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

V

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

OIL CONSERVATION DIVISION

P.O. Box 2088 Santa Fe, New Mexico 87504-2088 Form C-101 Revised February 10,199 Instructions on bac Submit to Appropriate District Offic State Lease - 6 Copie Fee Lease - 5 Copie AMENDED REPORT

	AFFI		FORFER		JRILL, RE-I		:к, D	EEFEN, F	LUGBACK, C		LONE		
¹ Operator Name and Address CHEVRON USA INC								6				D Number	
		D TV 707	-					- (°*'	• •		3		
15 SMITH RD, MIDLAND, TX 79705										2.23	API Nu 30-025	mber -24968	
⁴ P	roperty Code	-			⁵ P	roperty l	Name			4	⁶ We	ell No.	
	2682				H.T. N			СТ-В	No. State	25		19	
					⁷ Surfac	e Loc	cation		been health	NON NON			
UI or lot no.	Section	Township	Range	Lot.ldn	Feet From	The	North/South Line		Feet From The	East/Wes	st Line	County	
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			⁸ Propos	ed Botto	m Hole Loo	ation	If Di	fferent Fro	m Surface				
UI or lot no.	Section	Township	Range	Lot.ldn	Feet From	The	The North/South Line Feet From The East/West Line County					County	
	1	⁹ Propos	ed Pool 1						¹⁰ Proposed F	2001.2			
			L AND GAS		-				Fioposed i	0012			
11 Morth	Type Code		12 MallTone O		13			14		15 -			
1	o v pe Code		¹² WellType Co O	ode	Rotary of ROTAR)		Lease Type Code			' [°] Gro	¹⁵ Ground Level Elevation		
			¹⁷ Proposed De	ath			P ¹⁹ Contractor		3484' GL				
¹⁶ Multij	pie lo		-	pui	ronnaa	on	1 "Contract		Unitacion	²⁰ Spud Date			
			6800'		TUBB						2/28/200	6	
			2	¹ Propos	sed Casing	and (Ceme	ent Program	m				
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22 Describe the Describe the	proposed prog blowout prever	ram. If this appli tion program, if	cation is to DEEPE any. Use additiona	N or PLUG B/	ACK give the data	on the pr	esent pr	oductive zoneand	proposed new produ	ctive zone.	_		
CHEVRON (U.S.A. INC.	INTENDS	O RECOMPL	ETE THE	SUBJECT WE	LL FR			RD POOL TO TH	E TUBB RES	ERVOIF	۶.	
CHEVRON U.S.A. INC. INTENDS TO RECOMPLETE THE SUBJECT WELL FROM THE DRINKARD POOL TO THE TUBB RESERVOIR. A PIT WILL NOT BE USED FOR THIS PLUGBACK. A STEEL FRAC TANK WILL BE UTILIZED.													
		EDURE AN				BOR			ATTACHED FO				
									ATTACHED FO	K TOOK APP	RUVAL	•	
			s 1 Year										
	D	ate Unla	ss Drilling	i Under	waay								
			Plee	phac	k								
)	`								
²³ I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above							OIL CONSERVATION DIVISION						
is true and complete to the best of my knowledge and belief.							-						
Signature						Ar	Approved By:						
Printed Name Denise Pinkerton						Ті	Title: PETROLEUM ENGINEER						
Title Regulatory Specialist						A	Approval DMAR 0 2 2006 Expiration Date:						
Date 2/13/2006 Telephone 432-687-7375						Conditions of Approval:							

H. T. Mattern B # 19 Tubb O&G Field T21S, R37E, Section 31 Job: <u>PB To Tubb Formation, Acidize, And Frac</u>

Procedure:

- Displace flowline with fresh water. Have field specialist close valve at header. Pressure line according to the type of line. AGU, EMSU, and EMSUB 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.
- 2. MI & RU workover 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 4 ³/₄" MT bit and 2 7/8" work string to 6763'. POH with work string and bit. LD bit.
- 4. PU and GIH with 5 ¹/₂" RBP to 6480'. Set RBP at 6480'. Spot 20' sand on top of RBP. PUH to 6400'. Reverse circulate well clean from 6400' using 8.6 PPG cut brine water. Pressure test csg and CIBP to 500 psi. POH with 2 7/8" work string.
- 5. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH and conduct GR/CBL/CCL log from 6460' up to 2600'. POH. Inspect logs for good cement bond from approximately 6500' up to 5900'. If bond does not appear to be good across proposed completion interval, discuss with Engineering before proceeding. Cmt squeeze as necessary to obtain good cmt across completion interval. GIH with 3 1/8" DP slick casing gun and perforate from 6150-58', 6178-86', 6192-6200', 6208-16', 6220-28', 6234-38', 6246-54', 6260-66', 6270-76', 6280-88', 6294-6300', 6340-48', 6368-76', and 6421-29' with 4 JSPF at 120 degree phasing, using 23 gram premium charges. POH. RD & release electric line unit. Note: Use Dresser Atlas BHC Acoustilog dated 3/29/75 for depth correlation.
- 6. PU and GIH w/ 5 ¹/₂" PPI pkr (with 10' element spacing) and SCV on 2 7/8" work string to approximately 6150'. Test tbg to 5500 psi while GIH.
- 7. MI & RU DS Services. Acidize perfs 6150-6429' with 2,800 gals anti-sludge 15% HCl acid
 * at a maximum rate as shown below and a maximum surface pressure of 5000 psi. Spot acid across perfs at beginning of each stage and let soak to lower breakdown pressure and prevent communication. Pump job as follows:

Interval	Amt. Acid	Max Rate	PPI Setting
6421-29'	200 gals	¹ / ₂ BPM	6420-30'
6368-76'	200 gals	¹ / ₂ BPM	6367-77'
6340-48'	200 gals	¹ / ₂ BPM	6339-49'
6294-6300'	200 gals	¹ / ₂ BPM	6293-6303'
6280-88'	200 gals	½ BPM	6279-89'
6270-76'	200 gals	1/2 BPM	6268-78'
6260-66'	200 gals	1/2 BPM	6258-68'
6246-54'	200 gals	1/2 BPM	6245-55'
6234-38'	200 gals	¹ / ₂ BPM	6233-43'
6220-28'	200 gals	½ BPM	6219-29'
6208-16'	200 gals	1/2 BPM	6207-17'
6192-6200'	200 gals	1⁄2 BPM	6191-6201'
6178-86'	200 gals	1/2 BPM	6177-87'
6150-58'	200 gals	½ BPM	6149-59'

Displace acid with 8.6 PPG cut brine water -- do not overdisplace. Use a SCV to control displacement fluid. Record ISIP, 5 & 10 minute SIP's. RD and release DS services. Note: Pickle tubing in 1 run of 500 gals acid, prior to acidizing perfs. Pickle acid is to contain only 1/2 gal A264 and 1 gal W53. Also, if communication occurs during treatment of any interval, monitor casing pressure and attempt to complete stage w/o exceeding 500 psi csg pressure. If cannot, then move PPI to next setting depth and combine treatment volumes of the intervals.

* Acid system is to contain:	1 GPT A264	Corrosion Inhibitor
	8 GPT L63	Iron Control Agent
	2 PPT A179	Iron Control Aid
	20 GPT U66	Mutual Solvent
	2 GPT W53	Non-Emulsifier

- Release PPI pkr and PUH to approximately 6100'. Swab back all intervals together. Recover 100% of treatment and load volumes before shutting well in for night, if possible. Report recovered fluid volumes, pressures, and/or swabbing fluid levels. <u>Note:</u> Selectively swab perfs as directed by Engineering if excessive water is produced.
- 9. Open well. Release PPI pkr. POH with tbg and PPI packer. LD PPI tool.
- 10. PU and GIH w/ 5 ¹/₂" Lok-Set pkr & On-Off tool w/ 2.25" "F" profile and 161 jts. of 3 ¹/₂" EUE 8R L-80 work string, testing to 8500 psi. Set pkr at approximately 5000'. Install frac head. Pressure annulus to 500 psi to test csg and pkr. Leave pressure on csg during frac job to observe for communication.
- 11. MI & RU DS Services and Tracer-Tech Services (Mike Mathis (866) 595-3115). Install casing saver. Frac well down 3 ¹/₂" tubing at **40 BPM** with 88,000 gals of YF130, 176,000 lbs. 16/30 mesh Jordan Sand, and 30,000 lbs resin-coated 16/30 mesh CR1630 proppant. Observe a

maximum surface treating pressure of 8000 psi. Tag frac with 2 radioactive isotopes (1 in main proppant stages, and 1 in resin-coated proppant stage). Pump job as follows:

Pump 2,000 gals 2% KCL water containing 55 gals Baker RE 4777-SCW Scale Inhibitor
Pump 1,000 gals 2% KCL water spacer
Pump 14,000 gals YF130 pad containing 5 GPT J451 Fluid Loss Additive
Pump 14,000 gals YF130 containing 0.5 PPG 16/30 mesh Jordan Sand & 5 GPT J451 FL Additive
Pump 12,000 gals YF130 containing 1.5 PPG 16/30 mesh Jordan Sand
Pump 12,000 gals YF130 containing 2.5 PPG 16/30 mesh Jordan Sand
Pump 14,000 gals YF130 containing 3.5 PPG 16/30 mesh Jordan Sand
Pump 16,000 gals YF130 containing 4.5 PPG 16/30 mesh Jordan Sand
Pump 16,000 gals YF130 containing 5 PPG 16/30 mesh Jordan Sand

Flush to 6091' with 2,919 gals WF130. <u>Do not overflush.</u> Shut well in. Record ISIP, 5, 10, and 15 minute SI tbg pressures. SWI. RD & Release DS Services and Tracer-Tech Services. <u>Leave</u> well SI overnight.

- 12. Open well. GIH and swab well until there is no sand inflow. Report recovered fluid volumes, pressures, and/or swabbing fluid levels. Release pkr and POH with 3 ¹/₂" work string. Lay down 3 ¹/₂" work string and pkr.
- 13. PU and GIH with 4 ³/₄" MT bit on 2 7/8" work string to 6460'. If fill is found above 6460', clean out fill using 8.6 PPG cut brine water and air unit (if necessary). POH with 2 7/8" work string and bit. LD bit.
- 14. PU & GIH with 5 ½" pkr on 2 7/8" work string to 6050'. Set pkr at 6050'. Open well. GIH and swab well until there is no sand inflow. Swab well for at least 3 hours before logging. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH and conduct after-frac PRISM GR/Temp/CCL log from 6460' up to 5500'. POH. RD & release electric line unit. Note: Correlate logs and run flat with Baker Atlas GR/CBL/CCL Log conducted in Step # 5.
- 15. Release pkr. POH LD 2 7/8" work string and pkr.
- 16. PU and GIH w/ BP mud anchor jt of 2 7/8" tbg, 2 7/8" x 4' perforated sub, SN, 1 jt 2 7/8" EUE 8R J-55 IPC tbg, 13 jts 2 7/8" EUE 8R J-55 tbg, TAC, and 192 jts 2 7/8" EUE 8R J-55 tbg, testing to 5000 psi. Set TAC at 6000', with EOT at 6435' and SN at 6400'.
- 17. Remove BOP's and install WH. GIH with rods, weight bars, and pump per ALS recommended design. RD & release pulling unit.
- 18. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.



By: A. M. Howell



TOC By: Temperature Survey

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OIL CONSERVATION DIVISION

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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

¹ API Num			² Pool Cod		;					
30-025-2	4968		60240			TUBB OIL A				
Property Co 2682	de		⁵ Property Name H.T. MATTERN NCT-B					⁶ Well No. 19		
⁷ OGRID Num 4323	ber		⁸ Operator Name CHEVRON USA INC				·	⁹ Elevation 3484' GL		
				¹⁰ Surface	Location					
		ip Range 37-E	Lot.ldn	Feet From T 1830'		outh Line RTH	Feet From The 660'	East/West Line WEST	County LEA	
		11	Bottom Hol	e Location I	f Different I	From Su	rface			
Ul or lot no. Section	Townshi	p Range	Lot.ldn	Feet From T	he North/S	outh Line	Feet From The	East/West Line	County	
² Dedicated Acre 40	JOINT OF I		⁴ Consolidatio	on Code	⁵ Order No.			<u>I</u>		
NO ALLOW	ABLE WIL								ATED	
40 No NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLET					ION UNTIL ALL INTERESTS HAVE BEEN CON BEEN APPROVED BY THE DIVISION 17 OPERATOR CE I hereby certify that the is contained herein is true and best of my knowledge and Signature Printed Name Denise Pinkerton Positio Regulatory Specia Date 2/13/2006 18 SURVEYOR CE I hereby certify that the well on this plat was plotted from actual surveys made by me supervision, and that the sa correct to the best of my kr belief. Date Surveyed Signature & Seal of Professional Surveyor					

DeSoto/Nichols 3/94 ver 1.10

The sender of this message has requested a read receipt. Click here to send a receipt.							
Mull, Donn	a, EMNRD						
From:	Phillips, Dorothy, EMNRD	Sent: V	Wed 3/1/2006 9:08 AM				
To:	Mull, Donna, EMNRD						
Cc:							
Subject:	RE: Financial Assurance Requirement			;			
Attachments	S:						

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 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