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. 30-025-32339

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: NEW MEXICO 'O' STATE NCT-1

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

2. Name of Operator: CHEVRON USA INC

8. Well No. 36

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

9. Pool Name or Wildcat: VACUUM BLINEBRY

4. Well Location

Unit Letter N : 330 Feet From The SOUTH Line and 2210 Feet From The WEST Line

Section 36 Township 17S Range 34E NMPM LEA COUNTY

10. Elevation (Show whether DF, RKB, RT,GR, etc.) 3995' GL, 4009' KB

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:		INTENT TO ADD 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 ADD PERFS IN THE BLINEBRY RESERVOIR IN THE SUBJECT WELL.

THE INTENDED PROCEDURE IS ATTACHED FOR YOUR APPROVAL.

Received
SEP 2006

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 9/29/2006

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

(This space for State Use)

APPROVED Gary W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE SEP 02 2006

CONDITIONS OF APPROVAL, IF ANY:

DeSoto/Nichols 12-93 ver 1.0

9/28/2006

NM O State NCT 1 #36

Procedure

1. MIRU PU and RU.
2. 9/27/2006- Attempted to pull pump and pump was stuck.
3. Attempting to backoff rods and recover as many rods as possible.
4. Installed BOP.
5. Attempting to release TAC @ 6353' and TOH w/ tbg.
6. If tbg is stuck, conduct free point and determine a chemical cut point.
7. If the tbg is stuck, transfer operations to the WEO group for chemically cutting tbg.
8. RU wireline services and chemically cut tbg at free point.
9. TIH w/ jars on 2 7/8" workstring and attempt to jar cut tbg out of hole.
10. Note if there is scale, etc on the tbg and pump and notify Denise Wann and Baker Chemical. Anticipating there is scale, we will acidize and scale squeeze.
11. TIH w/ 4 ¾" bit on 2 7/8" workstring to PBTD ~8050' or at least to bottom perf at 7762'. TOH.
12. TIH w/ Sonic Hammer Tool on 2 7/8" workstring. Water wash perforations from 6412'-7762' going in the hole.
13. Acid wash perforations 7762'- 6412' coming out of the hole w/ 7500 gals 15% HCL.
14. TDH and scale squeeze thru the Sonic Hammer Tool w/ 2 drum squeeze as per Baker Chemical recommendation.
15. Shut in overnight.
16. Drop bar and swab back load as possible.
17. TOH w/ Sonic Hammer Tool and 2 7/8" workstring.
18. TIH w/ 5 ½" RBP on 2 7/8" workstring and set RBP ~6400'. (current perf at 6412').
19. MIRU Wireline Services. Run GR/CCL from RBP to ~3500'. Tie into Halliburton Spectral Density Dual Spaced Neutron dated 2/26/1994 and perf as follows w/ 2 SPF, 120 degree phased, 70 holes.
    - 6240-44', 6260'-64', 6283'-87', 6318'-22', 6336'-40', 6350'-54', 6372'-76'
20. TIH w/ 5 ½" PPI packers w/ 12' element spacing and spot control value on 2 7/8" workstring.
21. Test 2 7/8" tbg to 5000# while going in the hole.
22. RU stimulation services and acidize perforations as follows w/ 4000 gals 15% HCL at a max rate shown below and max surface treating pressure of 4000#. Spot acid across perforation at beginning of each stage and let soak to lower breakdown pressure and prevent communications.
    Pump job as follows:

Interval		Amount Ac	PPI setting	Max Rate
• 6240-44	4'	500 gals	PPI 6236-6648	1 BPM
• 6260-64	4'	500 gals	PPI 6256-6568	1 BPM
• 6283-87	4'	500 gals	PPI 6279-6591	1BPM
• 6318-22	4'	500 gals	PPI 6314-6326	1 BPM
• 6336-40	4'	500 gals	PPI 6332-6344	1 BPM
• 6350-54	4'	500 gals	PPI 6346-6358	1 BPM
• 6372-76	4'	500 gals	PPI 6368-6380	1 BPM

23. Displace acid w/ 8.6# cut brine water, do not over displace. Use a SCV to control displacement fluid. Record ISIP, 5, 10, 15 min SIP's. RD and release Stimulation Services. Note: Pickle tbg in 1st run w/ 500 gals acid prior to acidizing perfs.
24. If communication occurs during treatment of any interval, monitor casing pressure and attempt to complete state w/o exceeding 800# csg pressure. If cannot, move PPI to next setting depth and combine treatment volumes of the intervals.
25. Release PPI and TUH w/ PPI packers to ~6180'. Swab back all intervals together. Recover 100% of treatment and load volumes if possible before SI overnight.
26. Report recovered fluid volumes, pressure and swabbing fluid levels.
27. Open well.
28. RU pump truck and scale squeeze w/ 50 bbls 8.6# cut brine water containing 2 drums Baker Chemical scale inhibitor followed by ~200 bbls of 8.6# cut brine water at 5 BPM and 2500 PSI max pressure. RD and release pump truck.
29. Release PPI packers and TOH w/ 2 7/8" workstring and PPI packers.
30. TIH w/ retrieving head on 2 7/8" workstring and retrieve RBP ~ 6400'. TOH.
31. TIH w/ production equipment as per Bobby Hill recommendation.

Denise Wann