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. 30-025-32805

5. Indicate Type of Lease STATE ☑ FEE ☐

6. State Oil / Gas Lease No. B-1113-1

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: CENTRAL VACUUM UNIT

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

2. Name of Operator: CHEVRON USA INC

8. Well No. 200

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

9. Pool Name or Wildcat: VACUUM GRAYBURG SAN ANDRES

4. Well Location

Unit Letter C : 1236 Feet From The NORTH Line and 1875 Feet From The WEST Line

Section 6 Township 18-S Range 35-E NMPM LEA COUNTY

10. Elevation (Show whether DF, RKB, RT,GR, etc.) 3975' 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: REPAIR & RETURN TO INJECTION	☑			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 PULL THE SUBJECT WELL, REPAIR AS NEEDED, AND RETURN TO INJECTION. THE WELL FAILED A MIT. IT IS ALSO RECOMMENDED THAT ADDITIONAL PERFORATIONS BE ADDED IN THE LOWER SAN ANDRES TO SUPPORT OFFSET PRODUCER, AND ACID STIMULATE THE PERFORATIONS.

THE INTENDED PROCEDURE AND WELLBORE DIAGRAM IS 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 10/10/2006

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

(This space for State Use)

APPROVED Gary W. Wink OC FIELD REPRESENTATIVE II/STAFF MANAGER OCT 12 2006

CONDITIONS OF APPROVAL, IF ANY: TITLE DATE

DeSoto/Nichols 12-93 ver 1.0

9/7/2006

CVU #200 injector

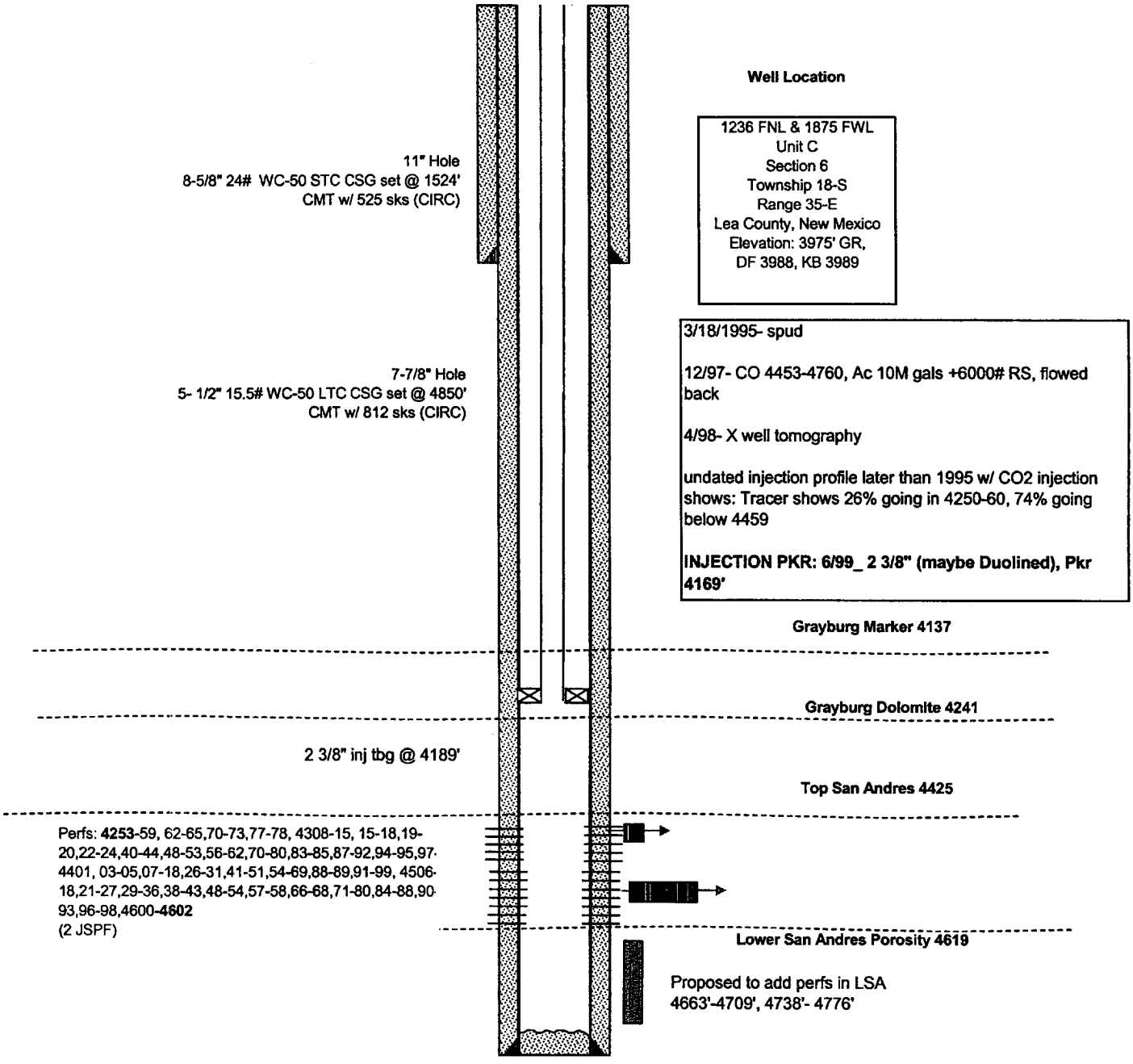
Failed MIT on CO2 injector_ Could be pkr problem, HIT, or csg leak.

Procedure

1. Notify **Larry Ridenour** to set up injection profile to be run ~ 2 weeks after completion of this workover.
2. Verify what equipment is in the hole with the well file in Buckeye NM office. Discuss w/ OS, ALR and pumpers prior to RU regarding any unknown issues about this well. (Records indicated 2 3/8" injection tbg (maybe Duoline) w/ pkr @ 4169')
3. MIRU PU and RU. Set frac tanks.
4. Pump 2 3/8" tbg capacity w/ 10# brine to determine kill weight needed. Kill well as necessary.
5. Release injection packer.
6. TOH w/ 2 3/8" injection tbg and packer. Note if see HIT or packer problem. {if have to replace inj tbg, will utilized same size inj tbg} (note any scale, etc and report to Denise Wann ASAP)
7. TIH/ 4 ¾" bit and scrapper on 2 7/8" workstring.
8. Clean out to 4786' (PBTD).
9. TIH w/ 5 ½" RBP and packer on 2 7/8" workstring. Test csg to 500#. Isolate casing leak and establish rate and pressure into leak. TOH.
   - Set 5 ½" RBP ~4150' or as needed on 2 7/8" workstring and top RBP w/10' sand. TOH.
   - TIH w/ 5 ½" cement retainer on 2 7/8" workstring and set as need.
   - RU DS and cement squeeze as needed per DS recommendation.
   - TIH/ 4 ¾" bit, DC's on 2 7/8" workstring.
   - Drill out cement and test squeeze. Resqueeze if needed.
   - Drill and clean out to 4786'.
10. RU Wireline Services. TIH w/ 3 1/8" perforating gun and perforate 2 spf, 120 degree phasing with Premium charges as per Engr and Geologist recommendation.
    - 4663'-4709' 46' 94 holes
    - 4738'-4776' 38' 78 holes
11. MIRU Stimulation Services and Sonic Hammer Services.
12. TIH w/ Sonic Hammer on 2 7/8" workstring. Water wash perforations going in the hole using 8.6 # cut brine ~500 bbls from 4253'-4776'. (If calcium sulfate scale is seen, will utilize SH to pump sulfate convertor.) Acidize wash perforations 4776'-4253' coming out of hole w/ 5000 gals 15% HCL (Utilize ~2000 gals across bottom, newly opened interval 4663-4776' and 3000 gals across interval 4253'-4602') (Max pressure 500# on the casing during treatment) {NOTE: if unable to pump into perforations and casing pressure exceeds 500#, will pull SH Tool and RU to pump acid + rock salt under packer.}
13. Drop bar and swab back load as possible. TOH.
14. TIH w/ 5 ½" injection packer and 2 3/8" injection tbg ~4160' as per Bobby Hill. recommendation.
15. Return well to injection.

Denise Wann

CVU #200
API No. 30-025-32805



PBTD = 4786'
TD = 4850'

JDW 8/31/2006