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 10,199
Instructions on bac
Submit to Appropriate District Offic
State Lease - 6 Copie
Fee Lease - 5 Copie
☐ AMENDED REPORT

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

| 1 Operator Name and Address | 2 OGRID Number |
|---|---|
| CHEVRON USA INC<br>15 SMITH RD, MIDLAND, TX 79705 | 4323 |
| | 3 API Number<br>30-025-06792 |

| 4 Property Code | 5 Property Name | 6 Well No. |
|---|---|---|
| 30030 | S.J. SARKEYS 26 | 2 |

### 7 Surface Location

| Ul or lot no. | Section | Township | Range | Lot.Idn | Feet From The | North/South Line | Feet From The | East/West Line | County |
|---|---|---|---|---|---|---|---|---|---|
| D | 26 | 21S | 37E | | 660 | NORTH | 660 | WEST | LEA |

### 8 Proposed Bottom Hole Location If Different From Surface

| Ul 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 | 10 Proposed Pool 2 |
|---|---|
| PENROSE SKELLY GRAYBURG | |

| 11 Work Type Code | 12 WellType Code | 13 Rotary or C.T. | 14 Lease Type Code | 15 Ground Level Elevation |
|---|---|---|---|---|
| P | O | | P | 3395' GL |
| **16 Multiple** | **17 Proposed Depth** | **18 Formation** | **19 Contractor** | **20 Spud Date** |
| No | 6603' | GRAYBURG | | |

### 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 zoneand proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

CHEVRON U.S.A. INC. INTENDS TO RECOMPLETE THE SUBJECT WELL FROM THE BLINEBRY FIELD TO THE PENROSE SKELLY GRAYBURG RESERVOIR. A PIT WILL NOT BE USED FOR THIS PLUGBACK. A STEEL FRAC TANK WILL BE UTILIZED.

THE INTENDED PROCEDURE, CURRENT AND PROPOSED WELLBORE DIAGRAMS, AND TBG LANDING DETAILS ARE ATTACHED FOR YOUR APPROVAL.

Permit Expires 1 Year From Approval
Date Unless ~~Drilling~~ Underway
Plugback

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 9/12/2006 Telephone 432-687-7375

**OIL CONSERVATION DIVISION**

Approved By: Chris Williams DISTRICT I SUPERVISOR/DISTRICT MANAGER

Title: OC DISTRICT SUPERVISOR/DISTRICT MANAGER

Approval Date: SEP 18 2006 Expiration Date:

Conditions of Approval: Attached ☐

DeSoto/Nichols 3-94 ver 1.10

SJ Sarkey 26 #2 9/8/2006
API #30-025-06792
660' FNL & 660' FWL
S26, T21S, R37E, Unit D
Penrose Skelly
Lea County, New Mexico

**PROCEDURE**

**Use 8.6 ppg brine water.**

1. ***This procedure is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland well files and computer databases as of 9/8/2006. Verify what is in the hole with the wellfile in the Eunice NM office. Discuss w/ WEO Engineer, Workover Rep, OS, ALS, and pumper prior to RU regarding any unknown issues pertaining to this well.***

2. Displace flowline w/ fresh water. Have Field Specialist close valve at header. Pressure test line according to type. All polypipe (SDR7 and SDR11) will be tested to 100 psi. All steel lines will be tested to 500 psi. If a leak is found, contact Donnie Ives for repair/replacement. If tests good, bleed off pressure and open valve at header. Document this process in the morning report.

3. MIRU Key PU & RU. ND WH. POOH w/ rods & pump (see Tbg Detail). Install BOP's & EPA equipment. Test BOP when possible. Release TAC and POOH w/ 2-3/8" tbg. LD and send in rods and tbg for inspection.

4. RIH w/ 4-3/4" bit on 2-7/8" WS to 5900'. POOH.

5. MIRU WL. RIH w/ 5-1/2" 10K composite plug and set @ 5450'. Load and test casing and composite plug to 750 psi. PU & run GR/CPNL/CCL log from 5450' to surface (we will not tie this log back to anything). Fax log to engineer for perf picking. RIH w/ CBL/CCL log and run from 5450' to 100' above cement top tied back to CPNL log just ran. Check cement bond quality across completion interval. RD WL. **If cement bond does not look adequate, discuss squeezing options with engineer. Cement bond is not expected to be adequate.**

6. Squeeze/circulate cement as needed.

7. MIRU WL. Perforate picked intervals with 3-1/8" slick guns loaded w/ 4 JSPF, 120 degree phasing and 23 gram charges tied back to CPNL ran in previous step. RD Baker Atlas WL.

8. RIH w/ 5-1/2" PPI packer w/ SCV (element spacing will depend on perfs picked). Test 2-7/8" WS to 4500 psi while RIH. Test PPI packer in blank pipe. Mark settings.

9. MIRU DS. Acidize perfs w/ 4,800 gals 15% NEFE HCl acid at a max rate of ½ BPM & 4000 psi surface pressure as directed after perfs are picked:

Displace acid w/ 8.6# brine to top perf. Record ISIP, 5, and 10 SIP. RD DS. **If communication occurs during treatment, attempt to put away stage without exceeding 1000 psi csg pressure. If stage can not be completed move to next and combine stage volumes.**

**10.** SI well for 2 hrs for acid to spend. Release PPI & PU above top perf. RU swab and swab back load before SION if possible. Record volumes, pressures, & fluid levels. Discuss results with Engineering. If excessive water is produced, selectively swab perf intervals as discussed w/ engineer.

11. POOH w/ PPI and LD. RIH w/ 5-1/2" frac pkr w/ on/off tool and profile on 3-1/2" frac string testing to 8,500 psi. Set Pkr @ +/- 3600'. Install frac head. Pressure test BS to 500 psi. Hold 500 psi on BS during frac job and observe for communication.

**12.** MI & RU DS Services. Frac well down 3 ½" frac string at **40 BPM** with 88,000 gals of YF125ST, 176,000 lbs. 16/30 mesh Jordan Sand, and 30,000 lbs **resin-coated** 16/30 mesh CR1630 proppant. Tag frac using two isotopes (1st in main sand stages, and 2nd in resin coat stage). Observe a maximum surface treating pressure of **8500 psi**. 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 at **20 BPM**
Pump 14,000 gals YF125ST pad containing 5 GPT J451 Fluid Loss Additive at **40 BPM**
Pump 14,000 gals YF125ST containing 0.5 PPG 16/30 mesh Jordan Sand & 5 GPT J451 FL Additive
Pump 12,000 gals YF125ST containing 1.5 PPG 16/30 mesh Jordan Sand
Pump 12,000 gals YF125ST containing 2.5 PPG 16/30 mesh Jordan Sand
Pump 14,000 gals YF125ST containing 3.5 PPG 16/30 mesh Jordan Sand
Pump 16,000 gals YF125ST containing 4.5 PPG 16/30 mesh Jordan Sand
Pump 6,000 gals YF125ST containing 5 PPG **resin-coated** 16/30 mesh CR1630 proppant.

Flush to top perf with WF125. **Do not overflush.** Shut well in. Record ISIP, 5, 10, and 15 minute SI tbg pressures. SWI. RD & Release DS Services. **Leave well SI overnight for resin to heal.**

**13.** Open well and bleed off any pressure. Release packers and POOH. RIH w/ 4-3/4" bit to 4000'. POOH & LD bit. RIH w/ 5-1/2" pkr w/ on/off tool and profile. Set pkr @ +/- 3600'. RU swab and swab well checking for sand inflow. Discuss results w/ engineer. RD swab.

**14.** MIRU Logging Truck and conduct after Frac Log across completion interval. RD Logging truck.

**15.** MIRU pump truck. Pump down tbg w/ 50 bbls 8.6 PPG cut brine water containing 110 gals Baker RE-4777 Scale Inhibitor followed by 200 bbls 8.6 PPG cut brine water @ 5 BPM & 2500 psi max pressure. RD pump truck. POOH & LD WS & PPI pkr.

**16.** RIH w/ 2-7/8" production tbg & hang off as per ALS recommendation. NDBOP NUWH. RIH w/ rods and pump as per ALS.

17. RD Key PU & RU. Turn well over to production. Contact Lease Operator and inform them that the well is ready for operation.

Engineer - Keith Lopez
432-687-7120 Office
432-631-3281 Cell
432-661-6156 Home

Well: **S J Sarkeys #2**

Reservoir: **Blinebry**

**Location:**
660' FNL 660' FWL
Section: 26 Unit D
Township: 21S
Range: 37E
County: LEA, NM.

**Elevations:**
GL: 3395'
DF:
KB: 8'

# Current
## Wellbore Diagram

**Well ID Info:**
Refno: FA7889
API No: 3002506792
L5/L6: UCU466000
Spud Date:
Compl. Date:

**Surf. Csg:**
**Size** 13 3/8
**Weight** 36#
**Set: @** 290'
**With:** 300 sxs
**Hole Size:** 17 1/4
**Circ:** Yes
**TOC @** Cir by Calc

**Int. Csg:**
**Size** 8 5/8
**Weight** 32#
**Set: @** 2799'
**With:** 1400 sxs
**Hole Size:** 11"
**Circ:** ?
**TOC @** Circ by Calc

TOC calc @ 4234'
60% fillup

Blinebry

| Perfs: | Status |
|---|---|
| 5519'-5558' | Open |
| 5742'-5822' | Open |

CIBP @6310' capped w/35' Cmt

Baker Model D @ 6320'

**Prod. Csg:**
**Size** 5 1/2
**Weight** 17#
**Set @** 6559'
**With:** 500 sxs
**Hole Size:** 7 7/8"
**Circ:** ?
**TOC @**

CIBP @6520' capped w/15' Cmt

Drinkard

| Perfs | Status |
|---|---|
| 6416'-6480' | Below CIBP |
| 6532'-6554' | Below CIBP |

**Updated:** 4-Sep-06
**By:** LOPK

4 3/4 OH
6559'-6603'

**PBTD:** 6275'
**TD:** 6603'

Well: **S J Sarkeys #2** Penrose Skelly Reservoir: **Grayburg**

**Location:**
660' FNL 660' FWL
Section: 26 Unit D
Township: 21S
Range: 37E
County: LEA, NM.

**Elevations:**
GL: 3395'
DF:
KB: 8'

# Proposed
## Wellbore Diagram

**Well ID Info:**
Refno: FA7889
API No: 3002506792
L5/L6: UCU466000
Spud Date:
Compl. Date:

**Surf. Csg:**
**Size** 13 3/8
**Weight** 36#
**Set: @** 290'
**With:** 300 sxs
**Hole Size:** 17 1/4
**Circ:** Yes
**TOC @** Cir by Calc

**Int. Csg:**
**Size** 8 5/8
**Weight** 32#
**Set: @** 2799'
**With:** 1400 sxs
**Hole Size:** 11"
**Circ:** ?
**TOC @** Circ by Calc

Grayburg
**Perfs:** **Status**
3700'-3950' Open

Blinebry
**Perfs:** **Status**
5519'-5558' Open
5742'-5822' Open

Drinkard
**Perfs** **Status**
6416'-6480' Below CIBP
6532'-6554' Below CIBP

Composite Plug @ 5450'

CIBP @6310' capped w/35' Cmt

Baker Model D @ 6320'

CIBP @6520' capped w/15' Cmt

4 3/4 OH
6559'-6603'

**Prod. Csg:**
**Size** 5 1/2
**Weight** 17#
**Set @** 6559'
**With:** 500 sxs
**Hole Size:** 7 7/8"
**Circ:** ?
**TOC @**

**Updated:** 4-Sep-06
**By:** LOPK

**PBTD:** 6275'
**TD:** 6603'

# Tubing Landing Details

| Tubing Detail | | | | | | |
|---|---|---|---|---|---|---|
| Jts. | Description | Ref. # | O.D. | I.D. | Length | Depth |
| | Original KB to Tubing Head Flange | | | | | 0.00 |
| 169 | 2 3/8 4.7# 8rd J55 | | | | 5466.00 | 0.00 |
| | TAC 5 1/2 X 2 3/8 | | | | 2.78 | 5466.00 |
| 12 | 2 3/8 4.7# 8rd J55 | | | | 388.71 | 5468.78 |
| 1 | 2 3/8 4.7# 8rd J55 IPC | | | | 30.70 | 5857.49 |
| | SN | | | | 1.10 | 5888.19 |
| | Perf Sub | | | | 4.10 | 5889.29 |
| | 2 3/8 MA | | | | 31.33 | 5893.39 |
| | | | | | | 5924.72 |
| | Rod Detail | | | | | |
| 1 | 1 1/4 Polish Rod w/ 1 1/2 X 9' Liner | | | | 22.00 | 22.00 |
| 234 | 3/4" Sucker Rods Grade D | | | | 5850.00 | 5872.00 |
| | Insert Pump (20-125-RHBC-16-2) | | | | | |
| | Gas Anchor 1" X 12' | | | | | |

| Physical Inventory | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Ref. # | To Location | Cond. | Rec. Doc. | Installed in Well | Cond. | Balance | Cond. | ELP - 400 |
| | | | | | | | | |

**CASING/LINER CEMENT DETAILS:**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| CEMENT CO.: | | CMT PMP RATES: | | EST. TOC: | | | | |
| RETURNS ON JOB? | | HOLE SIZE: | | CSG RECIPROCATED: | | | | |
| SPACER TYPE & VOL. | | PLUG BUMPED? | | | | | | |
| CASING SET @ TVD: | | SPACER TYPE & VOL: | | | | | | |
| **CEMENT** | **SACKS** | **TYPE** | **ADDITIVES** | **YIELD** | **PMP TIME** | **COMP STR @12** | **WL** | **WT PPG** |
| LEAD: | | | | | | | | |
| TAIL: | | | | | | | | |
| **REMARKS:** | | | | | | | | |

| | | | | | |
|---|---|---|---|---|---|
| Details: | String: | WBS: | | Page: | 1 OF 1 |
| Rep: Bobby McCurry | Field: Blinebry | Lease: S J Sarkey | Well #: #2 | Date: | 5/21/2003 |

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 Offic
State Lease - 4 Copie
Fee Lease - 3 Copie
☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

| 1 API Number | 2 Pool Code | 3 Pool Name |
|---|---|---|
| 30-025-06792 | 50350 | PENROSE SKELLY GRAYBURG |

| 4 Property Code | 5 Property Name | 6 Well No. |
|---|---|---|
| 30030 | S.J. SARKEYS 26 | 2 |

| 7 OGRID Number | 8 Operator Name | 9 Elevation |
|---|---|---|
| 4323 | CHEVRON USA INC | 3395' |

### 10 Surface Location

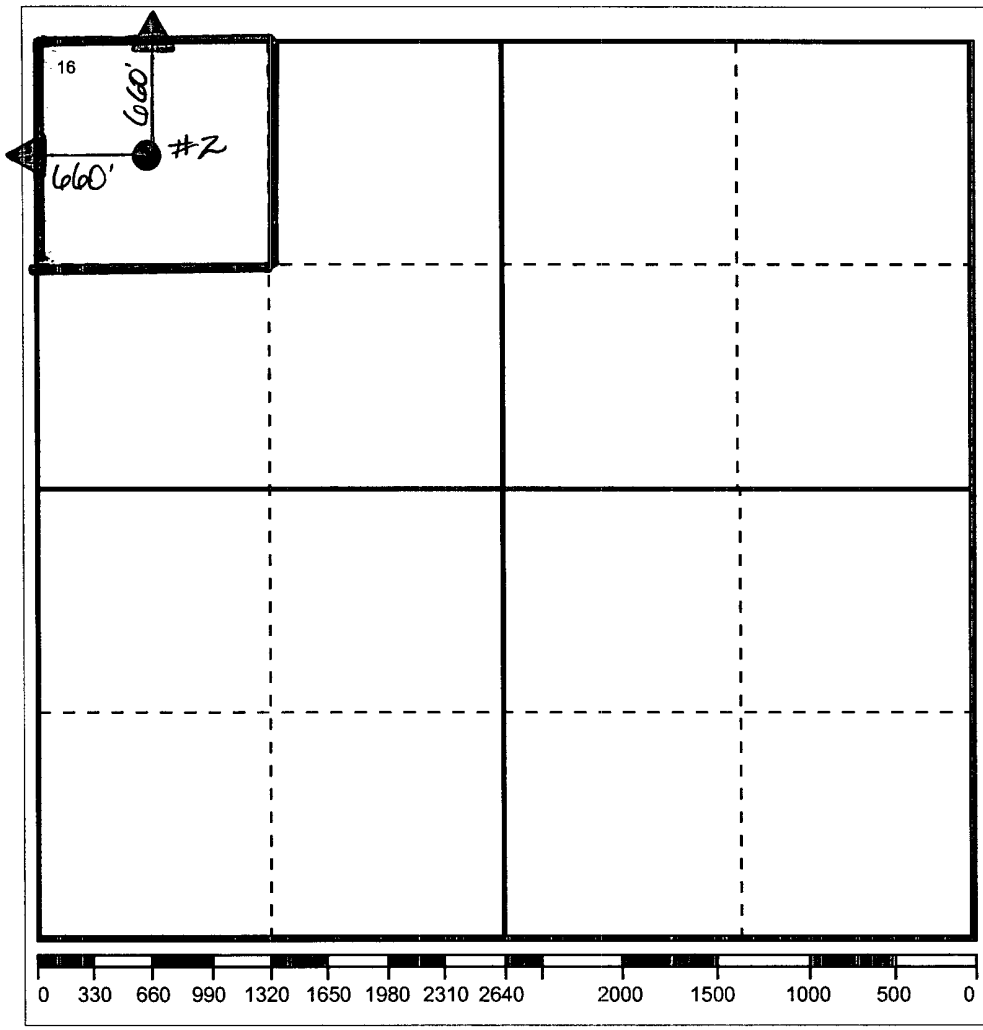
| Ul or lot no | Section | Township | Range | Lot.Idn | Feet From The | North/South Line | Feet From The | East/West Line | County |
|---|---|---|---|---|---|---|---|---|---|
| D | 26 | 21-S | 37-E | | 660' | NORTH | 660' | WEST | LEA |

### 11 Bottom Hole Location If Different From Surface

| Ul or lot no. | Section | Township | Range | Lot.Idn | Feet From The | North/South Line | Feet From The | East/West Line | County |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | |

| 12 Dedicated Acre | 13 Joint or Infill | 14 Consolidation Code | 15 Order No. |
|---|---|---|---|
| 40 | 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: Denise Pinkerton

Printed Name: Denise Pinkerton

Positio: Regulatory Specialist

Date: 9/12/2006

**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.

DeSoto/Nichols 3/94 ver 1.10