

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

DEC 02 2013

WELL API NO. 30-025-33349
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit/Agreement Name L. VAN ETTEN
8. Well Number 18
9. OGRID Number 4323
10. Pool name or Wildcat Monument; Paddock

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

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 1650 feet from SOUTH line and 330 feet from the EAST line
 Section 9 Township 20S Range 37E 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:

- PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING MULTIPLE COMPL
 DOWNHOLE COMMINGLE
 CLOSED-LOOP SYSTEM
 OTHER: ADD PERFS, ACID FRAC

SUBSEQUENT REPORT OF:

- REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB
 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 ADD PERFS, & ACID FRAC 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: Mark Whitaker TITLE Compliance Officer DATE 12-3-2013
 Conditions of Approval (if any):

DEC 03 2013

L Van Etten #18
Monument-Paddock
T20S, R37E, Sec. 9
N 32° 35' 5.244", W -103° 15' 17.64" (NAD27)
Job: Add Perfs & Acid Frac

11.6.2013

PREWORK:

1. Utilize the rig move check list.
2. Check anchors and verify that pull test has been completed in the last 24 months.
3. Ensure location of & distance to power lines is in accordance with MCA SWP. Complete and electrical variance and electrical variance RUMS if necessary.
4. Ensure that location is of adequate build and construction.
5. Ensure that elevators and other lifting equipment are inspected. 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.
6. Review JSA and hazards with rig crew. Visually inspect wellhead, casing and tubing valves. Decide whether tubing and casing valves can be used; replace as needed.
7. Scout location and mark off anything that might be hazardous to daily operations.

Reminders:

8. Caliper all lifting equipment at the beginning of each day or when sizes change. **Note in JSA and record on Elevator Change-out Log when and what items are callipered.**
9. When NU anything over an open wellhead (BOP, EPA, etc.) ensure the hole is covered to avoid dropping anything downhole.
10. Ensure well is secure/shut in with blind rams between job stages (nothing in well).
11. If pumping any cement, plugging back a well or changing producing intervals, always contact the OCD and give the details.
12. Hold safety meetings with all personnel on location prior to any major or abnormal operation.

Procedure:

This procedure is meant to be followed. It is up to the WSM, Workover Engineer and Production Engineer to make decisions necessary to SAFELY do what is best for the well. In the extent that this procedure does not reflect actual operations, please contact WE, PE and Superintendent for MOC.

- 1) Verify that well does not have pressure or flow. If the well has pressure, note tubing and casing pressures on Wellview report. Bleed down well; if necessary, kill with cut brine fluid (8.6 ppg).
- 2) MI & RU workover unit & associated surface equipment (i.e. tanks, reverse unit, pipe racks).
- 3) Unseat pump, POOH with rods and pump. Examine rods for wear/pitting/paraffin. Do not hot water unless necessary.
- 4) ND wellhead, unset TAC, NU BOP dressed with 2-7/8" pipe rams on top and blind rams on btm. NU EPA equipment & RU floor. POOH and LD 1 jt 2-7/8" tbg. PU 5-1/2" 15.5# rated packer along with a joint of 2-7/8" tubing and set below WH @ ~25'. Test BOP pipe rams to 250/1000 psi. Note testing pressures on Wellview report (Time log and safety/inspections). Release and LD packer.
- 5) PU 2 jts of 2 7/8" tubing and RIH to 5,320' to tag for fill (TAC 5,078', Perfs 5,208' – 5,208', EOT 5,262', PBTD 5,500'). Do not push TAC into perfs. POOH while scanning 2-7/8" prod tubing. LD all non-yellow band joints. If fill is tagged:
 - A. Above 5,320' contact workover engineer and verify if the clean out is necessary. If so, continue with foam/air clean out per step 6.
 - B. Below 5,320' clean out not needed, skip step 6.

Note: Strap pipe out of the hole to verify depths and note them on Wellview report.
Send scan log report to EAUI@chevron.com.

- 6) PU and RIH with 4-3/4" MT bit, 4 (3-1/2") 6.5# L-80 WS. RU power swivel and clean out to 5,400' with foam/air unit (**continue to supplemental procedure and in accordance with attached SOG**). POOH with 2-7/8" WS and bit. LD bit & BHA.
- 7) MI & RU electric line unit. Set up an exclusion zone and establish radio silence when running perf guns. Install lubricator and test to 2000 psi. GIH with 3 3/8" EHC Predator casing gun (.42" EH & 47" penetration). Perforate 5,176-5,184' with 4 JSPF at 120 degree phasing using 32 gram premium charges. POH. RD and release electric line unit. **Note: Use Halliburton Gamma CCL MSG Cmt Bond log as Tie Log 5/1/96.**
- 8) RIH with 5 1/2" 17# Arrow-Set 10K pkr, and On-Off tool w/ 2.25" frac hardened profile on 2-7/8" 6.5# L-80 WS. Hydro test to 7,000 psi. Set pkr @ ~5,125'. Load the backside and pressure test to 500 psi (Record as casing test in Wellview under "Safety/inspection"). Land the tubing w/ a 10K frac valve flanged to the top of the BOP.
- 9) RD & MO workover rig if necessary.
- 10) MI & RU Petroplex. Pressure test surface lines to 7000 psi and set mechanical pop offs to 6000 psi. Acid-Frac Paddock from 5,176 – 5228' with 6375 gals 15% HCl, 1125 gals Petrol-15, 13 gals I-8, 19 gals FEDX, 13 gals. FEBX, and 19 gals FEGreen acid per the **attached procedure** at a maximum rate of **13 BPM** and a maximum surface pressure of **6000 psi**. Pressure up on backside to 300 psi and monitor for communication throughout job. Pump job as follows (refer to attached Petroplex procedure): Record 5, 10, and 15 minute ISIP. RD & release Petroplex Services.
- 11) MI & RU workover unit if not already on location.
- 12) Leave well SI 1 hr for acid to spend. Open well and flow back/swab back spent treatment fluids to an open tank. Recover 100% of the load if possible or swab until returns indicate formation fluid and not spent acid. Report oil cut recovered, fluid volumes, and swabbing fluid levels. Note: Test reactivity of recovered acid load while swabbing. If acid is not spent, leave well SI additional time as required.
- 13) Release pkr. POOH 2-7/8" workstring, on-off tool, and pkr.
- 14) TIH w/ notched collar and workstring to PBSD to check for salt bridges. Pump 50 bbls fresh water across the perms and TOH LD 2-7/8" tbg. Secure well.
- 15) MIUL and strap 2-7/8" production tubing. .
- 16) RIH with 2-7/8" production tubing hydrotesting to 5,000 psi. Set TAC per ALCR/Planner recommendation. ND BOP. NU WH. RIH with rods and pump per ALCR/Planner. Hang well on. RD and release workover unit.
- 17) Turn well over to production.

FOAM / AIR CLEANOUT PROCEDURE

- This procedure is an addition to the original procedure.
 1. Install flowback manifold with two chokes. All components on flowback manifold must be rated to at least 5,000 psi. If possible, flowback manifold components should be hydrotested before delivery. Hardline pipes from 2" casing valve to manifold to half pit with gas buster. **Set up an exclusion zone around flowback line.**
 2. Install halfpit with gas buster for flowback.
 3. Position Air unit upwind from Rig next to water tanks. Have vacuum truck on standby to empty halfpit. (if needed)
 4. RIH with 4-3/4" MT bit, 4 (3-1/2") drill collars on 2-7/8" 6.5# L-80 WS.
 5. NU stripper head with **NO Outlets** (Check stripper cap for thread type - course threads preferred). **Stripper head to be stump tested to 1,000 psi before being delivered to rig.** Check chart or test at rig.
 6. RU foam air unit. Make quality foam on surface before going down hole with foam/air. Install flapper float at surface before beginning to pump. Break circulation with foam/air. Evacuate fluid from well.

Pump high quality foam at all times. Do not pump dry air at any time. Fluid injection rates will generally be above 12 gallons per minute

Whenever there is pressure on the stripper head, have a dedicated person continuously monitor pressure at choke manifold and have a dedicated person at accumulator ready to close annular BOP in case stripper leaks. Do not allow pressure on stripper head to exceed 500 psi. If pressure cannot be controlled below 500 psi, stop pumping, close BOP and bleed off pressure.

7. Clean out fill to 5,400' with low RPM's rotation and circulation, always keep pipe moving. Short trips can be beneficial to hole cleaning. Circulate well clean for at least 1 hour at the end of the day and pull up above the perforations before shut down for night. If the foam/air unit goes down, pull above the perforations.
8. When tripping out of hole, have special float bleed off tool available to relieve trapped pressure below float.

Ensure that high quality, stiff foam is pumped while circulating the fill. Stiff foam is required to prevent segregation while circulating. Monitor flow and pressures carefully when cleaning out.

Before rigging up power swivel to rotate, carefully inspect Kelly hose to ensure that it is in good condition. Ensure that swivel packing is in good condition.

Continue on with original procedure for completion.

