

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

HOBBS OCD
DEC 02 2013
OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> 2. Name of Operator CHEVRON U.S.A. INC. 3. Address of Operator 15 SMITH ROAD, MIDLAND, TEXAS 79705 4. Well Location Unit Letter: J 1980 feet from SOUTH line and 1980 feet from the EAST line Section 25 Township 17S Range 34E NMPM County LEA	WELL API NO. 30-025-02113 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 CENTRAL VACUUM UNIT 8. Well Number 22 9. OGRID Number 4323 10. Pool name or Wildcat VACUUM GRAYBURG SAN ANDRES
	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: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: REPAIR CSG, CMT SQZ	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER:
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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 REPAIR CSG, & CMT SQZ THE SUBJECT WELL.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE.

DURING THIS PROCESS WE PLAN TO 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 11/27/2013
 Type or print name DENISE PINKERTON E-mail address: leakejd@chevron.com PHONE: 432-687-7375
 For State Use Only
 APPROVED BY: *Wendy White* TITLE Compliance Officer DATE 12-3-2013
 Conditions of Approval (if any):

DEC 03 2013

Well: CVU No. 22
Field: Vacuum (Grayburg-San Andres)
API No.: 30-025-02113
Lea County, New Mexico

Description of work: Circulate cement up the 5-1/2" X 7-5/8" casing annulus

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.

1. Rig up pulling unit. Check wellhead pressure, and kill well as necessary.
2. ND wellhead. NU 5,000 psi BOP with 2-7/8" pipe rams and over blinds. Test BOP to 250 psi low / 500 psi high.
3. TIH w/ retrieving tool and release RBP set at 1505' and TOH.
4. TIH w/ 3-3/4" swedge and 6 3-1/8" drill collars on 2-7/8" workstring and work through the tight spot in the 5-1/2" casing at 2,628' until no drag is observed. TOH. Repeat step 4 with 4 1/4". 4 5/8" and 4 3/4" swedges.
5. Set up an exclusion zone around the wireline perforating operation. All phones, radios, etc. need to be turned off.
6. Rig up wireline truck. Rig up full lubricator, test lubricator to 500 psi on catwalk. RIH w/ bailer and dump 10' sand on top of RBP set at 4033'. Pull GR-CET-CCL log from

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- 4033' to the top of cement. Perforate the 5-1/2" casing using 3-1/8" guns at 1,548' or at 50' above the top of cement whichever is shallower.
7. TIH w/ 5-1/2" packer on 2-7/8" workstring and set at 150' above the casing perms. **(Ensure packer is set above prior damaged spot at 2,628')**
 8. Load and test casing annulus to 500 psi.
 9. Rig up pump truck and pump fresh water down the tubing and establish circulation up the 7-5/8" X 5-1/2" casing annulus. Use dye in water to measure the annular volume.
 10. Release packer, pull out of hole.
 11. Pick up and run in hole with 5 1/2" cement retainer on 2 7/8" workstring. Circulate 1.5 times tubing volume with fresh water. Set retainer 150' above squeeze holes. **(Ensure retainer is set above prior damaged spot at 2,628')**.
 12. Establish injection rate. Mix and Pump 200 sx Class "C" cement to circulate cement. Adjust cement volume based on the dye test. Displace cement to cement retainer with fresh water. Sting out of retainer and reverse circulate tubing string. TOH. WOC 24 hours.
 13. TIH w/ 4-3/4" mill tooth bit and 6 3-1/2" drill collars on 2-7/8" workstring. Drill out cement retainer and cement. Circulate hole clean. Test casing to 300 psi. TOH.
 14. TIH w/ retrieving head on 2-7/8" workstring. Wash off sand and release RBP at 4033'. TOH laying down workstring.
 15. RIH w/ 2-7/8" production tubing and land SN 4,700'.
 16. ND BOP.
 17. RIH w/ pump and rods.
 18. NU wellhead and rig down pulling unit.
 19. Place well on production and test.

PTB 10/9/13 Revised 10/15/13 JS

Contacts:

Remedial Engineer – Evan Asire	(432-687-7784 / Cell: 432-301-2067)
Remedial Engineer – Jay Stockton	(432-687-7791 / Cell: 432-967-5644)
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)

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Engineering Comments

The subject well had a wellhead failure evidenced by fluid at the surface. The wellhead was dug out and replaced. During the digout it was discovered that there was no cement around the surface casing. The OCD was contacted and we were advised to continue on with the wellhead replacement and then to fill the 7-5/8" X 5-1/2" annulus with cement from surface on down. This workover will accomplish this and make the well environmentally compliant.

PTB 10/14/13

Wellbore Diagram

CVU 22

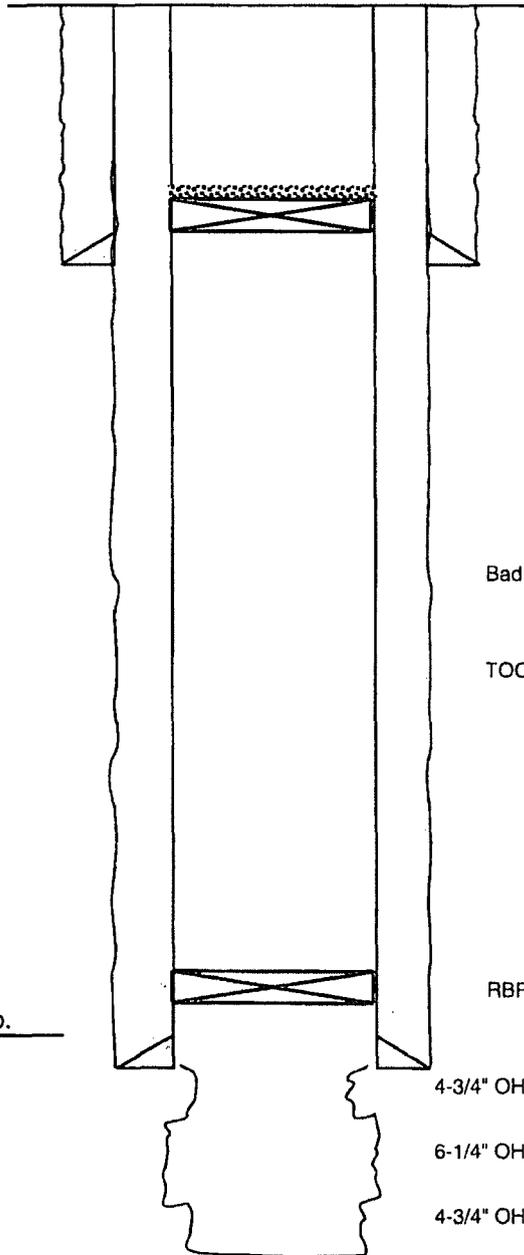
Created: 09/17/13 By: PTBP
 Updated: 10/08/13 By: PTBP
 Updated: _____ By: _____
 Lease: Central Vacuum Unit
 Field: Vacuum Grayburg-San Andres
 Surf. Loc.: 1980' FSL & 1980' FEL
 Bot. Loc.: _____
 County: Lea St.: NM
 Status: Producing Well

Well #: 22 St. Lse: B-1334
 API: 30-025-02113
 CHEVNO: FA3274
 Unit Ltr.: J Section: 25
 TSHP/Rng: 17S / 34E
 Unit Ltr.: _____ Section: _____
 TSHP/Rng: _____
 Directions: Buckeye, NM

Surface Casing

Size: 7 5/8"
 Wt., Grd.: 26.4# Lap Weld
 Depth: 1598'
 Sxs Cmt: 300
 Circulate: Yes
 TOC: Surface
 Hole Size: 9-5/8"

KB: _____
 DF: 4,007'
 GL: _____
 Ini. Spud: 08/06/38
 Ini. Comp.: 09/30/38



RBP @ 1506' w/ 200# sand on top

Bad casing @ 2628'

TOC @ 2728'

RBP @ 4033'

4-3/4" OH 4096'-4343'

6-1/4" OH 4343'-4720'

4-3/4" OH 4720'-4760'

TD: 4760'

Production Casing

Size: 5 1/2"
 Wt., Grd.: 17# Smls
 Depth: 4096'
 Sxs Cmt: 200
 Circulate: No
 TOC: 2198' calc @ 60% fillup.
 Hole Size: 6-3/4"