Submit 3 Capies To Appropriate District	State of New Me	exico		Form C-103
Office District I	Energy, Minerals and Natural Resources			May 27, 2004
1625 N. French Dr., Hobbs, NM 88240			WELL API NO.	1
<u>District II</u> 1301 W. Grand Ave., Artesia, NM 88210	OIL CONSERVATION DIVISION		30-025-06669	
District III	1220 South St. Fran		5. Indicate Type	
1000 Rio Brazos Rd., Aztec, NM 87410	Santa Fe, NM 87		STATE 6. State Oil & Ga	FEE
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM	Santa 1 0, 14141 07	7505	6. State Oil & Ga	is Lease No.
87505				
	ICES AND REPORTS ON WELLS		7. Lease Name of	r Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH			I C WARION	
PROPOSALS.)			L.G. WARLICK 8. Well Number	
1. Type of Well: Oil Well Gas Well Other				
2. Name of Operator CHEVRON MIDCONTINENT L.P.			9. OGRID Numb	per 241333
2 411			10. Pool name or	Wildoot
3. Address of Operator	IITH ROAD, MIDLAND, TX 7970	05	1	LLY GRAYBURG
4. Well Location	THE TOTAL STATE OF THE PARTY		T BIVICOR SIRE	ET GRUTTBORG
	t from the NORTH line and 330 fo	ant from the EAST	line	
				Country
Section 19	Township 21S 11. Elevation (Show whether DR)	Range 37E	NMPM LEA	County
	3511' GL	, KKD, K1, OK, etc.,		
Pit or Below-grade Tank Application 🔲 o			A Salamana A Salama	
Pit type Depth to Groundw	vater Distance from nearest fresh w	vater well Dist	ance from nearest sur	face water
Pit Liner Thickness: mil		· · · · · · · · · · · · · · · · · · ·	onstruction Material	
-				Data
12. Check A	Appropriate Box to Indicate N	fature of Notice,	Report of Other	Data
NOTICE OF I	INTENTION TO:	SUB	SEQUENT RE	PORT OF:
PERFORM REMEDIAL WORK				ALTERING CASING
TEMPORARILY ABANDON	CHANGE PLANS	COMMENCE DRI	LLING OPNS.	P AND A
Pull or alter casing	MULTIPLE COMPL	CASING/CEMENT	T JOB 🔲	
OTHER: INTENT TO ADD F	PERFS IN GRAYBURG	OTHER:	•	
OTTER. INTERVIOLED	EN ON CIVIDONS	OTTIET.		
	pleted operations. (Clearly state all			
	ork). SEE RULE 1103. For Multip	ole Completions: At	tach wellbore diagi	am of proposed completion
or recompletion.			- 15	٠,
CHEVRON MIDCONTINENT	Γ, L.P. INTENDS TO ADD PERFS	IN THE GRAVEIT	RG & FRAC STIM	пп ате
	, E.I. IIVIENDS TO ADD TERRIS	IN THE GRATEO	KO & TRĄC BIII.	W.
THE INTENDED PROCEDUR	RE, AND CURRENT AND PROPO	SED WELLBORE	DIAGRAMS ARE	ATTACHED FOR YOUR
APPROVAL.			`.	enter [®]
				235
			equate f	
			i7	_9″ - 3\
			,	6.3
			5	
				V
			· New York	
			Sec. 1	12.07.63
71 1				
I hereby certify that the information grade tank has been/will be constructed or	. above is true and complete to the b r closed according to NMOCD guidelines [est of my knowledg	e and belief. I furth	er certify that any pit or below-
	udaylar)	□, a general per init □	or an (attached) after	iative OCD-approved plan
SIGNATURE X MISE	TIT	TLE REGULATOR	RY SPECIALIST	DATE 8-30-2006
Type or print name DENISE PINI	KERTON E-mail address: leake	id@chevron.com	Telephone No 4	32-687-7375
TITLE REGULATORY SPECIALIST DATE 8-30-2006 Type or print name DENISE PINKERTON E-mail address: leakejd@chevron.com Telephone No. 432 682-7375 For State Use Only APPROVED BY: DATE SEP 0 5 2006 Conditions of Approval (if adv):				
	. I decress. Icake		WATAFF MAN	Wor
M	1 / 1 \ \	D REPRESENTAT	WE WATAFF MAN	000 0 % 200A
APPROVED BY: Lary (Conditions of Approval (if App):	Wink TOPEFIE	LO REPRESENTAT	YE WATAFF MAN	

L. G. Warlick # 1
Penrose Skelly Field
T21S, R37E, Section 19
Job: Add Perfs In Grayburg Formation, Acidize, And Frac

Procedure:

- 1. 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.
- 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 LD rods and pump. Remove WH. Install BOP's and test to 1000 psi. POH LD 2 1/16" tbg string.
- 3. PU and GIH with 4 ¾" MT bit and 2 7/8" work string to top of fish in 5 ½" csg at 5760'. If fill is tagged above 5700', MI & RU air unit and clean out to 5760' using foam. Circulate well clean from 5760' using foam. POH with work string and bit. LD bit.
- 4. PU and GIH with 5 ½" sqz packer and RBP on 2 7/8" work string to 5500'. Set RBP at 5500'. PUH and set pkr at 3950'. Pressure test RBP and casing fr/ 3950-5500' to 2000 psi. Pour 3 sacks 20/40 mesh sand down tbg and let fall on top of RBP. Release pkr. POH with 2 7/8" work string and pkr. LD pkr.
- 5. MI & RU Baker Atlas electric line unit. Install lubricator and test to 2000 psi. GIH and conduct GR/Compensated Neutron/CCL log from 5480' up to 2200'. POH. Note: Fax log to Mike Howell (687-7871) for correlation and picking perfs. GIH and conduct GR/CBL/CCL from 5480' up to 100' above top of cement. Run log with with 0 psi on casing. POH. Inspect logs for good cement bond from approximately 4100' up to 3400'. If bond does not appear to be good across proposed completion interval, discuss with Engineering before proceeding. GIH with 3 1/8" slick casing guns and perforate from 3658-63', 3670-76', 3687-97', 3714-20', 3724-30', 3736-46', 3749-56', 3765-70', 3778-88', 3808-18', 3824-32', 3837-44', 3850-60', 3868-78', 3892-3902', 3906-10', 3912-20', 3936-44', and 3957-65' with 4 JSPF at 120 degree phasing, using 23 gram premium charges. POH. RD & release electric line unit. Note: Use Lane Wells GR/Neutron Log dated 9/14/1950 for depth correlation. Also, exact perf depths will change after obtaining new GR/Compensated Neutron Log.
- 6. PU and GIH w/ 5 ½" PPI pkr (with 12' element spacing) and SCV on 2 7/8" work string to approximately 3650'. Test tbg to 5500 psi while GIH.
- 7. MI & RU DS Services. Acidize perfs 3658-3965' with 3,800 gals anti-sludge 15% HCl acid * at a maximum rate as shown below and a maximum surface pressure of 3500 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
3957-65'	200 gals	½ BPM	3956-68'
3936-44'	200 gals	½ BPM	3935-47'
3912-20'	200 gals	½ BPM	3911-23'
3906-10'	200 gals	½ BPM	3899-11'
3892-3902'	200 gals	½ BPM	3891-3903'
3868-78'	200 gals	½ BPM	3867-79'
3850-60'	200 gals	½ BPM	3849-61'
3837-44'	200 gals	½ BPM	3835-47'
3824-32'	200 gals	½ BPM	3822-34'
3808-18'	200 gals	½ BPM	3807-19'
3778-88'	200 gals	½ BPM	3777-89'
3765-70'	200 gals	½ BPM	3760-72'
3749-56'	200 gals	½ BPM	3748-60'
3736-46'	200 gals	½ BPM	3735-47'
3724-30'	200 gals	⅓ BPM	3721-33'
3714-20'	200 gals	½ BPM	3710-22'
3687-97'	200 gals	½ BPM	3686-98'
3670-76'	200 gals	½ BPM	3668-80'
3658-63'	200 gals	½ BPM	3655-67'

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

- 8. Release PPI pkr and PUH to approximately 3625'. 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. Note: 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 ½" Lok-Set pkr & On-Off tool w/ 2.25" "F" profile and 117 jts. of 3 ½" EUE 8R L-80 work string, testing to 8500 psi. Set pkr at approximately 3550'. 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). Frac well down 3 ½" tubing at 40 BPM with 88,000 gals of YF125, 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 regular sand 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 at 6 BPM

Pump 1,000 gals 2% KCL water spacer at 20 BPM

Pump 14,000 gals YF125 pad containing 5 GPT J451 Fluid Loss Additive at 40 BPM

Pump 14,000 gals YF125 containing 0.5 PPG 16/30 mesh Jordan Sand & 5 GPT J451 FL Additive

Pump 12,000 gals YF125 containing 1.5 PPG 16/30 mesh Jordan Sand

Pump 12,000 gals YF125 containing 2.5 PPG 16/30 mesh Jordan Sand

Pump 14,000 gals YF125 containing 3.5 PPG 16/30 mesh Jordan Sand

Pump 16,000 gals YF125 containing 4.5 PPG 16/30 mesh Jordan Sand

Pump 6,000 gals YF125 containing 5 PPG resin-coated 16/30 mesh CR1630 proppant.

Flush to 3550' with 1,297 gals WF125. **Do not overflush.** Shut well in. Record ISIP, 5, 10, and 15 minute SI tbg pressures. SWI. RD & Release DS Services and Tracer-Tech Services. **Leave well SI overnight.**

- 12. Open well. Bleed pressure from well, if any. Release pkr. POH LD 3 ½" work string, on-off tool, and pkr.
- 13. PU and GIH with 4 3/4" MT bit on 2 7/8" work string to approximately 4200'. Reverse circulate well clean from 4200' using 8.6 PPG cut brine water, 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 3550'. Set pkr at 3550'. 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 2000 psi. GIH and conduct after-frac PRISM GR/Temp/CCL log from 4200' up to 3300'. 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 with 2 7/8" work string and pkr. LD work string and packer.
- 16. PU and GIH w/ Centrilift sub pump assembly, drain sub, 2 7/8" x 6' tbg sub, SN, and 121 jts 2 7/8" EUE 8R J-55 tbg, testing to 5000 psi. Suspend tbg with bottom of sub pump assembly at approximately 3808'.
- 17. Remove BOP's and install WH. RD & release workover unit.

18. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

AMH 8/23/2006



