DISTRICT I P.O. Box 1980, Hobbs, NM 88241-1980 DISTRICT II					State of New Mexico Energy, Minerals and Natural Resources Department							Form C-101 Revised February 10,199		
P.O. Box Drawer DD, Artesia, NM 88211-0719 DISTRICT III				9	OIL CONSERVATION DIVISION					ON s	Instructions on bac Submit to Appropriate District Offic State Lease - 6 Copie			
1000 Rio Brazo	s Rd., Aztec,	NM 87	7410						-	88				ease - 6 Copie ease - 5 Copie
DISTRICT IV Salita Fe, NW 87504-2088								v Mexico 87504-2088 Fee Lease - 5 Copie						
					IIT TC	D DRILL, RE-E	ENTEF	R, E	DEEPEN, PL	_UG	BACK, OR			
1			<sup>1</sup> Opera	ator Name a	nd Add	iress							<sup>2</sup> OGRII	D Number 🖌
CHEVRON	JSA INC										:		43	23
15 SMITH R	.D, MIDLAN	D, TX	79705					<sup>3</sup> API Number 30-025-06940						
<sup>4</sup> P	roperty Code 2690						roperty Na . MCCO					<sup>6</sup> Well No. 11		
					<u></u>	<sup>7</sup> Surfac	e Loca	atic	n					
UI or lot no.	Section	Tow	vnship	Range	Lot.ldr				rth/South Line	Fee	t From The	East/West Line County		
A	32	2'	1-S	37-E		554'		NORTH 554'				EAST LEA		
				<sup>8</sup> Propos	ed Bo	ottom Hole Loc	cation	lf C	Different From	m Sı	urface			
UI or lot no.	Section	Tow	vnship	Range	Lot.ld	in Feet From	The	Nor	rth/South Line	Fee	et From The	East/Wo	est Line	County
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		MCC	CORMACK	SILURIAN			Ĺ							
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	< Type Code P			WellType Co O	de	Rotary or ROTARY		~				<sup>15</sup> Ground Level Elevation 3473' GL		
16 Multi			17	Proposed Dep	oth	<sup>18</sup> Formati					tor	20 Spud Date		
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						Approval	LDQ			A		100101	T NO VI W	•
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		·		Plug										
<sup>23</sup> I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above in true and exemplete to the best of multiple index of bells for							OIL CONSERVATION DIVISION							
signature						Ar		oved By:	4		~	~		
Printed Name Denise Pinkerton								Title: MAR 0 FTBOLEUM ENGINEER						
Title Regulatory Specialist							Aſ	Approval Date: Expiration Date:						
Date 2	2/16/2006			Telepho	one	ne 432-687-7375 Conditions of Approval:					I.			

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DeSoto/Nichols 3-94 ver 1.10

## W. T. McComack # 11 McCormack Silurian Field T21S, R37E, Section 32 Job: Recomplete Well In Silurian Formation And Install Sub Pump

### **Procedure:**

- Displace flowline with fresh water. Have field specialist close valve at header. Pressure line according to the type of line. Buried fiberglass lines will be tested with 300 psi. All polypipe (SDR7 and SDR11) will be tested w/100 psi. All steel lines will be tested w/500 psi. If a leak is found, contact Donnie Ives for repair/replacement. If test is good, bleed off pressure and **open valve** at header. Document this process in the morning report.
- MI & RU pulling unit. Bleed pressure from well, if any. Pump down csg with 8.6 PPG cut brine water, if necessary to kill well. POH with rods and pump. Remove WH. Install BOP's and test to 1000 psi. POH LD 2 3/8" tbg string.
- 3. PU and GIH with 6 ¼" MT bit and 2 7/8" work string to PBTD at 6650'. POH with 2 7/8" work string and bit. LD bit.
- 4. PU & GIH with 7" sqz pkr on 2 7/8" work string to 5350', testing to 5500 psi. Set pkr at 5350'. Pressure test pkr and csg to 500 psi. Leave pressure on casing while cmt squeezing. Establish injection rate into perfs 5585-5900'.
- 5. RU DS Services cementing equipment. Cement squeeze perfs 5585-5900' using Class C cement mixed to 14.8 PPG w/ 1.35 CFY. Attempt to achieve at least 2000 psi squeeze pressure. Release pkr. Reverse out excess cement. PUH to approximately 5000'. Reset pkr at 5000' and pressure tbg and csg to 500 psi. RD and release DS Services cementing equipment. Shut well in and WOC overnight.
- 6. Open well. Bleed off pressure. POH with 2 7/8" work string and sqz packer. LD pkr.
- 7. PU and GIH with 6 ¼" MT bit on 2 7/8" tbg string to top of cement in csg at 5350'. LD and drill out cement to 6000'. Reverse circulate well clean from 6000' using 8.6 PPG cut brine water. Pressure test casing and sqzd perfs to 500 psi. If perfs leak, repeat cmt sqz procedure. Note: Since well is a producer, a slight pressure loss is acceptable. LD and cleanout 7" casing to PBTD at 6650'. Drill out CIBP's at 6650' and 7086'. LD and cleanout 7" casing to 7200'. Reverse circulate well clean from 7200', if possible. LD and tag bottom. POH with 2 7/8" work string and bit. LD bit.
- 8. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH and conduct GR/CBL/CCL from COTD up to 100' above top of cement. Run log with 250 psi. POH. Inspect logs for good cement bond from approximately 7200' up to 6900'. If bond does not appear to be good across proposed completion interval,

discuss with Engineering before proceeding. <u>Note</u>: Fax log to Engineering and discuss results before perforating. GIH with 3 3/8" Predator casing gun and perforate from 7135-45' with 4 JSPF at 120 degree phasing, using 32 gram premium charges. POH. RD & release electric line unit.

- PU & GIH 7" treating pkr on 2 7/8" work string to approximately 6650'. Set pkr at 6650'. Pressure test pkr and csg to 250 psi. <u>Note</u>: Do not exceed 350 psi casing pressure due to cmt sqzd perfs at 5585-5900'.
- MI & RU DS Services. Acidize perfs 7135-60' with 3,000 gals antisludge 15% HCl acid \*\*\* at a maximum rate of 4 BPM and a maximum surface pressure of 3500 psi. Pump job as follows:

Pump 1,000 gals acid at 4 BPM
Pump 500 gals gelled 10 PPG brine containing 500 lbs GRS at 4 BPM
Pump 1,000 gals acid at 4 BPM
Pump 500 gals gelled 10 PPG brine containing 500 lbs GRS at 4 BPM
Pump 1,000 gals acid at 4 BPM

Displace acid with 8.6 PPG cut brine water -- do not overdisplace. Record ISIP, 5, 10, & 15 minute SIP's. RD and release DS Services. <u>Note:</u> It is not necessary to pickle tbg due to the low BHP.

1 GPT A264	<b>Corrosion Inhibitor</b>
8 GPT L63	Iron Control Agent
2 PPT A179	Iron Control Aid
20 GPT U66	Mutual Solvent
2 GPT W53	Non-Emulsifier
	8 GPT L63 2 PPT A179 20 GPT U66

- 11. Open well and flow/swab back spent treatment fluids. Recover 100% of spent acid and load before SI well for the night. Report oil cut, recovered fluid volumes, pressures, and/or swabbing fluid levels. <u>Note</u>: Discuss swab results with Engineering before continuing with procedure.
- 12. Release pkr. POH with 2 7/8" work string and pkr. LD packer. PU and GIH with 6 ¼" MT bit on 2 7/8" work string to 7200'. Reverse circulate well clean from 7200' using 8.6 PPG cut brine water, if possible. POH with 2 7/8" work string and bit. LD bit.
- **13.** PU & GIH 7" treating pkr on 2 7/8" work string to approximately 6650'. Set pkr at 6650'. Pressure test pkr and csg to 350 psi.
- 14. Open well. MI & RU pump truck. Pump down tbg with 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 at **5 BPM** and **2500 psi maximum pressure**. RD and release pump truck. Release PPI pkr. POH LD 2 7/8" work string and packer.

- 15. PU and GIH w/ Centrilift sub pump assembly, drain sub, 2 7/8" x 6' IPC/EPC tbg sub, SN, 50 jts 2 7/8" EUE 8R J-55 IPC/EPC tbg and 174 jts 2 7/8" EUE 8R J-55 IPC tbg, testing to 5000 psi. Suspend tbg with bottom of sub pump assembly at approximately 7000'. Note: Sub pump and bottom of tbg string will be in extremely corrosive environment. Entire sub pump assembly and bottom 1500' of cable must be monel coated. Also, bottom 50 jts of 2 7/8" tbg string will be externally coated with Ryt-Wrap and entire tbg string will be IPC.
- 16. Remove BOP's and install WH. RD & release pulling unit.
- 17. Turn well over to production. Report producing rates and fluid levels. Install slipstream treating line from flowline to casing. Also, install coupon loop on flowline. Contact Tim Gray and implement attached chemical treating program on well. Install scale coupons in flowline.

AMH 2/15/2006



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DISTRICT I

P.O. Box 1980, Hobbs, NM 88241-1980 DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719 <u>DISTRICT III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>DISTRICT IV</u> P.O. Box 2088, Santa Fe, NM 87504-2088

### State of New Mexico Energy, Minerals and Natural Resources Department

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# **OIL CONSERVATION DIVISION**

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102 Revised February 10,199 Instructions on bac Submit to Appropriate District Offic State Lease - 4 Copie Fee Lease - 3 Copie AMENDED REPORT

### WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Num 30-025-0			<sup>2</sup> Pool Cod 45410			<sup>3</sup> Pool Name MCCORMACK SILURIAN					
4 Property Co 2690	de				operty N . MCC	Name OMACK	<sup>6</sup> W	<sup>6</sup> Well No. 11			
<sup>7</sup> OGRID Numl 4323	ber				perator /RON	Name USA INC		<sup>9</sup> Elevation 3473' GL			
				<sup>10</sup> Surfac	e Loc	ation					
Ul or lot no Section A 32			Range Lot.ldn 37-E		The	North/South Line NORTH	Feet From The 554'	East/West Line EAST	County LEA		
		<sup>11</sup> E	Sottom Hol	e Location	If Dif	ferent From Su	rface	**************************************			
JI or lot no. Section Townshi			Lot.ldn	t.Idn Feet From		North/South Line	Feet From The	East/West Line	County		
<sup>12</sup> Dedicated Acre 40	Dedicated Acre Joint of Intil		<sup>14</sup> Consolidation Code <sup>15</sup>			Order No.					
NO ALLOW/						NUNTIL ALL INTE			DATED		
				2000 15		# 11 554 1000 500	I hereby c contained he best of my kr Signature Printed Nem Denise F Positio Regulato Date 2/16/2006 18 SUF I hereby certi on this plat w actual survey supervision,	Pinkerton bry Specialist RVEYOR CERTIFIC fy that the well location vas plotted from field n vs made by me or under and that the same is tr best of my knowledge ed Seal of Surveyor	CATION n shown otes of er my ue and		

The sender of this message has requeste	d a read receipt. Click here to send a receipt.
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#### Mull, Donna, EMNRD

From:Phillips, Dorothy, EMNRDTo:Mull, Donna, EMNRDCc:ESubject:RE: Financial Assurance Requirement

Sent: Wed 3/1/2006 9:08 AM

Attachments:

Donna, Paladin has 9 Inactive wells and it owns 61 wells and they are allowed to have only 2 inactive wells - I am asking Gail about this one also.

Pogo has 719 wells and are allowed 7 wells and they have 15 inactive and are purchsing 23 inactive from Arch but they do not appear on Jane's list. I have asked Gail about Pogo to see if she has contacted them. The system has been updated so that whenever an operator tries to do an operator change if they are out of compliance with Rule 40 a Warning appears that they are out of compliance and to contact me. I refer them either to Gail or Daniel. They let me know when to proceed with the operator change. However, Pogo submitted the name change before this was in place. Will let you know what Gail says. All<sup>4</sup> the rest are okay.

From: Mull, Donna, EMNRD Sent: Wednesday, March 01, 2006 7:42 AM To: Phillips, Dorothy, EMNRD Subject: Financial Assurance Requirement

Dorothy, These Operators have Intent to drill in District 1 for approval:

Trilogy Operating Inc, (21602) Range Operating New Mexico Inc. (227588) Marbob Energy Corp. (14049) Paladin Energy Corp. (164070) Energen Resources Corp (162928) Marathon Oil Co. (14021) BTA Oil Producers (3002) Northstar Operating Co. (152527) EverQuest Energy Corp (212929) Yates Petroleum Corp (35575) Arch Petroleum Inc, (962) Chevron USA Inc (4323) Pogo Producing Co. (17891)

Please check if the Financial Assurance Requirements are OK for these operators to drill. Thanks Donna