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

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

HOBBS OCD
OCT 17 2013

Form C-103
Revised July 18, 2013

WELL API NO. 30-025-32007

5. Indicate Type of Lease STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

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
NEW MEXICO L STATE

1. Type of Well: Oil Well ☒ Gas Well ☐ Other

8. Well Number 13

2. Name of Operator
CHEVRON U.S.A. INC.

9. OGRID Number 4323

3. Address of Operator
15 SMITH ROAD, MIDLAND, TEXAS 79705

10. Pool name or Wildcat
VACUUM; DRINKARD

4. Well Location
Unit Letter: G 1780 feet from the NORTH line and 1980 feet from the EAST line
Section 1 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: INTENT TO FRAC STIMULATE THE DRINKARD		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 U.S.A. INC. INTENDS TO FRAC STIMULATE THE DRINKARD RESERVOIR IN THE SUBJECT WELL.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, & WELLBORE DIAGRAM.

DURING THIS PROCEDURE, WE WILL USE THE CLOSED LOOP SYSTEM WITH A STEEL TANK AND HAUL TO THE REQUIRED DISPOSAL, PER THE 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 Denise Pinkerton TITLE REGULATORY SPECIALIST DATE 10/15/2013

Type or print name: DENISE PINKERTON E-mail address: leakejd@chevron.com PHONE:432-687-7375

For State Use Only

APPROVED BY: TITLE Petroleum Engineer DATE OCT 22 2013

Conditions of Approval (if any):

OCT 22 2013

Well: New Mexico "L" State No. 13
Field: Vacuum (Drinkard)
API No.: 30-025-32007
Lea County, New Mexico

Description of work: Frac Stimulate the Drinkard formation

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 @ 7455'. 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. Rig up wireline truck and lubricator. Get on depth with Union Wireline Gr-CCL log dated 10/8/93 (Short Joint at 7400 – 34). Perforate the 5-1/2" casing at 7578'-86' w/ 1 JSPF at 60 degree phasing with 4" guns.
6. Change out BOP rams from 2-7/8" to 3-1/2" and test 250 low / 500 high.
7. TIH w/ 5-1/2" treating packer on 3-1/2" 9.3 #/ft L-80 workstring. Test tubing to 8,000 psi below the slips. Set packer at 7,500'. Load backside the test to 500 psi.
8. ND BOP. NU wellhead.
9. NU 10K frac valve and test to 8,000 psi.
10. Set 7 frac tanks and fill with fresh water.
11. Rig up acidizers. Acidize perfs with 4,000 gallons 15% NEFE HCl in one stage. Drop ball sealers for diversion. Notify Remedial Engineer if there is difficulty in pumping acid. If there is difficulty, the frac design may need to be modified.
12. Rig up CUDD Energy Services and frac stimulate perfs 7588'-7877' as follows:
    a. 10,000 gallon pad
    b. 5,000 gallons w/ 0.5 ppg 20-40 sand
    c. 5,000 gallons pad
    d. 5,000 gallons w/ 1.0 ppg 20-40 sand
    e. 15,000 gallons pad
    f. 8,000 gallons w/ 1.0 ppg 20-40 sand
    g. 9,000 gallons w/ 2.0 ppg 20-40 sand
    h. 12,000 gallons w/ 3.0 ppg 20-40 sand
    i. 7,500 gallons w/ 4.0 ppg 20-40 sand
    j. 12,500 gallons w/ 4.0 ppg 20-40 resin coated sand
    k. Flush to top perf 2,825 gallons 15# gel

    Refer to Cudd Proposal ID: 20130830073124WSmith for more fluid details. Shut in well overnight to allow gel to break and to allow resin coated sand to set in place. Max pressure = 7,500 psi. Set pop off at 7800 psi.

13. Rig up flowback equipment and flow back crew. Open up well and flow back load.
14. ND frac valve. NU BOP with 3-1/2" pipe rams over blinds. Test BOP to 250 psi low/ 500 psi high against treating packer. Release packer and TOH laying down workstring.
15. Change pipe rams from 3-1/2" to 2-7/8".
16. RIH w/ 5-1/2" test packer on one joint 2-7/8" tubing.
17. Test BOP to 250 psi low/ 500 psi high against test packer.
18. RIH w/ 2-7/8" production tubing and set SN at 7900'. Set tubing anchor at 7455'.
19. ND BOP.

Well: New Mexico "L" State No. 13
Field: Vacuum (Drinkard)
API No.: 30-025-32007
Lea County, New Mexico

20. RIH w/ pump and rods.
21. NU wellhead and rig down pulling unit.
22. Place well on production and test.

PTB 9/9/13

Contacts:

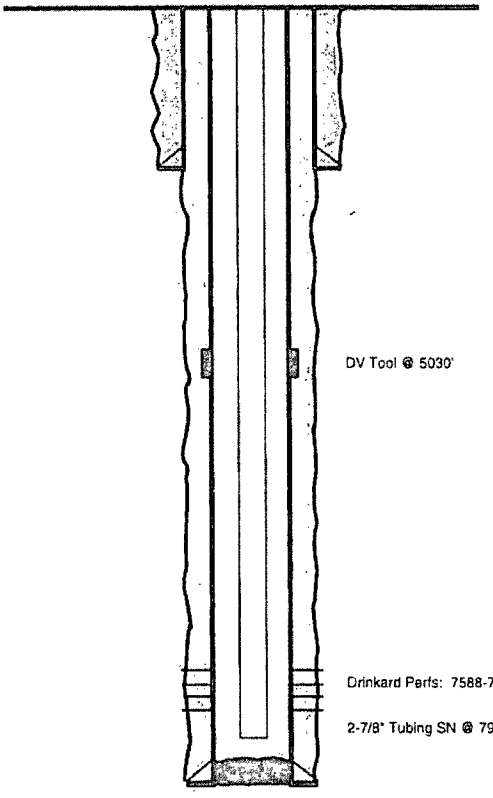
Remedial Engineer – Larry Birkelbach	(432-687-7650 / Cell: 432-208-4772)
Production Engineer – Paul Brown	(432-687-7351 / Cell: 432-238-8755)
ALCR – Danny Acosta	(Cell: 575-631-9033)
D&C Ops Manager – Boyd Schaneman	(432-687-7402 / Cell: 432-238-3667)
D&C Supt. – Heath Lynch	(432-687-7857 / Cell: 281-685-6188)
OS – Nick Moschetti	(Cell: 432-631-0646)
CUDD – Wayne Groce	(432-570-5300)

CURRENT
WELLBORE DIAGRAM

Created:	5/20/2004	**By:** SMG							
Updated:	9/9/2013	**By:** PTB							
Lease:	New Mexico "L" State		**Well No.:**	13		**Field:**	Vacuum Drinkard		
Surface Location:	1780' FNL & 1980' FEL		**Unit Ltr:**	G	**Sec:**	1	**TSHP/Range:**	18S-34E	
Bottomhole Location:			**Unit Ltr:**		**Sec:**		**TSHP/Range:**		
County:	Lea	**St:** NM	**St Lease:**	B-1733	**API:**	30-025-32007	**Cost Center:**	UCT495300	
Current Status:	Active Oil Well		**Elevation:**	3989' GR					
Directions to Wellsite:	Buckeye, New Mexico								

Surface Csg.

Size:	8 5/8"
Wt.:	24#
Set @:	1470'
Sxs cmt:	650
Circ:	Yes, 200 sx
TOC:	Surface
Hole Size:	11"



KB: 4003'
DF:
GL:
Original Spud Date: 9/16/1993
Original Compl. Date: 10/21/1993

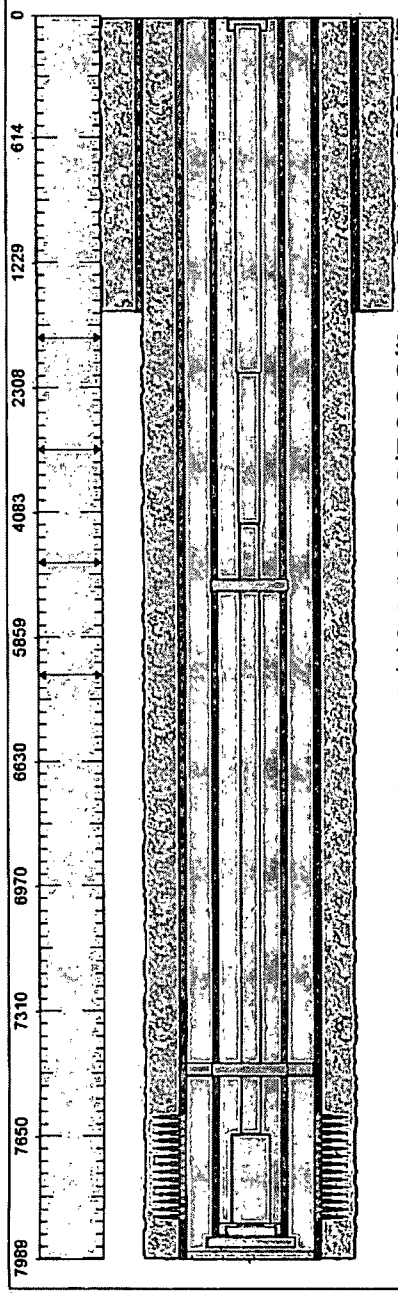
Production Casing

Size:	5 1/2"
Wt.:	15.5 & 17#
Set @:	7990'
Sxs Cmt:	1785
Circ:	Yes, 185 sx
TOC:	Surface
Hole Size:	7 7/8"

PBTD: 7970
TD: 7990'

Remarks:

Chevron U.S.A. Inc. Wellbore Diagram : NM L ST 13



Rod String Quantity (Top-Bottom Depth) Desc
1 @(14-40) 1.500 (1 1/2 in.) Spray Metal x 26 - N/A-
1 @(40-42) 1.000 (1 in.) T-66 (Trico HS) x 2 Rod Sub - N/A-
82 @(42-2092) 1.000 (1 in.) EL (EVI HS) x 25 Rod - N/A-
86 @(2092-4242) 0.875 (7/8 in.) EL (EVI HS) x 25 Rod - N/A-
136 @(4242-7642) 0.750 (3/4 in.) EL (EVI HS) x 25 Rod - N/A-
10 @(7642-7892) 1.500 (1 1/2 in.) (Unknown) x 25 Sinker Bar - N/A-
1 @(7892-7896) 1.000 (1 in.) T-66 (Trico HS) x 4 Rod Sub - Rod Guides-Molded (2 per rod)-
1 @(7896-7920) Rod Pump (Insert) (NON-SERIALIZED) - 25-150-RHBM-24-6 (Bore = 1.50)-
1 @(7920-7928) Gas Anchor (Rod) 7/8" OD x 8' - N/A-

Surface Casing (Top-Bottom Depth) Desc
@(14-1470) Cement-
@(14-1470) Wellbore Hole OD-11.0000-
@(14-1470) Unknown 8.625 OD/ 24.00# Round Short 8.097 ID 7.972 Drift - N/A-

Production Casing (Top-Bottom Depth) Desc
@(5030-5034) DV Tool-
@(7588-7877) Perforations - Open-
@(7588-7877) Producing Interval (Completion) - Bare-
@(7970-7970) Plug Back Total Depth-
@(14-7990) Unknown 5.500 OD/ 15.50# Round Short 4.950 ID 4.825 Drift - N/A-
@(1470-7990) Wellbore Hole OD- 7.8750-
@(14-7990) Cement-

Tubing String Quantity (Top-Bottom Depth) Desc
238 @(14-7452) L-80 2.875 OD/ 6.40# T&C External Upset 2.441 ID 2.347
1 @(7452-7455) Tubing Anchor-Mechanical 2.875" Elder 'B' - N/A-
14 @(7455-7892) L-80 2.875 OD/ 6.40# T&C External Upset 2.441 ID 2.347
1 @(7892-7924) L-80 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2.347 Drift - Internal Plastic Ctg-TK-99-
1 @(7924-7925) Seat Nipple/Shoe - Stainless 316 (2.875") Mechanical Type - N/A-
1 @(7925-7948) Bull Plug Mud Anchor 3.500" - Internal/ EXTRNALLY Plastic Ctg-