

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-36741
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	HARRY LEONARD 'E'
8. Well No.	7
9. Pool Name or Wildcat	PENROSE SKELLY GRAYBURG
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3482'

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMI
(FORM C-101) FOR SUCH PROPOSALS.

1. Type of Well: OIL WELL ☒ GAS WELL ☐ OTHER

2. Name of Operator
CHEVRON USA INC

3. Address of Operator
15 SMITH RD, MIDLAND, TX 79705

4. Well Location
Unit Letter H : 1330' Feet From The NORTH Line and 1070' Feet From The EAST Line
Section 16 Township 21-S Range 37-E NMPM LEA COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3482'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

SUBSEQUENT REPORT OF:

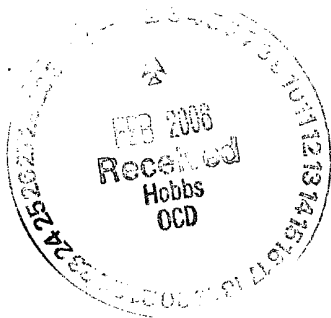
PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ACIDIZE & SCALE SQZ GRAYBURG PERFS ☒

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPERATION ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

CHEVRON U.S.A. INC. INTENDS TO ACIDIZE & SCALE SQUEEZE THE GRAYBURG PERFS IN THE SUBJECT WELL.

THE INTENDED PROCEDURE & WELLBORE DIAGRAM ARE ATTACHED FOR YOUR APPROVAL.



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 1/31/2006

TYPE OR PRINT NAME Denise Pinkerton

Telephone No. 432-687-7375

(This space for State Use)

APPROVED Hayley Wink
CONDITIONS OF APPROVAL, IF ANY:

OC FIELD REPRESENTATIVE H/STAFF MANAGER

DATE

FEB 03 2006

WELL DATA SHEET

FIELD: Penrose Skelly

WELL NAME: Harry Leonard (NCT-E) # 7

FORMATION: Grayburg

LOC: 1330' FNL & 1070' FEL
TOWNSHIP: 21S
RANGE: 37E
LOT:

SEC: 16
COUNTY: Lea
STATE: NM

GL: 3482'
DF:

CURRENT STATUS: PR
API NO: 30-025-36741
REFNO: HP6000
CC#: UCU492000
WB# 602637

Surface Casing

8-5/8" 24# K-55

11" hole to 405'

Set @ 400' w/275 sx cmt

Circ cmt to surface

Spud Date: 8/11/2004

Date of Completion: 9/4/04

Initial Completion: Grayburg

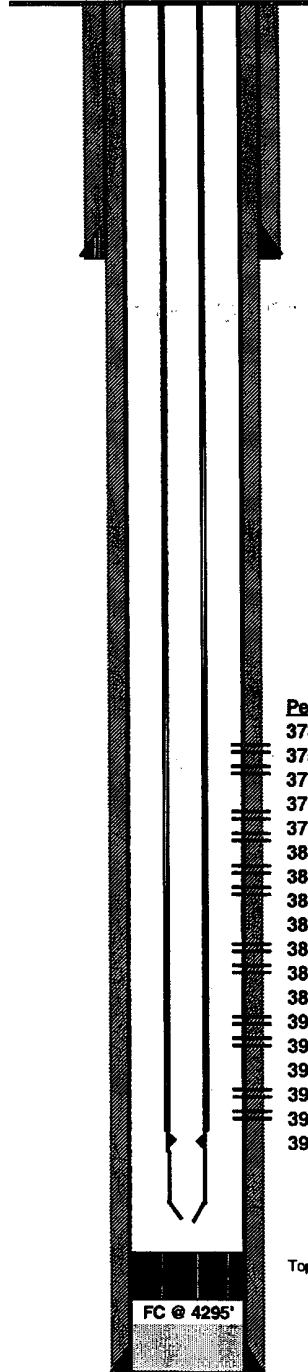
Tbg Detail: 2/15/05 FT

See tbg detail for information.

KB

6.00

CURRENT



Peris

3734-42'
3756-60'
3776-80'
3784-90'
3795-3800'
3804-12'
3816-20'
3833-38'
3846-54'
3858-65'
3870-73'
3894-3904'
3910-18'
3926-32'
3936-40'
3944-50'
3964-68'
3974-84'

Status

Grayburg - Open
Grayburg - Open
Grayburg - Open
Grayburg - Open
Grayburg - Open
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Grayburg - Open

Production Casing

5-1/2", 15.5# K-55

7-7/8" hole to 4345'

Set @ 4345' w/1000 sx cmt

Circ cmt to surface

Top of sand @ 4239'

FC @ 4295'

TD 4345'
PBTD 4295'

Harry Leonard E #7
 API #30-025-36741
 1330' FNL & 1070' FEL
 S16, 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/ 4-3/4" bit on 2-7/8" WS to 4239' (PBSD). POOH & LD bit.
4. RIH w/ 5-1/2" PPI packer w/ 10' element spacing and SCV. Test 2-7/8" WS to 3500 psi while RIH. Test PPI packer in blank pipe. Mark settings.
5. MIRU DS. Spot acid across perforated interval. Acidize perfs 3734'-3984' w/ 4,500 gals 15% NEFE HCl acid at a max rate of 3 BPM observing a max surface pressure of 3,500 psi as follows:

Perfs	Acid Volume	Max Rate	PPI Setting
3974-84'	250 gals	3 bpm	3973-83'
3964-68'	250 gals	3 bpm	3960-70'
3944-50'	250 gals	3 bpm	3942-52'
3936-40'	250 gals	3 bpm	3933-43'
3926-32'	250 gals	3 bpm	3923-33'
3910-18'	250 gals	3 bpm	3909-19'
3894-3904'	250 gals	3 bpm	3893-3903'
3870-73'	250 gals	3 bpm	3868-78'
3858-65'	250 gals	3 bpm	3856-66'
3846-54'	250 gals	3 bpm	3845-55'
3833-38'	250 gals	3 bpm	3830-40'
3816-20'	250 gals	3 bpm	3814-24'
3804-12'	250 gals	3 bpm	3803-13'
3795-3800'	250 gals	3 bpm	3792-3802'
3784-90'	250 gals	3 bpm	3782-92'
3776-80'	250 gals	3 bpm	3772-82'
3756-60'	250 gals	3 bpm	3758-68'
3734-42'	250 gals	3 bpm	3733-43'

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.**

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

Tubing Landing Details

[illegible]