. orm 3160-5 (March 1012) HOBBS OCT FORM APPROVED UNITED STATES OMB No. 1004-0137 ODEPARTMENT OF THE INTERIOR Expires: October 31, 2014 BUREAU OF LAND MANAGEMENT 5. Lease Serial No. NMNM97164 Third Lye will be a life of the control of the cont SUNDRAMOTICES AND REPORTS ON WELLS of State of the Hand of the Han 6. If Indian, Allottee or Tribe Name Do not used his form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. ாரி விரும் விரும் விரும் விரும் விரும் விரும் விரும் 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2 1. Type of Well Carrier British in - b of bine 8. Well Name and No. Oil Well FEDERAL 24 #5 2. Nanie of Operator CHEVRON U.S.A. INC. 9. API Well No. 30-025-34199 3a. Address: 11. 15. MITH ROAD MIDLAND TEXAS 79705 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area WARREN EAST, BLINEBRY/TUBB (# 1977 - 1977) 4. Location of Well (Foolage, Sec., T.,R.,M., or Survey Description) 1980 FSL, & 1980 FEL, SEC 24, JL. J, T-20S, R-38E 11. County of Parish, State LEA, NEW MEXICO 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF ACTION " TYPE OF SUBMISSION Production (Start/Resume) | Water Shut-Off ✓ Notice of Intent Reclamation of the Well Integrity of the Well Integrity Alter Casing Fracture Treat Recomplete Sold A Control Other REPL TBG Casing Repair : . . New Construction Subsequent Report Temporarily Abandon 19.30 ADD PERFS, Change Plans Plug and Abandon Water Disposal Township Town ACIDIZET Source Final Abandonment Notice Convert to Injection ' Plug Back 13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.) Section of the section of the section of want Street land CHEVRON U.S.A./INC. INTENDS TO ADD PERFS/ REPLACE TBG, ACIDIZE & SCALE SQUEEZE TBG, ACIDIZE 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 Some of the state OCD RULE 19.15.17. M. Salar W. 433 MBOVELLING OF MARK BIR BOY 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) DENISE PINKERTON Title REGULATORY SPECIALIST Date 11/27/2013 THIS SPACE FOR FEDERAL OR STATE OFFICE USE MAR Approved by Title

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly, and willfully to make to any department or agency of the United States any false,

entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would

fictitious or fraudulent statements or representations as to any matter within its jurisdiction.



Workover/ Completion Program

Date: 8/23/2013

Well:

Federal 24 #5

Reservoir/Field:

Reservoir: Blinebry, Tubb and Abo

Field - Warren East

Surface Location:

J-24-20S-38E 1980 FSL

1980 FEL

Lat/Long:

32.5567184728891

-103.100030008349

API No: Cost Center: 30-025-34199 UCZ900700

Chevron Ref. No.:

BS0533

WBS #:

UWDPS-R3192

Job:

Federal 24 #5 - Replace damaged tubing, Add perf/ Re-perf Blinebry and Tubb zone, perform acid stimulation job using Sonic Hammer, Scale Squeeze and RTP.

BRIEF BACKGROUND OF THE JOB:

It is proposed to replace damaged tbg, add perfs, acidize and scale squeeze the Blinebry (add perfs:- 5940'-5948', 6010'-6023', 6119'-6129', 6134'-6140', 6167'-6180', 6191'-6196', 6228'-6234', 6245'-6250', 6267'-6275'), Tubb (add/Re-perf:- 6535'-6546', 6550'-6560', 6610'-6616', 6630'-6644', 6690'-6700') of the Federal 24 #5 using the Sonic Hammer tool and RTP. The well is currently shut-in for tubing failure.

The well's production before tubing failure was 2 BOPD, 11 BWPD & 18.4 MCF/D. Economics are based on achieving a deterministically incremental IP of 7.6 BOPD declined exponentially at 7.7% and 30 mscf/d declined exponentially at 16%.

CURRENT HOLE CONDITION:

Total Depth: 7,950' Casing Record:

TAG: Unknown

GL: 3,567'

KB: 11'

PBTD: 7,925'

- 9 ⁵/₈", 36#, J-55, LT&C casing set @ 1,550' w/635 sx "C" cement (Circ-Surface).
- 7" 23 & 26# N-80 LT&C casing set @ 7,948' w/1,975 Sks cement (Circ.-No), TOC- 310'.

Existing Perforations:

Reservoir	Perforation Interval	Holes/Size	
Blinebry O&G/Blinebry Perfs	5948'-5960'-6024'-6050'-6208'-6214', 6276'-6283', 6290'-6304', 6422'-6425', 6438'-6444'	124 holes, 0.44 dia.	
E.Warren /Tubb Perfs	6540-48', 6635-6650', 6684-6700'	42 holes, 0.44 dia	
D-K/Abo	7394'-7552'	127 hole, 0.385 dia	

REGULATORY REQUIREMENTS:

Submit C-103 Notice of Intent & Subsequent Reports (to be done by engineering staff)

Prepared by: Prasanna K Chandran (8/23/2013)

Reviewed by: Jay Stockton (10/18/13)

PREWORK:

- 1. Utilize the rig move check list, verifying route and power line heights with FMT.
- 2. Check anchors and verify that pull test has been completed in the last 24 months.
- 3. Ensure location of & distance to power lines (from wellhead) 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, and will support operations.
- 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/RUMS assessment.

RIG UP WO UNIT/ PULL WELL EQUIPMENT OUT OF HOLE

- 1. MIRU workover unit & associated surface equipment (i.e. tanks, reverse unit, pipe racks).
- 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 and verify no H₂S is present. If necessary, kill well with cut brine.
- 3. Unseat pump, POOH laying down rods and pump. Examine rods for wear/pitting/paraffin. Do not hot water unless necessary.
- 4. Caliper elevators and tubular EACH DAY prior to handling tubing/tools and anytime size changes (Use elevator change out log as well). Note in JSA when and what items are callipered within the task step that includes that work.
- 5. ND wellhead, unset TAC, NU BOP dressed with 2 $^{7}/_{8}$ " pipe rams on top and blind rams on btm. POOH and LD 1 jt. PU 5 ½" 17# rated packer along with a joint of 2 $^{7}/_{8}$ " tubing and set ~ @ 25', test BOP pipe rams to 250/500 psi. Note testing pressures on WellView report (Time log and safety/inspections). Release and LD packer.

6. PU 1-2 joints of $2^{7}/_{8}$ " tubing and tag for fill (TAC – 5,827'- 5,830'). Do not push TAC into perfs.

Reservoir	Depths -ft		Reference
reservon	Тор	Bottom	TREFERENCE
	5948'	5960'	As per Wellview
	6024'	6050',	As per Wellview
	6208'	6214'	As per Wellview
Blinebry O&G/Blinebry:	6276	6283'	As per NMOCD website
	6290'	6304'	As per Wellview
	6422'	6425'	As per NMOCD website
	6438'	6444'	As per NMOCD website
	6540'	6548'	Form 3160-5 (June 1990)
E.Warren /Tubb:	6635'	6650'	Form 3160-5 (June 1990)
	6684'	6700'	Form 3160-5 (June 1990)
D-K/Abo:	7322'	7552'	As per Wellview

EOT 7630' (this is according to Wellview), PB: 7925'. Notify WE of tag depth to determine if cleanout run is necessary.

7. TOOH scanning and standing back 2 ⁷/₈" prod tubing. Tally out with tubing and LD all non-yellow band joints. Acquire additional tubing if needed to reach PBTD if a cleanout run is necessary. Note in WellView any drag or abnormalities while TOH. Secure well.

CLEAN OUT - If Necessary CLEANING

- 8. PU and RIH with 4 ³/₄" MT bit, four (3 ½") drill collars on 2 ⁷/₈" 6.5# J55 production string. Tag and record fill depth. RU power swivel and clean out to 7925" with foam/air unit (continue to supplemental procedure and in accordance with attached SOG).
 - Recover and send samples in a timely manner to Baker Chemical rep and ALCR for analysis (if possible at location). Discuss treatment recommendation with Chemical rep and ALCR. If there is evidence of sulfate scale treat well accordingly; otherwise, continue per procedure.
- 9. POOH with 2 $\frac{7}{8}$ " J55 production string and bit. LD bit & BHA

ADDING PERFORATIONS:

Establish radio silence and set up exclusion zone around WL unit. GIH w/3 ¹/₈" Slick Gun Geodynamics 3319 BASIX™ XDP EC2-33A1921 19.0 Grams RDX 0.51" entry hole 42.07" penetration, 6 Jspf, 60 deg phasing, perforating guns and perforate following depths highlighted in red (Blinebry as well as Tubb), as tabulated below, as per Gray Wireline Service recommendation. GIH w/3 ³/₈" Gas Gun expend across following depths highlighted in red (Blinebry as well as Tubb). Don't perforate existing perfs as highlighted in Green. Then GIH and correlate to Compensated Neutron Log Three Detector Density/Gr dated 2/03/1998. Note: - Depths highlighted in red are proposed new perfs.

Note: Depths in the table in red colour are proposed new perfs which needs to be perforated and acidized.

3.7	्र रिंक्		Blinebry	d de		
Top	<u>Base</u>	Net (ft)	<u>Avg.</u>	Rt	<u>, Rw</u>	<u>Sw</u>
(md)	(md)	0	Porosity		2 2 2 2	
5940'	5948'	8	10%	15	0.078	73%
5948	5960'	12				dize only).
6010'	6023	13	6%	25	0.057	80%
6023		27		perfs (don		
6119'	6129'	10	10%	18	0.057	56%
6134'	6140'	6	14%	15	0.057	44%
6167'	6180'	13	12%	18	0.057	47%
6191'	6196'	5	12%	10	0.057	63%
· 6208'	6214'	6	Existing	perfs (don	't perf, Ac	idize only)
6228'	6234'	6	16%	6	0.057	61%
6245'	6250'	5	12%	10	0.057	63%
6267'	6275'	8	10%	25	0.057	48%
6276'	6283'	7				idize only)
6290'	6304'	14				idize only)
6422'	6425'	3				idize only)
6438'	6444' .	6		perfs (don	't perf, Ac	idize only)
1	i	reserved to the control	Tubb			4,45
<u>Top</u> (md)	<u>Base</u> (md)	Net (ft)	Avg. Porosity	<u>Rt</u>	<u>Rw</u>	<u>Sŵ</u>
6535'	6546'	11		propos	ed Perfs	-
6550'	6560'	10			ed Perfs	
6610'	6616'	6		propos	ed Perfs	
6630'	6644'	14		propos	ed Perfs	
6690'	6700'	10		propos	ed Perfs	

- 10. POOH w/ perforating guns and verify that all shots were fired. ND Lubricator. RD and release electric line unit
- 11. RDMO pulling unit.

SONIC HAMMER OPERATION

12. Contact sonic tool rep to be on site during job. Verify that WS (J55 existing production string) is clean, inspect for excessive rust. PU and RIH with Sonic Hammer tool, seat nipple, and work string to 6,700' or

enough to cover the bottom perforations with a whole stand. Hydrotest tubing to 5,000 psi. Stand back tubing to top perforations. Install stripper head and stand pipe with sufficient treating line to move tools vertically ~ 65'. Rig up pressure gauges to allow monitoring of tubing and casing pressures.

- 13. MI & RU Petroplex and pressure test surface lines. Titrate acids and verify concentration (HCI ±1.5%) report results in daily work summary. If well will circulate proceed to step 13.b).
 - a) Sonic Hammer for non circulating wells. Treat all 9 intervals from 5,935' to 6,705' with the following procedure from the top interval to the bottom interval. Shut in the annulus. Do not exceed 5,000 psi tubing pressure.
 - i) While reciprocating over the perf interval, pump 30 bbls of cut brine, followed by 15% NEFE HCL and then flush tubing with cut brine pumping at 5 BPM. Repeat with all intervals listed in Table A using the acid volumes listed for each interval.

Stage	Depth	Interval (Ft.)	Acid Volume (gal)
1	5935 -5964	29	1,150
2	6006 -6054	48	2,350
3	6117 -6182	65	1,700
4	6189 -6252	63	1,300
5	6263 -6308	45	2,100
6	6411 -6448	37	1,700
7	6531 -6564	33	1,200
8	6606 -6649	43	1,150
9	6686 -6705	18	350
	L		13,000

Table A: Perforation Intervals for acid.

- ii) R/D Petroplex Acidizing, drop Sonic Hammer circulating port opening ball, shut in well for 1 hr for the acid to spend.
 - ❖ If WSM believes that the formation may take longer to spend the acid, wait until appropriate to open circulating ports and attempt swabbing.
- iii) Pressure up the tubing to ~2000 psi to open the sonic hammer tool circulating port.
- iv) R/U swab equipment and swab well back to flowback tank until the load is recovered or returns are produced fluid and no longer spent acid.

Before/During Swabbing:

Inspect sandline to be sure it's free of excessive rust, bird's nests, frays, kinks, knots, etc.

- v) R/D swab equipment and POOH w/ tubing to top perf.
- vi) Pump 50 bbls cut brine mixed w/ 4 drums Baker SCW-358 scale inhibitor down the tubing through the circulating ports on the Sonic Hammer at a max rate of 5 bpm.
- vii) Displace scale squeeze w/ 150 bbls of cut brine.
- viii) Run back in the hole and tag for fill. If fill entry was indentified, clean-out to PBTD, 7925', following Foam / Air Cleanout Procedure
- ix) TOOH w/ sonic hammer. Proceed to step 14.

b) Sonic Hammer treatment w/ a circulating well.

- i) Treat interval #1 (referring to Table B) with 30 bbls of cut brine. Pump down Sonic Hammer tool at 5 BPM while reciprocating tool across intervals. Do not exceed 5,000 psi tubing pressure. Leave annulus open in circulation mode while treating.
- ii) Pick up enough pipe to reach the next interval and repeat step 13.b)i) until all intervals are washed.

Stage	Depth	Interval (Ft.)	Acid Volume (gal)		
1	5935 -5964	29	1,150		
2	6006 -6054	48	2,350		
3	6117 -6182	65	1,700		
4	6189 -6252	63	1,300		
5	6263 -6308	45	2,100		
6	6411 -6448	37	1,700		
7	6531 -6564	33	1,200		
8	6606 -6649	43	1,150		
9	6686 -6705	18	350		
			13.000		

Table B: Perforation Intervals for acid.

- iii) Starting at interval #9 fill tubing w/ acid and shut in backside. Pump the volume of acid specified in Table B at 5 BPM reciprocating over the perf interval. Flush tubing with cut brine. Casing pressure should not exceed 500 psi. If necessary, bleed off or slow pumping rate.
- iv) TOOH w/ tubing to the next interval and repeat step 13.b)iii) acidizing each interval according to Table A.
- v) Shut in well for 1 hr for the acid to spend. Monitor casing pressure to keep it below 500 psi. Bleed off excess pressure if necessary.
- vi) Kill well and POOH Sonic Hammer Tool and J55 production string. LD Sonic Hammer.
- vii) PU & RIH with 5 ½" packer and J55 production string. Set treating packer at 5,880', above the top perf.
- viii) RU swab crew and flowback tank.

Before/During Swabbing:

Inspect sandline to be sure it's free of excessive rust, bird's nests, frays, kinks, knots, etc.

- ix) Swab well until returns indicate formation fluid and not spent acid, or fluid level drops enough to make swabbing non productive.
- x) Pump 260 bbls cut brine mixed with 4 drums of scale inhibitor (220 gals) Baker SCW-358 Scale Inhibitor Chemical down the packer. Pump at a max rate of 5 BPM.
- xi) Displace scale squeeze with 110 bbls of cut brine.
- xii) Ensure Sonic Hammer is above all perforations. Do not exceed 500 psi casing pressure or 5 BPM while pumping scale squeeze or casing flush. Shut in well overnight.
- xiii) Run back in the hole and tag for fill. If fill entry was indentified, clean-out to PBTD, 7925', following Foam / Air Cleanout Procedure.
- xiv) POOH packer and J55 production string. LD 2 ⁷/₈" J55 production string and packer.
- 14. RIH with 2 ⁷/₈" production tubing hydrotesting to 5,000 psi. Set TAC per ALCR recommendation. ND BOP. NU WH. RIH with rods and pump per ALCR. Hang well on. RD and release workover unit.
- 15. 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.**
 - Install flowback tank downwind from rig.
 - 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, four (3 $\frac{1}{2}$ ") drill collars on 2 $^7/_8$ " 6.5# J55 production string.
 - 5. NU stripper head with <u>NO Outlets</u> (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.
 - 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

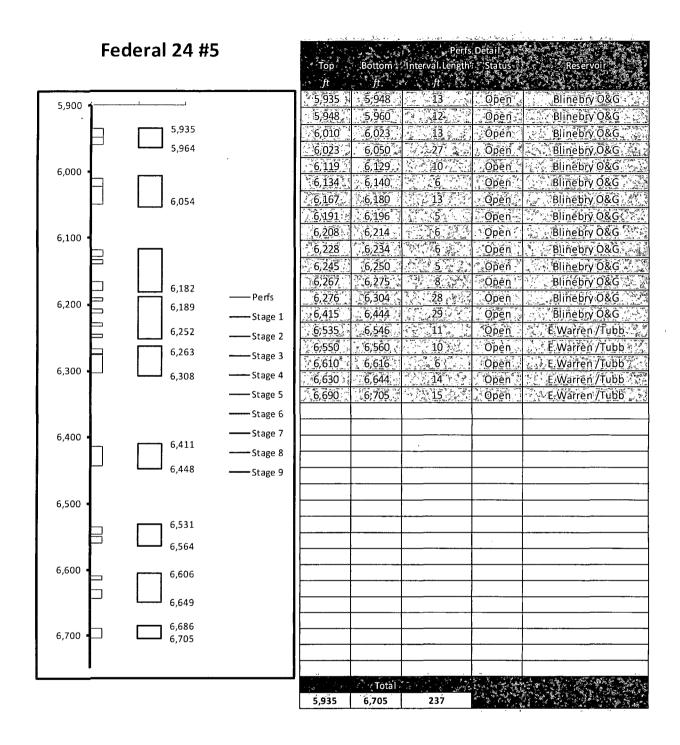
Whenever there is pressure on the stripper head, have a dedicated person continuously monitor pressure at choke manifold and have a dedicated person at accumulator ready to close annular BOP in case stripper leaks. Do not allow pressure on stripper head to exceed 500 psi. If pressure cannot be controlled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

- 7. Clean out fill to 7925' 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.



Lease, Name:	Federal 24	Field:	D-K	API No. :	<u>30-025-34199</u>
Well No.	5	Reservoir:	DHC-B/T/A	REFNO:	BS0533
Location:	1980 FSL & 1980' FEL	GE:	3567'	Spud Date:	1/14/1998
UL/Sec	UL J/ Sec 24	KDB:		Comp. Date:	
Twnshp/Rng	20S / 38E	DFE:		County:	Lea
Lat/Long:	32.5567184728891	Status:	OIPR	State:	NM
		This wellbore diagram is based recent information regarding w configuration and equipment the found in the Midland Office we computer databases as of the ubelow. Verify what is in the howell file in the Eunice Field Off w/WEO Engineer, WO Rep, OS, to rigging up on well regarding unknown issues pertaining to to the total to the total t	rellbore nat could be Il files and update date lice with the lice. Discuss ALS, & FS prior any hazards or he well.	12 1/4" 9 5/8" 36# J-55 LTo 1550' 635 sks C Surface Yes 2/2008 7,618 Wit (b/ft) Grade Lto 1	NM Chevron Chevron
FAC @ 5830'		Blinebry O&G/Blinel 5948'-5960', 6024'-60 6208'-6214', 6276'-62 6290'-6304', 6422'-64 6438'-6444' E.Warren /Tubb: 6540-48', 6635-6650' 6684-6700' D-K/Abo: 7322-7552'	50', 83'	8 3/4" 7" 23 & 26# N-80 L 7948' 1975 Sks WL ITOC @ 310' No	T&C
					-
	PBTD: 7925' TD: 7950'		Updated:	10/2/20	By: SEHE Checked By: Prasan

nna

Lease, Name:	Federal 24	Fiela:	D-K	API NO. :	30-025-34199
Well No.	5.	Reservoir:	DHC-B/T/A	REFNO:	BS0533
Location:	1980 FSL & 1980' FEL	GE:	3567'	Spud Date:	1/14/1998
UL/Sec	UL J/ Sec 24	KDB:		Comp. Date:	
Twnshp/Rng	20S / 38E	DFE:		County:	Lea
Lat/Long:	32.5567184728891	Status:	OIPR	State:	NM
	-103.100030008349			•	
	MIT IN		Hole Size:	12 1/4"	Chevro
	₩		Csg. Size:	9 5/8" 36# J-55 LT&C	
			Set @:	1550'	
			Sks. Cmt.:	635 sks C	
			TOC @:	Surface	6.14.3
			Circ: Y/N:	Yes	
		This wellbore diagram is base			•
		recent information regarding configuration and equipment		Propose	d
		found in the Midland Office w	ell files and	rrabase	<u>u</u>
		computer databases as of the below. Verify what is in the h			
		well file in the Eunice Field O	ffice. Discuss	Wellbor	e
		w/ WEO Engineer, WO Rep, OS to rigging up on well regarding		□ 0	
		unknown issues pertaining to		Diagran	<u> </u>
		Blinebry O&G/Bline	ebry:		, s
		Perf Interval	Interval Length	Status	
		5940'-5948'	8	Proposed P	erf
		5948'-5960'	12	Existing perfs (don't per	f, Acidize only)
		6010'-6023' 13		Proposed Perf	
		6024'-6050'	27	Existing perfs (don't per	f, Acidize only)
		6119'-6129'	10	Proposed P	erf
		6134'-6140'	6	Proposed P	erf
		6167'-6180'	13	Proposed P	erf
		6191'-6196'	5	Proposed P	erf
		6208'-6214'	6	Existing perfs (don't per	f, Acidize only)
		6228'-6234'	6	Proposed P	erf
		6245'-6250'	5	Proposed P	
		6267'-6275'	8	Proposed P	erf
		6276'-6283'	7	Existing perfs (don't per	f, Acidize only)
		6290'-6304'	: 14	Existing perfs (don't per	
		6422'-6425'	3	Existing perfs (don't per	
		6438'-6444'	6	Existing perfs (don't per	f, Acidize only)
		E.Warren /Tubb:			_
		Perf Interval	Interval Length	Status	
		6535'-6546'	11	Proposed Perf	
		6550'-6560'	10	Proposed Perf	
		6610'-6616'	6	Proposed Perf	
		6630'-6644'	14	Proposed Perf	
		6690'-6700'	10	Proposed Perf	l
		D-K/Abo:	Hole Size:	8 3/4"	
		7322-7552'	Csg. Size:	7" 23 & 26# N-80 LT&C	•
SN @ 7505'		1022-1002	Csg. 3ize. Set @:	7948'	•
SN @ 7595'			Sks. Cmt.:	1975 Sks	•
			TOC @:	WL ITOC @ 310'	•
	Munny .		Circ: Y/N:	No	=
	**************************************		O110. 1714.	110	

PBTD: 7925' TD: 7950'

Updated: 10/2/2013

By: SEHE
Checked By: Prasanna

Federal 24 5 30-025-34199 Chevron U.S.A Inc. March 11, 2014 Conditions of Approval

Notify BLM at 575-393-3612 a minimum of 24 hours prior to commencing work.

Work to be completed by June 11, 2014.

- 1. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails.
- 2. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
- 3. Surface disturbance beyond the originally approved pad must have prior approval.
- 4. Closed loop system required.
- 5. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
- 6. Operator to have H2S monitoring equipment on location.
- 7. A minimum of a **2000** (**2M**) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
- 8. Subsequent sundry required detailing work done. Operator to include well bore schematic of current well condition when work is complete.

JAM 031114