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. 30-025-24584

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.

7. Lease Name or Unit Agreement Name: MARK

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

2. Name of Operator: CHEVRON USA INC

8. Well No. 9

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

9. Pool Name or Wildcat: PENROSE SKELLY GRAYBURG

4. Well Location

Unit Letter G : 2172' Feet From The NORTH Line and 1972' Feet From The EAST Line

Section 3 Township 22-S Range 37-E NMPM LEA COUNTY

10. Elevation (Show whether DF, RKB, RT,GR, etc.) 3393' GL

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: ADD PERFS, ACIDIZE & FRAC	☑			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. INTENDS TO ADD PERFS, ACIDIZE & FRAC THE EXISTING GRAYBURG INTERVAL.

THE SUBJECT WELL IS CURRENTLY A GRAYBURG PRODUCER THAT HAS BEEN PRODUCING AT LOW RATES, AND APPEARS TO HAVE MORE POTENTIAL TO INCREASE RESERVES.

THE INTENDED PROCEDURE AND WELL BORE DIAGRAM IS ATTACHED FOR YOUR APPROVAL.

OCT 2003 RECEIVED Hobbs OCD

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Denise Leake TITLE Regulatory Specialist DATE 10/8/2003

TYPE OR PRINT NAME Denise Leake Telephone No. 915-687-7375

(This space for State Use)

APPROVED Gary W. Wink TITLE DISTRICT SUPERVISOR/GENERAL MANAGER DATE OCT 16 2003

CONDITIONS OF APPROVAL, IF ANY:

DeSoto/Nichols 12-93 ver 1.0

Mark #9
Add Perfs, Acidize, & Frac Existing Grayburg Interval

API No.: 30-025-24584
Section: 3 **Township: 22S** **Range: 37E**
Surface Location: 2172' FNL & 1972' FEL
Status: Producing - Rods

WBS No.:	**UWPNM-R3103-EXP**	**$140,170**
	UWPNM-R3103-CAP	**$ 25,832**
	Total	**$166,002**

PROCEDURE

1. Displace flowline w/ fresh water. Have the Field Specialist close valve at header. Pressure line according to type. AGU, EMSU, and EMSUB buried fiberglass lines will be tested to 300 psi. 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 Larry Williams for repair/replacement. If test is good, bleed off pressure and open valve at header. Document this process in the morning report.

2. MIRU rig. Bleed pressure from well, if any. Use 8.6 ppg brine to kill well if needed. POOH w/ rods and pump. ND wellhead. NU BOPE and EPA Equipment. Test BOPE. RIH w/ tubing to confirm or deny possible fish in hole. One report showed a 2' perf'd sub & a 31' MAJ with the top @ 3770'. POOH w/ 2-3/8" tubing.

3. If fish is found, RIH w/ tools to recover fish. Once fish is recovered (or not found), RIH with 4¾" bit to 3915'. Clean out if necessary. POOH w/ WS and bit. LD bit.

4. MIRU Baker Atlas. Run GR/CBL/CCL log from TD up to 2000'. Tie into Gamma-Collar Perforation Log (Wellex) dated 12/27/73. Check logs for good cement bonding from approximately 3900' up to 3400'. If bond does not appear to be good across the proposed completion interval, contact Engineering to discuss cement squeezing options.

5. Perforate the following with 3-1/8" slick guns loaded with 4 JSPF, 120 degree charges: (cont'd on next page)

Top Depth	Bottom Depth	Total Footage	# Holes
3664	3670	6	24
3678	3683	5	20
3695	3701	6	24
3711	3713	2	8
3726	3732	6	24

3740	3743	3	12
3747	3750	3	12
3761	3764	3	12
3768	3772	4	16
3780	3784	4	16
3790	3794	4	16
3802	3806	4	16
3810	3814	4	16
3827	3831	4	16

6. RIH w/ 5½" PPI packer (10' element spacing) and SCV. Test tubing to 5500 psi while RIH.

7. MIRU DS services. Acidize perfs 3664'-3831' with 2800 gals 15% NEFE HCl acid at a maximum rate shown below and maximum surface pressure of **4000** psi. Pump job as follows:

Interval	Acid Vol	Max Rate	PPI Setting
3664-70	200 gal	½ bpm	3662-72
3678-83	200 gal	½ bpm	3676-86
3695-3701	200 gal	½ bpm	3693-3703
3711-13	200 gal	½ bpm	3707-17
3726-32	200 gal	½ bpm	3724-34
3740-43	200 gal	½ bpm	3735-45
3747-50	200 gal	½ bpm	3745-55
3761-64	200 gal	½ bpm	3756-66
3768-72	200 gal	½ bpm	3766-76
3780-84	200 gal	½ bpm	3777-87
3790-94	200 gal	½ bpm	3787-97
3802-06	200 gal	½ bpm	3798-3808
3810-14	200 gal	½ bpm	3808-18
3827-31	200 gal	½ bpm	3824-34

8. Displace acid w/ 8.6 ppg brine water. Record ISIP, 5 and 10 minute SIP's. RD DS services. **If communication occurs during treatment, attempt to finish stage without exceeding 1000 psi casing pressure. If stage cannot be finished, move PPI to next setting & combine treatment volumes.**

9. Release PPI and POOH above top perf. Swab all intervals in well to recover load. Record recovered volumes, pressures, & fluid levels. Discuss results w/ Engineering. **If excessive water is produced, selectively swab perfs as per discussion w/ Engineering.**

10. POOH w/ tubing and PPI packer. RIH w/ 5½" packer, on/off tool w/ 2.25" "F" profile, and 3½" workstring, testing to 7500 psi. Set packer @ +/- 3550'. Install frac head.

11. MIRU DS services. RU chemical company truck and tie into DS line. Pump scale inhibitor (2 drums of SCW358 mixed in 2000 gal 2% KCl). Flush w/ 1000 gal 2% KCl spacer. Frac well at **40** bpm w/ 66000 gals of YF135, 138000 lbs 16/30 mesh Jordan sand, and 30000 lbs resin coated 16/30 CR4000 proppant. Max treating pressure 7400 psi. Pump job as follows:

    Pump 25000 gals YF135 pad containing 5 GPT J451 Fluid Loss Additive
    Pump 5000 gals YF135 containing 1.5 PPG 16/30 mesh Jordan sand
    Pump 6000 gals YF135 containing 2.5 PPG 16/30 mesh Jordan sand
    Pump 7000 gals YF135 containing 3.5 PPG 16/30 mesh Jordan sand
    Pump 8000 gals YF135 containing 4.5 PPG 16/30 mesh Jordan sand
    Pump 10000 gals YF135 containing 5.5 PPG 16/30 mesh Jordan sand
    Pump 5000 gals YF135 containing 6 PPG **resin-coated** 16/30 CR4000

    Flush w/ 1300 gals WF135. **Do not overflush.** Shut well in. Record ISIP, 5, 10, & 15 minute SI tubing pressures. RDMO DS Services. Leave well SI overnight.

12. Open well. RIH and swab well. Check for sand inflow. **Discuss swab results with Engineering.** Release packer and POH w/ workstring. RIH w/ 4¾" bit and cleanout any sand to 3915' using 8.6 ppg brine. POOH w/ bit.

13. RIH w/ production tubing. ND BOPE. NU wellhead. RIH w/ rods & pump. (Art. Lift Rep to design lift system.)

14. RDMO pulling unit. Turn well over to production. Report rates, pressures, and/or fluid levels.

Engineer: Michael R. Villalva
Office: 432-687-7250
Cell: 432-349-4592

CURRENT WELL DATA SHEET

Field: Penrose-Skelly **Well Name:** Mark #9 **Lease Type:** Fee
Location: 2172' FNL & 1972' FEL **Sec:** 3-G **Township:** 22S **Range:** 37E
County: Lea **St:** New Mexico **Refno:** EN7263 **API:** 30-025-24584 **Cost Center:** UCU490200
Current Status: Producing-Rods **Anchor Test Date:**
Current Producing Formation(s): Grayburg
Initial Producing Formation(s): Grayburg

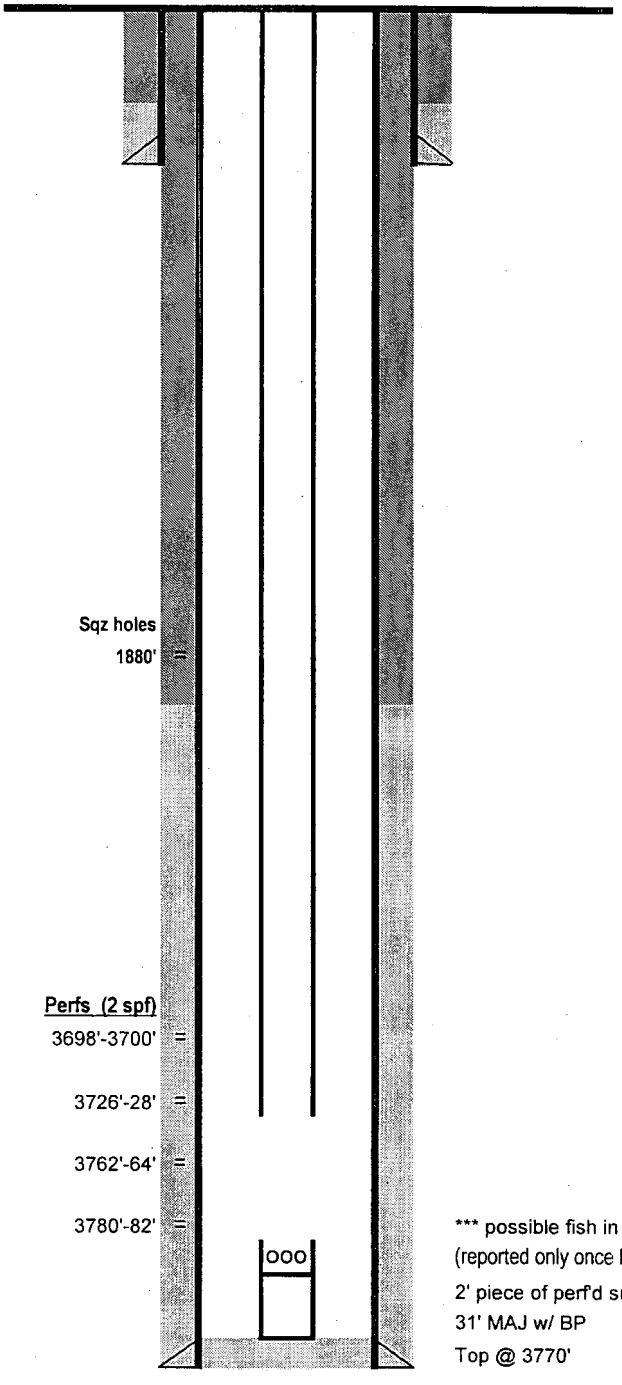
Surface Csg.

Size:	11 3/4"
Wt.:	42#
Set @:	315'
Sxs cmt:	250
Circ:	Yes
TOC:	Surface
Hole Size:	15"

Production Csg.

Size:	5 1/2"	
Wt.:	14#	
Set @:	3947'	
Sxs Cmt:	425	
Circ:	No	
TOC:	1980'	by TS
Hole Size:	7 7/8"	

COTD:	
PBTD:	3915'
TD:	3948'



KB:	3402'
DF:	
GL:	3393'
Spud Date:	12/8/1973
Compl. Date:	12/29/1973

*** possible fish in hole ***
(reported only once Mar-91 -- no other records to confirm/deny)
2' piece of perf'd sub
31' MAJ w/ BP
Top @ 3770'

Yates	2566'
Queen	3310'
Grayburg	3632'

Remarks: Sqz 1880' w/ 700 sxs lite cmt, circ 100 sxs out 11-3/4" to surf, & sqz 100 sxs Cl "C" into formation

Prepared by: MRV
Date: 9/30/2003
Updated by: