

DISTRICT I

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

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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, 1999

Instructions on back

Submit to Appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address CHEVRON USA INC 15 SMITH RD, MIDLAND, TX 79705		² OGRID Number 4323
		³ API Number 30-025-26445
⁴ Property Code 2606	⁵ Property Name CENTRAL DRINKARD UNIT	⁶ Well No. 426

⁷ Surface Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
H	29	21-S	37-E		2530'	NORTH	220'	EAST	LEA

⁸ Proposed Bottom Hole Location If Different From Surface

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
⁹ Proposed Pool 1 DRINKARD					¹⁰ Proposed Pool 2				

¹¹ Work Type Code D <i>Deepen</i>	¹² WellType Code O	¹³ Rotary or C.T. ROTARY	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3459' GL
¹⁶ Multiple No	¹⁷ Proposed Depth 6580'	¹⁸ Formation DRINKARD	¹⁹ Contractor	²⁰ Spud Date 3/15/2006

²¹ Proposed Casing and Cement Program

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
NO CHANGE					

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

CHEVRON U.S.A. INC. INTENDS TO DEEPEN THE SUBJECT WELL TO THE DRINKARD OIL ZONE @ 6580', AND CO2 SAND FRACTURE TREAT.

A PIT WILL NOT BE USED FOR THIS DEEPENING.

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

**Permit Expires 1 Year From Approval
Date Unless Drilling Underway**

²³ I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature

Denise Pinkerton

Printed Name Denise Pinkerton

Title Regulatory Specialist

Date 3/3/2006

Telephone 432-687-7375

OIL CONSERVATION DIVISION

Approved By:

MAR 07 2006

Title:

PETROLEUM ENGINEER

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

CDU #426

Deepening to Drinkard Oil Interval

Job: Drill Deeper To Drinkard Oil Formation and CO2 Sand Fracture Stimulate

Procedure:

1. Lay flowlines as needed.
2. Prepare to move in 320 pumping from on CDU lease.
3. MIRU PU.
4. Install BOP.
5. Kill well as needed.
6. TOH w/ 2 3/8" tbg, laying down.
7. TIH w/ 5 1/2" bit and scrapper on 2 7/8" workstring to PBTD. CO as needed with foam air unit.
8. TIH w/ 5 1/2" packer and set ~50' above top perf.
9. Establish rate and pressure into Drinkard Gas Zone perforations. TOH.
10. TIH w/ 5 1/2" cement retainer and set ~50 above top Drinkard Gas Zone perforations.
11. Cement squeeze w/ ~200 sacks or as per DS recommendation.
12. TIH w/ bit, DC's on workstring and drill out cement. Test cement squeeze and resqueeze if necessary.
13. Continue and drill well deeper to a new TD of ~6580'. Circulate well clean. TOH.
14. TIH w/ 5 1/2" packer on 3 1/2" workstring. Hydrostatic test tubing to 8000 # going in hole. Install frac head. Load backside with 2% KCL (use KCL) and pressure to 500#. Need to maintain pressure on the backside to insure squeezed Drinkard gas perforations are holding.
15. Acidize OH w/ 2000 gals 15% HCL as designed by DS one day prior to frac treatment.
16. Swab back as time permits.
17. Rig up DS, CO2 services and Tracer-Tech Services (Mike Mathis (866- 595-3115). (Will run three different radioactive isotopes, 1st in pad, 2nd in 1-3 ppg, 3rd in 5 ppg.)
18. MIRU Rita Dickey for QC of frac fluids.
19. Fracture treat well with 30,900 gals WF150; 4000 gals WF 140, 60 tons CO2; 24,500# 20/40 Ottawa sand, 15,000# 20/40 resin coated sand as per DS procedure attached, tagging with three radioactive isotopes.
20. SI overnight for resin to cure.
21. Flow and swab back load.
22. Tag for fill and clean out with air unit. TOH.
23. MIRU wireline and run PRISM log/GR/Temp/CCL for radioactive isotope information. TOH.
24. TIH w/ new 2 7/8" production tbg and rod design as directed by Bobby McCurry.
25. Test well for potential.

12/1/2005

Denise Wann

WELL DATA SHEET**FIELD: DRINKARD****WELL NAME: CENTRAL DRINKARD UNIT # 426****FORMATION: DRINKARD**

LOC: 2530' FNL & 220' FEL	SEC: 29	GL: 3459'	CURRENT STATUS: Producing
TOWNSHIP: 21S	COUNTY: Lea	KB to GL: 12	API NO: 30-025-26445
RANGE: 37E	STATE: NM	DF to GL: 11	REFNO: EQ6281

Date Completed: 10/79

Initial Production:

Initial Formation: Drinkard

899 mcfpd

PERFS 6377' - 6485'

Subsequent Workover or Reconditioning:

10/79 Initial treatment - Acid w/ 2000 gals 15% NEA. Frac in 3 stages w/ a total of 35,500 lbs of 20-40 sd. Screened out w/ 27,500 lbs sd in formation.

7/83 Equip to pump

8-5/8" OD, csg
set @ 1193'
w/ 550 sx cmt.
Cement circ.

5 1/2" OD, 14,15.5#
csg set @ 6550'
w/ 1750 sx cmt.
Cement Circ.

PBTD = 6506'
TD = 6550'

FILE: cdu126wb.xls
LVT 11/15/93

Current WBD

-Propose to cmt sq Drinkard
Gas and deepen to 6628' to
Drinkard Oil Zone

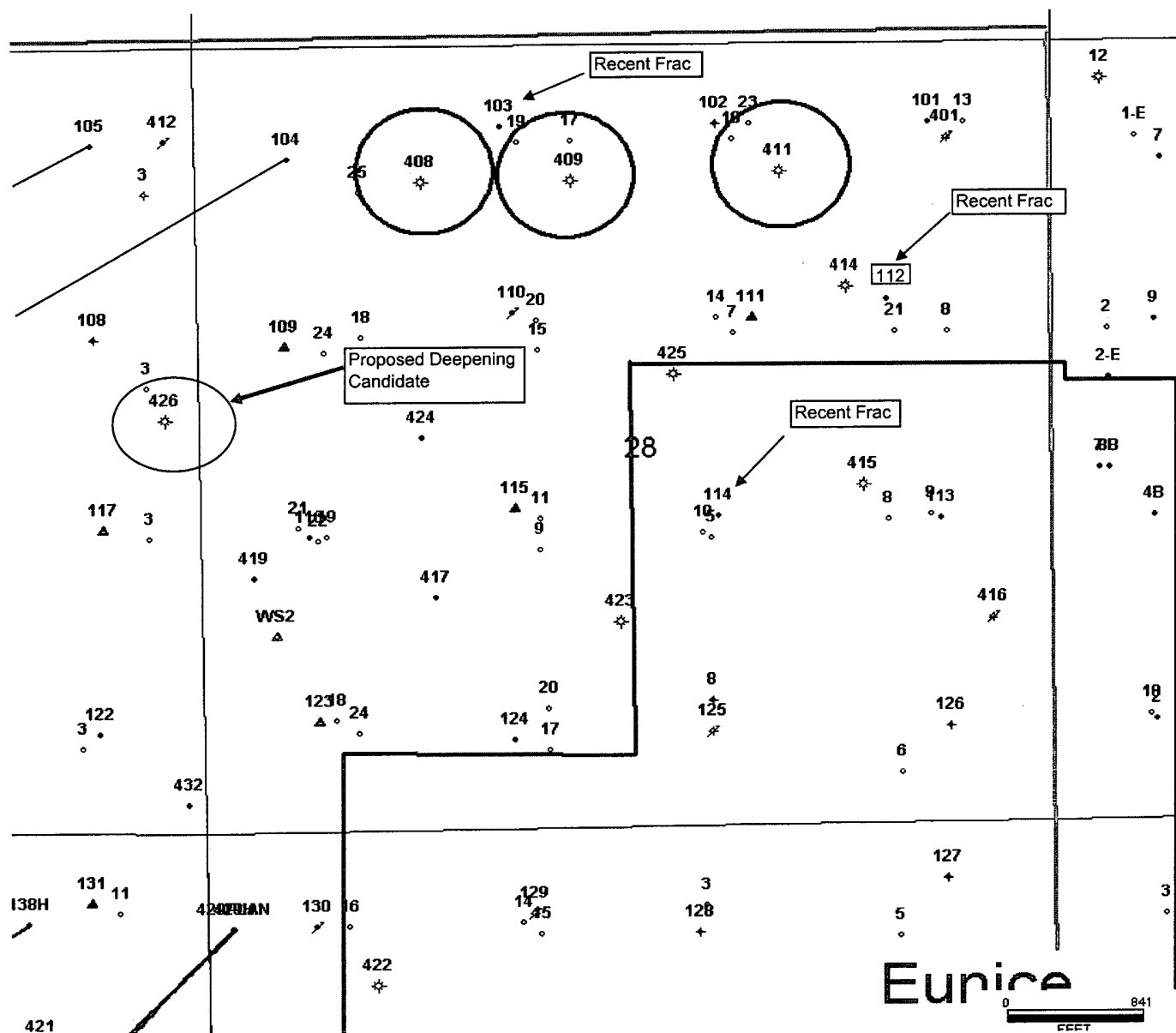
6377-79

6406-08

6438-40

6464-66

6483-85



DISTRICT I

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

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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-102

Revised February 10, 199

Instructions on bac

Submit to Appropriate District Office

State Lease - 4 Copie

Fee Lease - 3 Copie

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-26445	² Pool Code 19190	³ Pool Name DRINKARD
⁴ Property Code 2606	⁵ Property Name CENTRAL DRINKARD UNIT	⁶ Well No. 426
⁷ OGRID Number 4323	⁸ Operator Name CHEVRON USA INC	⁹ Elevation 3459' GL

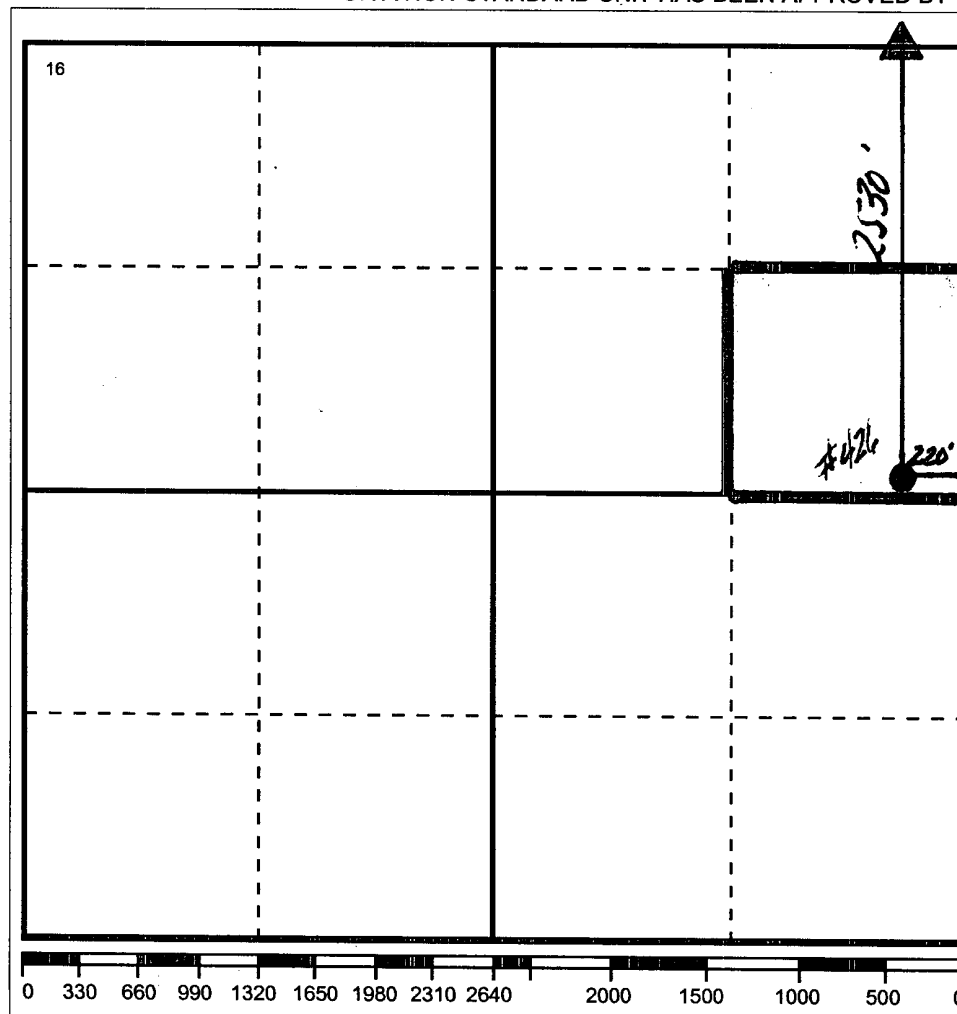
¹⁰ Surface Location

UI or lot no H	Section 29	Township 21-S	Range 37-E	Lot.Idn	Feet From The 2530'	North/South Line NORTH	Feet From The 220'	East/West Line EAST	County LEA
-------------------	---------------	------------------	---------------	---------	------------------------	---------------------------	-----------------------	------------------------	---------------

¹¹ Bottom Hole Location If Different From Surface

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
¹² Dedicated Acre 40	¹³ Joint or Infill No	¹⁴ Consolidation Code	¹⁵ Order No.						

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
 OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief
Signature <i>Denise Pinkerton</i>
Printed Name Denise Pinkerton
Positio Regulatory Specialist
Date 3/3/2006
18 SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.
Date Surveyed
Signature & Seal of Professional Surveyor
Certificate No.