Submit 3 copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT! OIL CONCEDIVATION DIVI	CION				
P.O. Box 1980, Hobbs, NM, 88240					
DISTRICT II P.O. Box 2088	30-025-07022				
P.O. Box Drawer DD, Artesia, NM 88210 Santa Fe, New Mexico 87504-208	5. Indicate Type of Lease				
DISTRICT III	STATE FEE 🗹				
1000 Rio Brazos Rd., Aztec, NM 87410	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 BA	ACK TO IT IN THE STATE OF THE S				
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMI	7. Lease Name of Onk Agreement Name				
(FORM C-101) FOR SUCH PROPOSALS.	MARK OWEN				
1. Type of Well: OIL GAS WELL WELL OTHER					
2. Name of Operator	8. Well No.				
CHEVRON USA INC	3				
3. Address of Operator 15 SMITH RD, MIDLAND, TX 79705	Pool Name or Wildcat PENROSE SKELLY GRAYBURG				
4. Well Location					
Unit Letter I:1980'Feet From TheSOUTH _Line and _	960' Feet From The EAST Line				
Section 34 Township 21S Range 37E	NMPM LEA COUNTY				
10. Elevation (Show whether DF, RKB, RT,GR, etc.)					
11. Check Appropriate Box to Indicate Nature of Notice	e, Report, or Other Data				
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:				
PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WO	DRK ALTERING CASING				
TEMPORARILY ABANDON CHANGE PLANS COMMENCE D	COMMENCE DRILLING OPERATION PLUG AND ABANDONMENT				
	AND CEMENT JOB				
1 922 61(7) 2.72 (6) 61(6)					
OTHER: ADD PERFS & ACIDIZE					
 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give proposed work) SEE RULE 1103. CHEVRON INTENDS TO ADD GRAYBURG PERFS & ACIDIZE THE SUBJECT WELL. 	pertinent dates, including estimated date of starting any				
CHEVION INTENDS TO ADD GRAT DURG PERFS & ACIDIZE THE SUBJECT WELL.					

THE PROPOSED WELLBORE DIAGRAM AND THE INTENDED PROCEDURE ARE ATTACHED.

TITLE

I hereby certify that the information above is tru	e and complete to the best of my knowledge and belief.	
SIGNATURE	TITLE Regulat	ory Specialist DATE 11/21/2005
TYPE OR PRINT NAME	Denise Pinkerton	Telephone No. 432-687-7375
		and the same and t

(This space for State Use)

APPROVED _

CONDITIONS OF APPROVAL, IF ANY

PETROLEUM ENGINEER

Mark Owen #3 API #30-025-07022 1980' FSL & 960' FEL S34, T21S, R37E Penrose Skelly Lea County, New Mexico

PROCEDURE

Use 8.6 ppg brine water.

- 1. Displace flowline w/ fresh water. Have Field Specialist close valve at header. Pressure test line according to type. All polypipe (SDR7 and SDR11) will be tested to 100 psi. All steel lines will be tested to 500 psi. If a leak is found, contact Donnie Ives for repair/replacement. If tests good, bleed off pressure and open valve at header. Document this process in the morning report.
- 2. MIRU Key PU & RU. Bleed any pressure off well. Use 8.6 ppg brine water to kill well. POOH w/ rods & pump (see Tbg Detail). NDWH NUBOP & EPA equipment. Test BOP when possible. POOH w/ 2-7/8" Tbg (see Tbg Detail).
- 3. RIH w/ 6-1/8" bit on 2-7/8" WS to 4200'. POOH & LD bit.
- 4. MIRU WL. Perforate the following intervals with 3-1/8" slick guns loaded w/ 4 JSPF, 120 degree phasing and 23 gram charges tied back to BakerAtlas CPNL log dated (2/4/2005). RD Baker Atlas WL.

Top Perf	Bottom Perf	Total Footage	Total Holes
3690	3692	2	8
3700	3703	3	12
3852	3856	4	16
3859	3868	9	36
3874	3880	6	24

- 5. RIH w/7" PPI packer w/ 12' element spacing and SCV. Test 2-7/8" WS to 3500 psi while RIH. Test PPI packer in blank pipe. Mark settings.
- 6. MIRU DS. Spot acid across perforated interval. Acidize perfs 3666'-3880' w/ 4,250 gals 15% NEFE HCl acid at a max rate of 1/2 BPM on new perfs and 3 BPM on old perfs observing a max surface pressure of 3,500 psi as follows:

Perfs	Acid Volume	Max Rate	PPI Setting
3666-3668	250 gals	3 bpm	3661-3673
3677-3679	250 gals	3 bpm	3672-3684
3690-3692	250 gals	1/2 bpm	3685-3697
3700-3703	250 gals	1/2 bpm	3695-3707
3717-3720	250 gals	3 bpm	3710-3722
3724-3728	250 gals	3 bpm	3722-3734
3750-3757	250 gals	3 bpm	3748-3760
3763-3766	250 gals	3 bpm	3760-3772
3773-3778	250 gals	3 bpm	3770-3782
3789-3799	250 gals	3 bpm	3788-3800
3802-3807	250 gals	3 bpm	3800-3812
3813-3819	250 gals	3 bpm	3810-3822
3825-3835	250 gals	3 bpm	3824-3836
3840-3845	250 gals	3 bpm	3838-3850
3852-3856	250 gals	1/2 bpm	3846-3858
3859-3868	250 gals	1/2 bpm	3858-3870
3874-3880	250 gals	1/2 bpm	3873-3885

Displace acid w/ 8.6# brine to top perf. Record ISIP, 5, and 10 SIP. RD DS. If communication occurs during treatment, attempt to put away stage without exceeding 1,000 psi csg pressure. If stage can not be completed move to next and combine stage volumes.

- 7. SI well for 2 hrs for acid to spend. Release PPI & PU above top perf. RU swab and swab back load before SION if possible. Record volumes, pressures, & fluid levels. Discuss results with Engineering.
- 8. MIRU pump truck. Pump down tbg w/ 50 bbls 8.6 PPG cut brine water containing 110 gals Baker RE-4777 Scale Inhibitor followed by 200 bbls 8.6 PPG cut brine water @ 5 BPM & 2500 psi max pressure. RD pump truck. POOH & LD PPI pkr.
- 9. RIH w/ 2-7/8" production tbg & hang off as per ALS recommendation. NDBOP NUWH. RIH w/ rods & pump as per ALS recommendation.
- 10. RD Key PU & RU. Turn well over to production. Contact Lease Operator and inform them that the well is ready for operation.

Engineer - Keith Lopez 432-687-7120 Office 432-687-3281 Cell 432-661-6156 Home