

Well:New Mexico "L" State No. 18Field:Vacuum (Wolfcamp)API No.:30-025-33301Lea County, New Mexico

Description of work: Add Drinkard pay and DHC with Wolfcamp

## Pre-Work:

- 1. Check Wellhead connections for pressure ratings and condition. Change out if necessary.
- 2. Utilize the rig move check list.
- 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 downhole
- 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. Check wellhead pressure, and kill well as necessary.
- 2. Pull rods and pump. Inspect rods for signs of wear, corrosion, scale, etc. Note any rod damage in WellView. Lay down all rods and pump.
- 3. ND wellhead. NU 5,000 psi BOP with 2-7/8" pipe rams and over blinds. Unset TAC @ 9235'. RIH with 1 joint of 2-7/8"tubing and 5-1/2" packer. Set packer. Test BOP to 250 psi low / 500 psi high.
- 4. POOH with packer & continue to TOH with 2-7/8" L-80 production tubing while scanning. Lay down bad joints (yellow joints OK to rerun).

- 5. TIH w/ RBP on 2-7/8" workstring and set at 8,000'. Test RBP to 500 psi. Spot 10% acetic acid from 7,900' to 7,600'. TOH.
- 6. Set up an exclusion zone around the wireline perforating operation. All phones, radios, etc. need to be turned off.
- Rig up wireline truck. Rig up full lubricator, test lubricator to 500 psi on catwalk. Get on depth with SLB GR-CBL-CCL log dated 2/14/01. Perforate the Drinkard as follows using 4" casing guns at 2 JSPF and 120 degree phasing (46' net, 92 holes): 7860'-62', 7826'-30', 7800'-10', 7776'-78', 7758'-64', 7728'-32', 7708,-20', 7698'-7702', 7622'-80', and 7614'-18'.
- 8. TIH w/ 5-1/2" packer on 2-7/8" workstring and set 7550'. Hydrotest tubing to 6,000 psi. Load backside to 500 psi.
- 9. Acidize perfs 7614'- 7862' w/ 20,000 gallons 20% NEFE HCl. Pump 138 (50% excess) 1.3 7/8 RCN ball sealers for diversion. Drop balls in groups of 15. Displace with 2% KCl water. Shut in one hour and flow back load. Pump acid at 5-6 BPM. Max pressure = 5,500 psi.
- 10. Release packer and TOH laying down workstring.
- 11. RIH w/ 2-7/8" production tubing and land SN @ 7900'.
- 12. ND BOP.
- 13. RIH w/ pump and rods.
- 14. NU wellhead and rig down pulling unit.
- 15. Place well on production and test.
- 16. Submit downhole commingling paperwork to the OCD.
- 17. Obtain downhole commingling approval.
- 18. Rig up pulling unit. Check wellhead pressure, and kill well as necessary.
- 19. Pull rods and pump. Inspect rods for signs of wear, corrosion, scale, etc. Note any rod damage in WellView.
- 20. ND wellhead. NU 5,000 psi BOP with 2-7/8" pipe rams and over blinds. Unset TAC. RIH with 1 joint of 2-7/8"tubing and 5-1/2" packer. Set packer. Test BOP to 250 psi low / 500 psi high.
- 21. POOH with packer & continue to TOH with 2-7/8" L-80 production tubing.
- 22. TIH w/ retrieving tool on 2-7/8" production tubing and release RBP set at 8000'.
- 23. TIH w/ production tubing and set SN @ 10,300'.
- 24. ND BOP. NU wellhead.
- 25. RIH w/ pump and rods.
- 26. Rig down pulling unit.
- 27. Place well on production and test.

New Mexico "L" State No. 18





Chevron U.S.A. Inc. Wellbore Diagram : NM L ST 18 VW

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1742

3593



@(0-5300) Cement

LAST FAIWRE 9-26-08 ROA PUMP