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 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. 30-025-31705

5. Indicate Type of Lease STATE ☑ FEE ☐

6. State Oil / Gas Lease No. B-155

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.

7. Lease Name or Unit Agreement Name: VACUUM GLORIETA WEST UNIT

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

2. Name of Operator: CHEVRON USA INC

8. Well No. 65

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

9. Pool Name or Wildcat: VACUUM GLORIETA

4. Well Location

Unit Letter F : 1522 Feet From The NORTH Line and 1492 Feet From The WEST Line

Section 36 Township 17S Range 34E NMPM LEA COUNTY

10. Elevation (Show whether DF, RKB, RT,GR, etc.) 4004' GR

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	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPERATION	☐	PLUG AND ABANDONMENT	☐
PULL OR ALTER CASING	☐			CASING TEST AND CEMENT JOB	☐		
OTHER: ADD GLORIETA PAY	☑			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 CMT SQUEEZE THE LOWER PADDOCK PERFS & ADD PAY IN THE GLORIETA FR 5850-5905. THIS WELL IS ON THE NMOCD IDLE WELL LIST & THERE IS A SURFACE INJECTION TBG LEAK.

THE INTENDED PROCEDURE AND WELLBORE DIAGRAM IS ATTACHED FOR YOUR APPROVAL.

RECEIVED MAY 2006 OCD Hobbs

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 5/25/2006

TYPE OR PRINT NAME Denise Pinkerton Telephone No. 432-687-7375

(This space for State Use)

APPROVED

CONDITIONS OF APPROVAL, IF ANY: TITLE PETROLEUM ENGINEER DATE JUN 13 2006

DeSoto/Nichols 12-93 ver 1.0

3/21/2006

VGWU #65

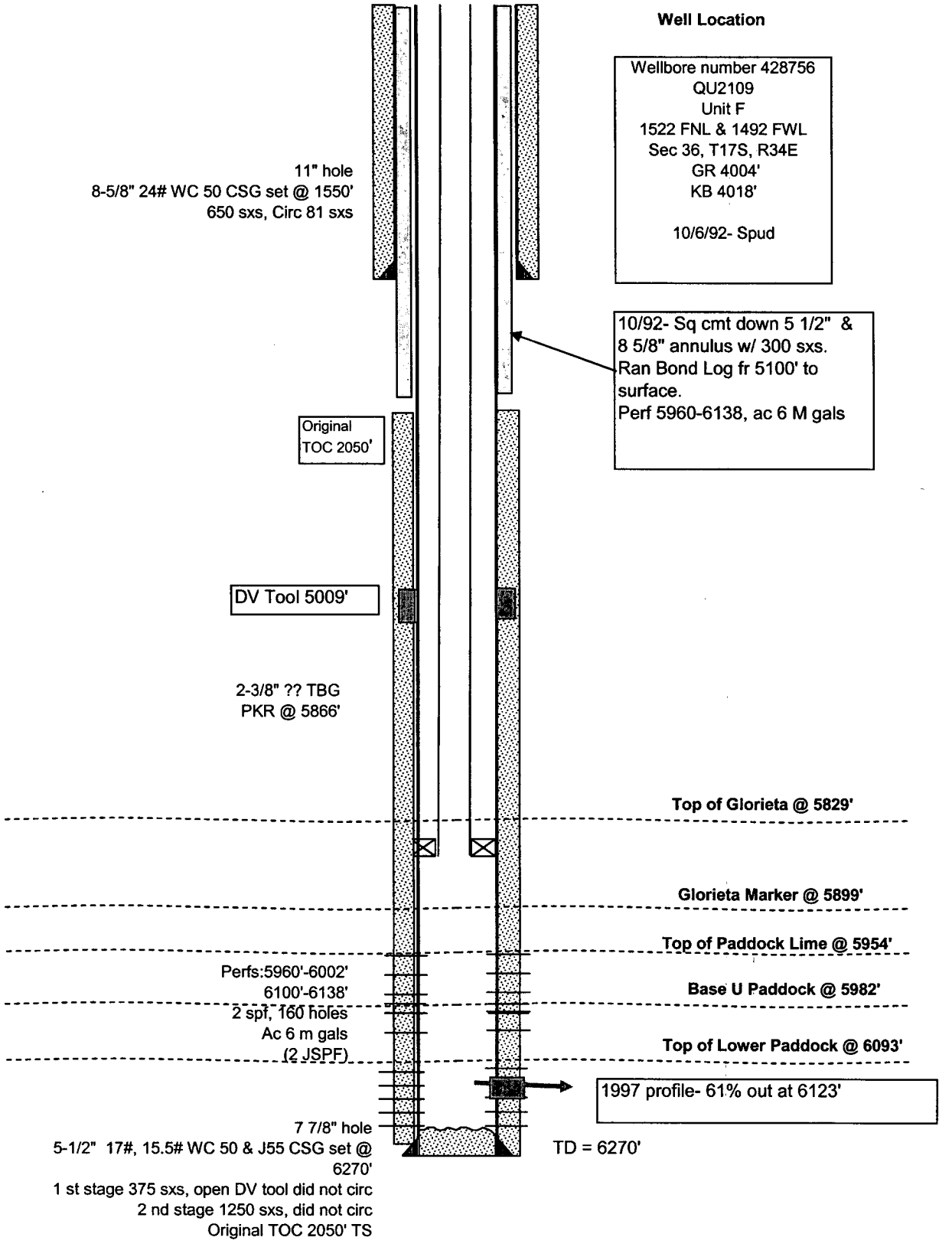
Note: Water exiting in Lower Paddock. Plan to cmt sq Paddock to eliminate injection into the Lower Paddock. Plan to reperf the Upper Paddock and add Glorieta.

Procedure

1. Notify Wayne Minchew or Larry Ridenour to setup injection profile to begin ~three weeks after RU date.
2. Check anchors.
3. ***Arrange for delivery of new injection tbg and injection packer.***
4. Kill well if necessary.
5. MIRU PU and reverse unit.
6. Install BOP.
7. TOH w/ 2 3/8" injection tbg and packer. (Lay down injection tbg if not poly lined tbg.) (Notify Denise Wann of type of injection tbg and report any scale, paraffin, etc.)
8. TIH w/ 4 ¾" bit and casing scrapper on 2 7/8" workstring to 6160'. If find hard fill, contact Denise Wann.
9. TIH w/ 5 ½" packer on 2 7/8" workstring and test casing integrity.
10. Set packer @ 5930' and establish rate and pressure into perfs 5960'-6140'.
11. TIH w/ 5 ½" cement retainer and set ~5930'.
12. Cement squeeze peforations 5960'-6140' w/ xx sacks Class XX or as conditions indicated from rate and pressure test per DS recommendation
13. TIH w/ 4 ¾" bit, DC's on 2 7/8" workstring and drill out to 6040'.
14. MIRU Wireline services. Install and test lubricator. TIH w/3 1/8" casing guns and perforated the following 2 SPF, 120 degree phasing using premium charges and one section with 4 SPF. Tie into Wedge Wireline Compensated Porosity Neutron Log dated 10/23/1992 (Note short jt 5904'-5926'.)
    - 5850'-5852', 5857'-5866', 5876'-5883', 5888'-5891', 5899'-5905' (all these at 2 SPF)
    - 5960'-5970' (4 SPF), 5980-90' (2 SPF), 5996'-6000' (2 SPF)
15. Discharge PFS charges from 5850'-5905' as per DS recommendation. TOH.
16. TIH w/ 5 ½" pkr on 2 7/8" workstring tested to 5000#. Set pkr 5830'.
17. Acidize perfs 5850'-6000' w/6000 gals 15% HCL and X000 rock salt as per DS recommendation.
18. Swab to recover as much as possible of the load before SI overnight. Report recovered fluid volumes, pressures and/or swabbing fluid levels.
19. TOH w/ packer and workstring.
20. TIH to clean out sand to top cmt retainer @ 6080'.
21. TIH w/ injection equipment as per Bobby Hill design. Set injection packer ~5830'. Use externally wrapped tbg on the top jt as per Bobby Hill design.
22. Report rate and pressure to Denise Wann.
23. Make sure arrangements have been made for injection profile to be run.

Denise Wann
3/21/2006

VGWU 65 (WIW)
API No. 3002531705



JDW 1/30/2006