

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.	30-025-37232
5. Indicate Type of Lease	STATE ☒ FEE ☐
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	CENTRAL VACUUM UNIT
8. Well No.	240
9. Pool Name or Wildcat	VACUUM GRAYBURG SAN ANDRES
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3991'

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 INJECTION
2. Name of Operator	CHEVRON USA INC
3. Address of Operator	15 SMITH RD, MIDLAND, TX 79705
4. Well Location	Unit Letter <u>N</u> : <u>257'</u> Feet From The <u>SOUTH</u> Line and <u>2519'</u> Feet From The <u>WEST</u> Line Section <u>36</u> Township <u>17-S</u> Range <u>34-E</u> NMPM <u>LEA</u> COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3991'

11.

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: ADD PAY ☒

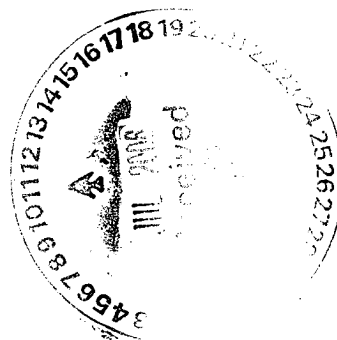
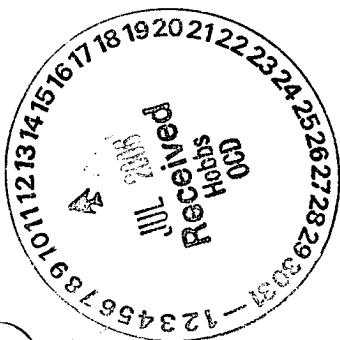
SUBSEQUENT REPORT OF:

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 ADD PAY IN THE VACUUM GRAYBURG SAN ANDRES FIELD AND POOL IN THE SUBJECT WELL.

THE INTENDED PROCEDURE AND CURRENT AND PROPOSED WELLBORE DIAGRAMS 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 7/6/2006
TYPE OR PRINT NAME Denise Pinkerton Telephone No. 432-687-7375

(This space for State Use)

APPROVED Gayle Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE JUL 12 2006
CONDITIONS OF APPROVAL, IF ANY:

Pull Production Equipment Left for Transition Zone (TZ) Testing:

TOH Pump (ESP) @ 4679'. Stand back 2-7/8" production tubing (Working String).

Work done

Isolate TZ:

R/U wireline. TIH w/ 5 1/2" CIBP and set @ 4733'. Load casing

Work done

1	MIRU. ND well head & NU BOP (<i>Control & Secure Well for W/O Operations</i>)	0.50
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2	<u>P/U Tubing & Clean Out:</u> TIH 2 7/8" working string w/ 4 3/4" bit to CIBP (~4733').	1.50
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3	<u>Perforate Intervals Lower & Upper San Andres:</u> R/U baker Atlas and proceed with following perforations:	1.00
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<u>Proposed Perforations</u>	
1) <u>4271-4289 (18')</u> Upper SA	Gross Interval: 439 feet Net Interval: 161 feet (37%) -Total Holes: 322 (2 spf @ 90 dg.)
2) <u>4309-4353 (44')</u> Upper SA	
3) <u>4407-4414 (7')</u> Upper SA	
4) <u>4472-4527 (55')</u> Lower SA	
5) <u>4583-4590 (7')</u> Lower SA	
6) <u>4639-4648 (9')</u> Lower SA	
7) <u>4653-4659 (6')</u> Lower SA	
8) <u>4677-4680 (possible -1 from the top or +1 from the bottom) (3')</u> Lower SA	
9) <u>4684-4689 (5')</u> Lower SA	
10) <u>4695-4697 (2')</u> Lower SA	
11) <u>4705-4710 (5')</u> Lower SA	

R/D Baker Atlas

4	<u>Stimulation Proposed Perforated Intervals:</u> TIH w/ 5 1/2" treating packer and 2 7/8" working string. Set packer @~4230'. Pump 8500 gls of ACID in four stages w/ ??? # of Rock Salt with gel brine @ ?? bpm. Shut In. Flow back load. Release packer and TOH. L/D packer. P/U 4 3/4" bit and TIH to clean out Rock Salt to PBTD. TOH and lay down w/s + bit.	1.50
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5	<u>Run Injection Equipment:</u> TIH w/ 2-3/8" Fiberline tubing, ON/OFF tool, profile (1.5" minimum) and with new 5 1/2" Lockset packer. Pump Packer Fluid. Set packer @ ~4230'.	1.50
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6	Chart casing for 30 minutes and report to the OCD.	0.50
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7	Start Injection according to CVU 240's previous settings	
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8	Injection profile after 30 days of injection. Call Wireline Service Co. as soon as the job is completed	6.50
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COST ESTIMATE:

Pinkerton, J. Denise (leakejd)

From: MAYORGA, ERVING
Sent: Wednesday, July 05, 2006 5:21 PM
To: Pinkerton, J. Denise (leakejd)
Cc: Smith, David (DavidSmith); MAYORGA, ERVING
Subject: More Information (CVU-240)

Attachments: Picture (Metafile); Picture (Metafile); Picture (Metafile); Picture (Metafile)

WELLBORE DIAGRAM (CURRENT):

CURRENT WELLBORE DIAGRAM			
Updated:	7/5/2006	By:	EM
Lease:	CVU	Well No.:	240
Surface Location:	257' FSL & 2519' FWL	Unit Ltr:	N
Bottomhole Location:		Sec:	36
County:	Lea	St:	NM
Current Status:	Temporarily Abandoned Well	Elevation:	3,991
		Field:	Vacuum
		Sec:	36
		API:	30-025-37232
		Cost Center:	MVP=BCT494500 / BCT492200 & CVX=UC
		TEPI:	MVP:

Surface Csg.	
Size:	11 3/4 inches
Wt.:	42#, H40, STC
Set @:	1520 ft
Cementing Lead	635 Sacks Class C
Bottom	400 Sacks Class C
	1% CaCl2, 1/4 PPS Celloflake (14.8 ppg, 1.34 cf/sx)
Circ:	yes, 225 Sacks
TOC:	Surface
Hole Size:	14 3/4 inches

Intermediate Csg.	
Size:	8 5/8 inches
Wt.:	24#, J55, 8 RD
Set @:	2741 ft
Cementing Lead	420 Sacks 35/65 POZ CI "C"
Bottom	200 Sacks Class C
	1% CaCl2, 1/4 PPS Celloflake (14.8 ppg, 1.33 cf/sx)
Circ:	yes, 145 Sacks
TOC:	Surface
Hole Size:	11 inches

Production Csg.	
Size:	5 1/2 inches
Wt.:	15.5#, J55, 8-RD
Set @:	5014 ft
Cementing Lead	500 Sacks 35/65 POZ CI "H"
Bottom	325 Sacks 50/50 POZ CI "H"
	2% gel, 5% Salt, 1/4 pps Celloflake (12.4 ppg, 2.14 cf/sx)
Circ:	yes, 123 Sacks
TOC:	Surface
Hole Size:	7 7/8 inches

Perforations:	
Grayburg San Andres (TZ)	4751-4764, 4773-4793, 4798-4811, 4829-4862
Type:	2spf @ 90 deg.
Stimulation:	Acid 6000 gls @ 15% HCl
Date Completed:	18-Jan-06

ZONES			
Top Formation	Top ft	Interval	Net
GB Marker	3,990		
GB Dol Top	4,205		
GB Dol Bott	4,238		
San Andres	4,240	212	
LSA	4,452	256	
D/W	4,708		

KB: 4,008 ft
DF: 4,007 ft
GL: 3,991 ft
Kelly Bushing: 17 ft
Original Spud Date: 7/10/2005
Original Compl. Date: 7/29/2005
DOL: 19

Well & Failure History
7/10/05 - 7/29/05: drill New Injector: Drill w/ 14 3/4" bit surface hole. Set 11 3/4" 1520'. Water flow @ 1784' (ISIP=570#) or 85-90 bph. CO2 kick @ 1775'. Cracker (100 bph flow). Increased MW to 10.3 ppg. Keep drilling w/ 11" bit. @ 2300' 40 bp. CO2 traces: At 2735' 45 bph flow w/ no CO2. Resume drilling w/ 35 bph flow. Run casing and set @ 2741'. Cement casing. Start drilling directional @ 2783' (2.1 d6 bit. Keep drilling w/ fresh water polymer. Stuck @ 3891'. Recover fish. Keep drilling. Stuck on wall. Pump pill. Resume drilling. Run Halliburton logging tools on 7/24/05 tools. Fish tools. Run 5 1/2" casing and set it @ 5014'. Release Rig.
1/18/06 Completion: Perforate TZ 4751-4764, 4773-4793, 4798-4811, 4829-4862 90deg; pkr 4720, acid 6000 gls; 15% HCl, 3 stg, 225 ball sealers; 5-6 bpm; ISIP 1 726, 10m 586, 15m 499, Pmax 6911#, Pavg 2126; 7.1 bpm max; 5.6 bpm avg. S and later flowed back load. TOH with WS + test packer. TIH with 2 3/8" Fiber = 1.67" (157/ft), 1" Fiberlined Sub, 5 1/2" X 2 3/8" NP Packer @ 4,723'. 1.5" Prof On/Off Tool.
04/13/06 Change-out Inj to Prod. String: Killed well, unseat packer and TOH w/ TIH w/ 2-7/8" prod. string + ESP (INTAKE @ 4679 feet). Finalized surface install: activated pumping system for production tests.
06/23-29/06 Set CIBP: MIRU and POH tubing & LD Sub-pump. RIH & POH w/ ki Baker Atlas wire line & ran CIBP: Could not get past 1590' and POH w/ CIBP. RIH bit & scraper to top of perfs @ 4751' (Hit tight spot at 3700' but went through OK) tubg., bit and scraper; OK. RIH again w/ wireline + CIBP (set at 4733'). Pre-test C psi w/ brine, OK. Circulated packer fluid. RIH w/ cement bond log. Chart and test PSI for 30 mins. Tested OK. Well temporarily abandoned. RDMO.

CIBP @ 4733 feet

TD: 5014 ft
Float Collar @: 4920.42 ft

WELLBORE DIAGRAM (PROPOSED):

PROPOSED WELLBORE DIAGRAM

Updated: 7/5/2006 By: EM
 Lease: CVU
 Surface Location: 257 FSL & 2519' FWL
 Bottomhole Location:
 County: Lea St: NM
 Future Status: Injector Well - MOZ
 Well No.: 240
 Unit Ltr: N
 Unit Ltr:
 St Lease:
 Elevation: 3,991
 Field: Vacuum
 Sec: 36 TSHP/Range: 17S-34E
 Sec: TSHP/Range:
 API: 30-025-37232 Cost Center:
 MVP-BCT494500 / BCT492200 & CVX=L
 TEPI:
 MVP:

Surface Csg.

Size: 11 3/4 inches
 Wt.: 42#, H40, STC
 Set @: 1520 ft
 Cementing Lead: 635 Sacks Class C
 6% gel, 1% CaCl2 (13.5 ppg, 1.77 cf/Sx)
 Bottom: 400 Sacks Class C
 1% CaCl2, 1/4 PPS Celloflake (14.8 ppg, 1.34 cf/sx)
 Circ: yes, 225 Sacks
 TOC: Surface
 Hole Size: 14 3/4 inches

Intermediate Csg.

Size: 8 5/8 inches
 Wt.: 24#, J55, 8 RD
 Set @: 2741 ft
 Cementing Lead: 420 Sacks 35/65 POZ Cl "C"
 6% gel, 5% Salt, 1/4 pps Celloflake (12.4 ppg, 2.15 cf/Sx)
 Bottom: 200 Sacks Class C
 1% CaCl2, 1/4 PPS Celloflake (14.8 ppg, 1.33 cf/sx)
 Circ: yes, 145 Sacks
 TOC: Surface
 Hole Size: 11 inches

Production Csg.

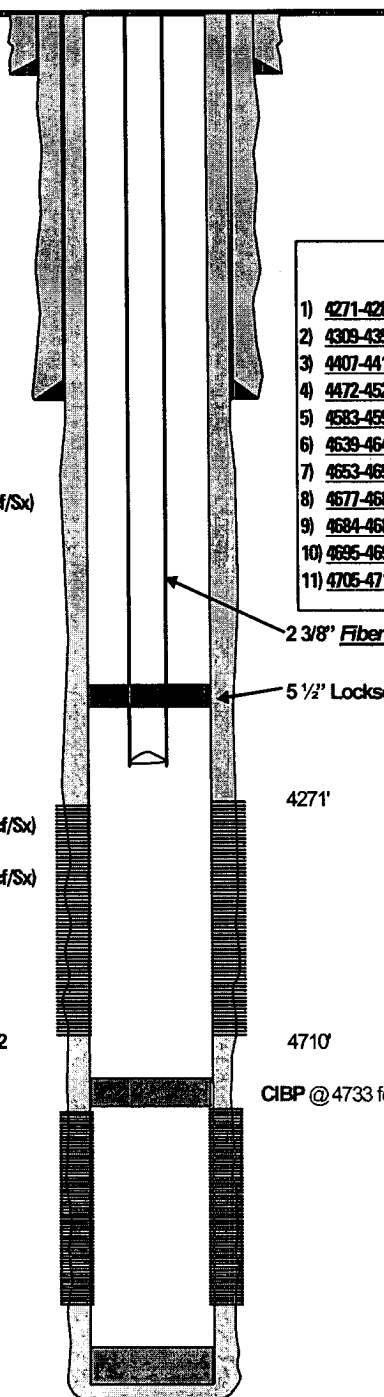
Size: 5 1/2 inches
 Wt.: 15.5#, J55, 8-RD
 Set @: 5014 ft
 Cementing Lead: 500 Sacks 35/65 POZ Cl "H"
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 - 4677-4680 (possible -1 from the top or +1 from the bottom) (3')
 - 4684-4689 (5')
 - 4695-4697 (2')
 - 4705-4710 (5')
- Gross Interval: 439 feet
 Net Interval: 161 feet (37%)

2 3/8" Fiberline Tubing

5 1/2" Lockset Packer @ 4230' (w/ On/Off Tool)

4271'

4710'

CIBP @ 4733 feet

TD: 5014 ft
 Float Collar @: 4920.42 ft

PROPOSED PROCEDURE: