

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.	30-025-34945
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	STATE 'BA'
8. Well No.	15
9. Pool Name or Wildcat	VACUUM ABO, NORTH

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 PERMIT (FORM C-101) FOR SUCH PROPOSALS.	
1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator	CHEVRON USA INC
3. Address of Operator	15 SMITH RD, MIDLAND, TX 79705
4. Well Location	Unit Letter <u>C</u> : <u>612</u> Feet From The <u>NORTH</u> Line and <u>2135</u> Feet From The <u>WEST</u> Line Section <u>36</u> Township <u>17S</u> Range <u>34E</u> NMPM <u>LEA</u> COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	4000'

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

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	COMMENCE DRILLING OPERATION <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>
OTHER: RUN CBL, DETERMINE TOC, SQZ, CMT <input checked="" type="checkbox"/>	OTHER: <input type="checkbox"/>

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.

TO OBTAIN APPROVAL FOR THE C-108 (AUTHORIZATION TO INJECT) IN THE NEW DRILL CENTRAL VACUUM UNIT #342, IT IS NECESSARY TO VERIFY THAT THERE IS CEMENT ACROSS THE GRAYBURG SAN ANDRES IN WELLS WITHIN A 1/2 MILE RADIUS. THE SUBJECT WELL IS WITHIN THE 1/2 MILE RADIUS & IT IS QUESTIONABLE IF THERE IS CEMENT ACROSS THE G/SA. IT IS RECOMMENDED THAT A CBL BE RUN TO DETERMINE THE TOC & IF NECESSARY THAT SQZ HOLES BE PERFORATED IN THE 5 1/2" CSG & CEMENTED TO OBTAIN CEMENT ACROSS THE G/SA.

THE INTENDED PROCEDURE & WELLBORE DIAGRAM 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 10/16/2006

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

(This space for State Use)

APPROVED Chris Williams TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE OCT 18 2006

CONDITIONS OF APPROVAL, IF ANY:

10/10/2006

State BA #15H

Note:

Because this well is within ½ mile radius of the CVU #342, it is necessary to verify there is cement across the Grayburg San Andres interval to obtain approval to inject into the CVU #342. There are no temperature surveys or CBL's available to confirm TOC in the State BA #15H.

Based on lift pressure from the cementing job on the 5 ½", it is highly possible the cement has been tied into the Intermediate String but this can not be confirmed without a CBL. To protect the State BA #15H production casing and to obtain C108 approval for the CVU #342, a CBL will be run in the State BA #15H.

Procedure

1. MIRU PU and RU.
2. TOH w/ rods and pump.
3. Install BOP.
4. TOH w/ 2 7/8" L80 production tbg.
 - Note if find any scale, paraffin, etc.
 - May need to CO deeper if find scale, etc.
5. TIH/ 4 ¾" bit on 2 7/8" L80 production tbg to ~9060'. TOH.
6. TIH w/ 5 ½" RBP and 5 ½" packer on 2 7/8" L80 production tbg. Set RBP ~9000' and test RBP. Load and test casing to 500#. TOH.
7. RU wireline services.
8. TIH to run CBL/CCL/GR from 9000' to TOC or ~3600'. (Intermediate shoe @ 3725')
9. Notify Denise Wann ASAP on the TOC.
10. If TOC is below 3900', it will be necessary to perf 5 ½" casing ~ 50' above TOC and squeeze to tie cement into Intermediate Shoe @ 3725'.
 - TIH w/ 3 1/8" gun and perf 5 ½" as needed w/ 4 hole over 1' interval. TOH.
 - Dump sand down casing to spot ~10' sand on 5 ½" RBP in prep for cmt sq.
 - TIH w/ 5 ½" packer on 2 7/8" workstring, picking up workstring. Set packer above sq holes.
 - Establish rate and pressure into sq holes.
 - TIH w/ 5 ½" cement retainer on 2 7/8" workstring. Load backside.
 - Cement squeeze as per conditions and Service Company recommendation.
 - DO as needed and test squeeze.
 - Re-squeeze if needed and test.
 - TIH w/ 2 7/8" workstring to wash sand off RBP and retrieve RBP. TOH.
11. TIH w/ production equipment as per Bobby Hill recommendation.

Denise Wann

**CURRENT
WELLBORE DIAGRAM**

State BA #15H

LOCATION

State	New Mexico
County	Lea
Surface Location	612 FNL 2135 FWL Sec 36, T17S, R34E

WELL ID INFORMATION

Lease Name	State BA #15.H
Field	Vacuum Abo
Reservoir	Abo
Ref #	BY7834
API #	30-025-34945

CASING DETAIL

Surface Csg.	
Size:	11-3/4"
Wt.:	42# WC-40
Set @:	1514'
Sxs cmt:	830sx class "C"
TOC:	Surface
Hole Size:	14-3/4"
Intermediate Csg.	
Size:	8-5/8"
Wt.:	32#
Set @:	3725'
Sxs Cmt:	1930sx class "H"
TOC:	
Hole Size:	11"
Production Csg.	
Size:	5-1/2"
Wt.:	17#
Set @:	10,498
Sxs Cmt:	1215 sx class "H"
	Stage 1- 700 sxs
	CL H 50/50 POZ
	Stage 2- 515 sxs
	CL H 35/65 POZ
TOC:	
Hole Size:	7-7/8"

KB:	4017
DF:	
GL:	4005
Spud Date:	4/21/2000
Compl. Date:	7/16/2000

11/04- CO lateral with foam air unit to 10,590'. Ac lateral with 3000 gals 20% HCL. CO CIBP's and CO to 10,399'. Ac perfs 9278'-10,192' w/ SH and 9700 gals and sc sq.
OPT 34 bo, 128 mcf, 59 bwpd

8/2/05- added perf 9216-20, 9202-06, 9157-61, 9143-47, 9130-34, 9067-71 4" gun 2 spf 120 degree.
Set CIBP 9260' to test Abo alone.

3/06- DO CIBP @9260', CO to 10,335'.
DHC again in Abo, Wolfcamp, Penn

2 7/8" L80 EOT 10,282', TAC 8910'

Abo Lateral (4-3/4" open hole)

Window:	9086' - 9092'
Measured Depth:	10,592'
Vertical Section:	1500'
BHL:	1797 FNL 2225 FEL Sec 36 T-17S R-34E

Ac lateral 60,000 gals 20%

EOT 10,282'

Original PB 10,399'

TD: 10498'

Abo
9067-71

Abo
9130-34, 9143-47, 9157-61, 9202-06, 9216-20

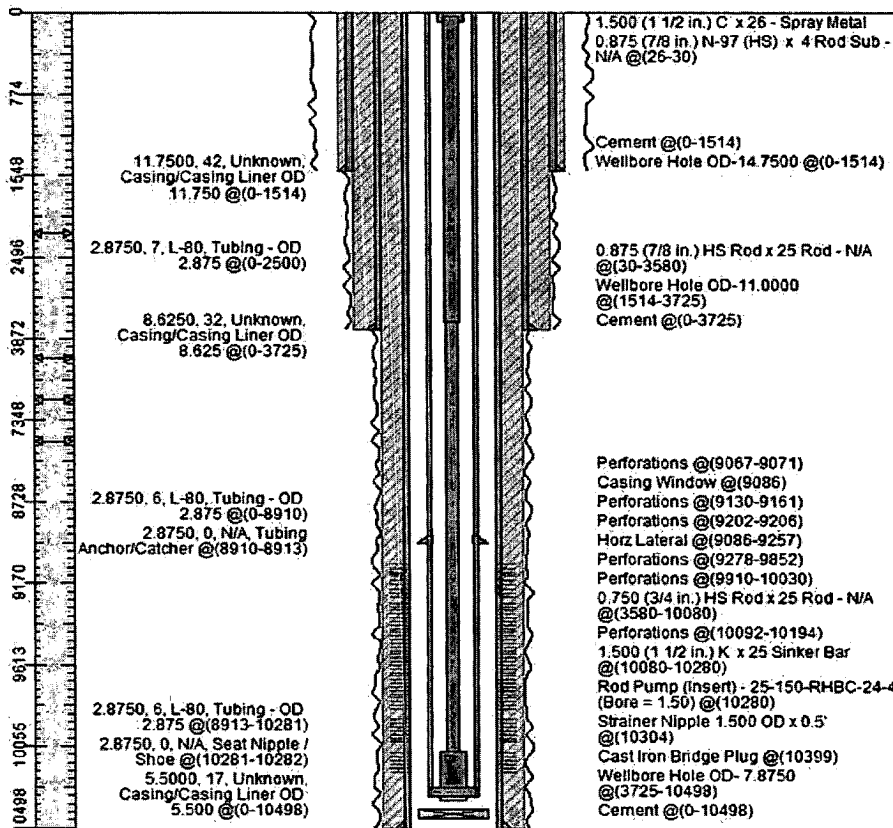
Upper Wolfcamp
9278-90, 9336-46, 50-80, 9390-9402, 9410-20, 9482-9500, 9522-32
9646-50, 60-64, 9700-9714, 26-44, 9790-9800, 9846-52
(2 spf) (9500 gals 15% 9646-9852)
(9500 gals 15% 9278-9532)

Lower Wolfcamp
9910-68, 10016-10030 (ac 10,000 gals 15%)
(4 spf)

Upper Penn
10092-10100, 10122-36, 44-94 (spot 500 gals 15%)
(4spf)

302' net

UPDATED BY: JDW
DATE: 9/28/2005



Pump set