

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.

30-025-25212

5. Indicate Type of Lease

STATE ☐

FEE ☒

6. State Oil / Gas Lease No.

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.

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

2. Name of Operator
CHEVRON USA INC

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

4. Well Location
Unit Letter C : 977 Feet From The NORTH Line and 2236 Feet From The WEST Line
Section 28 Township 21-S Range 37-E NMPM LEA COUNTY

10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3452' GL

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐
OTHER: DEEPEN TO OIL ZONE & CONVERT TO INJ ☒

SUBSEQUENT REPORT OF:

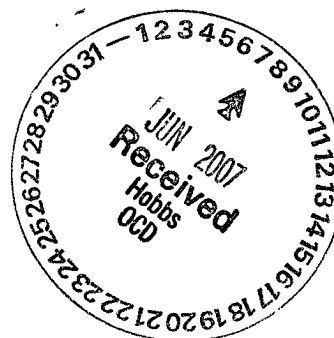
REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPERATION ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER ☐

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 DEEPEN THE SUBJECT GAS WELL TO THE DRINKARD OIL ONE @ 6628' AND COMPLETE AS AN INJECTOR TO PROVIDE WATER FLOOD SUPPORT TO THE CDU #434 (NEW DRILL), #112H, & #103.

A PIT WILL NOT BE USED FOR THIS DEEPENING.

THE INTENDED PROCEDURE, AND CURRENT AND PROPOSED WELLBORE DIAGRAMS 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 6/5/2007

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
CONDITIONS OF APPROVAL, IF ANY:

DATE

JUN 20 2007

CDU #409

04/06/2007

Drinkard Oil

T21S, R37E, Section 28

977' FNL & 2236' FWL

Job: Squeeze Drinkard Gas Perfs, Deepen, and Convert to Injector

Procedure:

1. *This procedure is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of 4/06/2007. Verify what is in the hole with the well file in the Eunice Field office. Discuss w/ WEO Engineer, Workover Rep, OS, ALS, and FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.*
2. 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.
3. 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. Remove WH. Install BOP's and test as required. POH and LD 2-3/8" tbg.
4. PU and GIH with 4 3/4" MT bit, and 2-7/8" WS to PBTD of 6500', using air unit if necessary. Circulate well clean from 6513'. POH with WS, and bit. LD bit.
5. PU and GIH w/ 5-1/2" packer on 2-7/8" WS to 6260'. Set packer @ 6260'. Load and test backside to 500#. Establish rate and pressure into Drinkard-Gas Zone perfs 6359'-6420'. TOH w/ packer and WS. LD pkr.
6. TIH w/ 5-1/2" cement retainer on 2-7/8" WS to 6260'. Set retainer @ 6260'.
7. MIRU DS. Cement squeeze Drinkard-Gas perfs (6356'-6420') w/ ~200 sacks or as rate and pressure information dictates. (DS recommendation) RD DS. TOH w/ 2-7/8" WS.
8. PU and GIH w/ 4-3/4" MT bit, 10 – 3-1/2" DC's, and 2-7/8" WS to 6260'. Drill out cement, and test cement squeeze to 500 psi, and re-squeeze if necessary.
9. Continue to drill well deeper to 6520'; TOH w/ MT bit. PU and GIH w/ insert bit. Drill to new TD @ 6628'. Circulate well clean from 6628'. TOH w/ WS, DC's, and bit. LD bit and DC's.
10. RU WL and run GR/CCL/ CNL from 5700'-6628' (*or minimum log footage – which ever is greater*). TOH. RD WL.

11. RIH w/ 5-1/2" packer to 6460'. Set packer @ 6460' w/ 3 jts. of tail pipe on bottom to 6580'. Load and test BS to 300 psi. Check for communications between squeezed perfs and open hole.
12. MIRU DS acid truck. Hold 300 psi on backside. Attempt to pump into open-hole. Pump 3,000 gals 15% at a max rate of 3.5 BPM and max treating pressure of 3,500 psi. **(report any communication problems with squeezed perfs to engineering)**
13. RD DS acid truck. RU swab and swab well as time permits. Report swab volumes to engineer. RD swab.
14. Release pkr and TOH w/ pkr. POOH and LD pkr.
15. TIH w/ 5-1/2" pkr on 3-1/2" WS. Test tubing to 8000 psi while going in hole. Install frac head. Set packer @ 6300'. Load backside with 2% KCL and pressure to 500#. **Maintain pressure on the backside to insure squeezed Drinkard-Gas perforations are holding.**
16. MI & RU DS Services. Frac well down 3-1/2" WS at **35 BPM** with 5,390 gals WF125; 27,000 gals WF 125T; 37,500 lbs. 20/40 mesh Jordan Sand as per DS recommendation. Observe a maximum surface treating pressure of **7500 psi**.

Do not overflush. Shut well in. Record ISIP, 5, 10, and 15 minute SI tbg pressures. RD & Release DS Services. **Leave well SI overnight.**

17. Open well. Bleed pressure from well, if any. Release pkr. POH LD 3-1/2" work string, on-off tool, and pkr. LD 3-1/2" WS.
18. PU and GIH with 4 3/4" MT bit on 2-7/8" WS. Tag for fill and clean out to 6628', using air unit if necessary. POH with 2-7/8" WS and bit. LD bit. TIH w/ pkr and test squeeze perfs to 300#.
19. TIH w/ new 5-1/2" injection packer with on-off tool w/ profile nipple, on new 2-3/8" tbg to 6300'. Set injection pkr @ 6500' if possible. (If squeezed Drinkard-Gas perfs don't hold, set pkr above perfs. Will need to call NMOCD to get permission to set above 100' min.)
20. Chart backside for NMOCD. Start injecting and report rate and pressure.

Engineer – Richard Jenkins

432-687-7120 Office

432-631-3281 Cell

Formation: Drinkard Gas**Location:**

977' FNL & 2,226' FWL, Sec28, T-21S, R-37E

Unit Letter: C**Field:** Drinkard**County:** Lea**State:** NM**Area:** Hobbs**Well: CDU #409****Well Info:****Comp. Date:** 3/31/1976**Spud Date:****API:** EO8482**RefNO:** BP3676**Current
Wellbore Diagram****Elevations****KB:** 11'**GL:** 3452'**DF:****Completion data:**

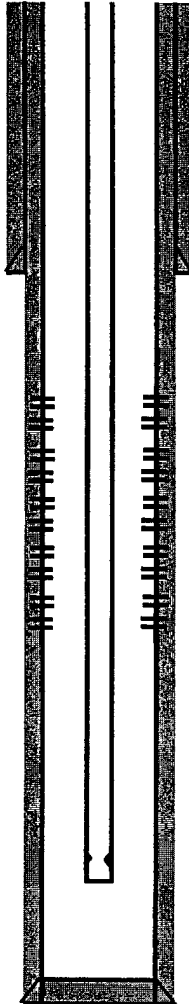
Perfs 6359'-61', 6373'-75', 6393'-95'

Aczd w/ 1800 gals 15% HCL in 3 stages

Frac w/ 4000 gal GBW followed by 14000 gals GB
w/ 1-1/2" - 2# SPG 20/40 sd.**Subsequent Workover or Reconditioning:**

7/02 CO to 6490'. Ran GR/CCL/CNL logs from 6490'
to 5800'. Perf w/4 JHPF: 6356'-64', 6366'-70', 6373'-
75', 6380'-84', 6393'-95', 6402'-06', 6416'-6420'. Set
Pkr @ 6262', acdz w/1500 gals 20% HCL & 375 gals
methanol disp w/50,000 SCF of N2. SN @ 6372, EOT
@ 6384'.

This wellbore diagram is based on the most
recent information regarding wellbore
configuration and equipment that could be
found in the Midland Office well files and
computer databases as of the update date
below. Verify what is in the hole with the
well file in the Eunice Field Office. Discuss
w/ WED Engineer, WO Rep, OS, ALS, & FS prior
to rigging up on well regarding any hazards or
unknown issues pertaining to the well.

**PBTD:** 6500'
TD: 6513'**Surface Casing****Size:** 8-5/8"**Set @:** 1250'**With:** 550 sx. cmt.**TOC:** Surface**Grade:** K-55**Wt.** 24 #**Perfs**

6359'-61'

6356'-64'

6366'-70'

6373'-75'

6373'-75'

6380'-84'

6393'-95'

6393'-95'

6402'-06'

6416'-20'

Status

Drinkard Gas - Open

Drinkard Gas - Open

Drinkard Gas - Open

Drinkard Gas - Open

Drinkard Gas - Open

Drinkard Gas - Open

Drinkard Gas - Open

Drinkard Gas - Open

Drinkard Gas - Open

Drinkard Gas - Open

Tbg Detail 7-02

203 jts 2-3/8" Yellow band; 2-3/8" SN

notched collar @ 6372

EOT @ 6384

Production Casing**Size:** 5-1/2"**Set @:** 6512'**With:** 760 sx. cmt.**TOC:** Surface**Grade:** K-55**Wt.** 15.5#**Updated:** 9-Apr-07**By:** rjdg

Formation: Drinkard Oil**Location:**

977' FNL & 2,235' FWL, Sec28, T-21S, R-37E

Unit Letter: C**Field:** Drinkard**County:** Lea**State:** NM**Area:** Hobbs**Well: CDU #409****Well Info:****Comp. Date:** 3/31/1976**Spud Date:****API:** EO8482**RefNO:** BP3676**Type:** Injector**Proposed**
Wellbore Diagram**Elevations****KB:** 11'**GL:** 3452'**DF:****Completion data:**

Perfs 6359'-61', 6373'-75', 6393'-95'

Aczd w/ 1800 gals 15% HCL in 3 stages

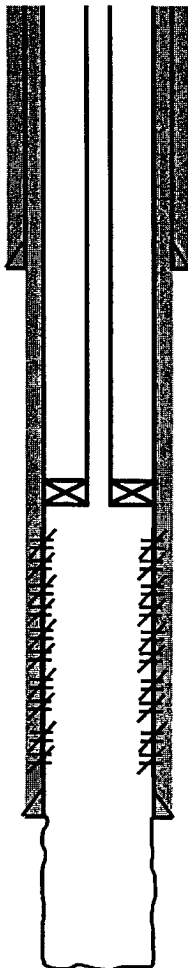
Frac w/ 4000 gal GBW followed by 14000 gals GB

w/ 1-1/2 - 2# SPG 20/40 sd.

Subsequent Workover or Reconditioning:

7/02 CO to 6490'. Ran GR/CCL/CNL logs from 6490' to 5800'. Perf w/4 JHPF: 6356'-64', 6366'-70', 6373'-75', 6380'-84', 6393'-95', 6402'-06', 6416'-6420'. Set Pkr @ 6262', acdz w/1500 gals 20% HCL & 375 gals methanol disp w/50,000 SCF of N2. SN @ 6372, EOT @ 6384'.

This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of the update date below. Verify what is in the hole with the well file in the Eunice Field Office. Discuss w/ WEO Engineer, WO Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

**Surface Casing****Size:** 8-5/8"**Set @:** 1250'**With:** 550 sx. cmt.**TOC:** Surface**Grade:** K-55**Wt.** 24 #**Production Casing****Size:** 5-1/2"**Set @:** 6512'**With:** 760 sx. cmt.**TOC:** Surface**Grade:** K-55**Wt.** 15.5#**Perfs****Status**

6359'-61'	Drinkard Gas - Squeezed
6356'-64'	Drinkard Gas - Squeezed
6366'-70'	Drinkard Gas - Squeezed
6373'-75'	Drinkard Gas - Squeezed
6373'-75'	Drinkard Gas - Squeezed
6380'-84'	Drinkard Gas - Squeezed
6393'-95'	Drinkard Gas - Squeezed
6393'-95'	Drinkard Gas - Squeezed
6402'-06'	Drinkard Gas - Squeezed
6416'-20'	Drinkard Gas - Squeezed

Open Hole: 6512'-6628'**Updated:** 9-Apr-07**By:** rjdg**PBTD:** 6628'**TD:** 6628'