

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.	30-025-06844
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	EUNICE KING
8. Well No.	8
9. Pool Name or Wildcat	PENROSE SKELLY GRAYBURG
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3435' GL

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 H : 1980' Feet From The NORTH Line and 660' Feet From The EAST Line
Section 28 Township 21-S Range 37-E NMPM LEA COUNTY

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: ADD GRAYBURG PERFS & ACID STIMULATE ☒

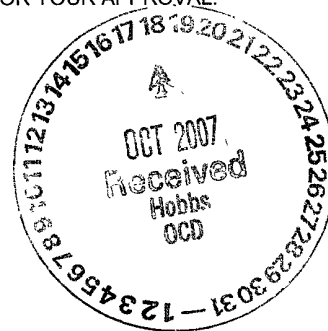
SUBSEQUENT REPORT OF:

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 ADD GRAYBURG PAY & ACID STIMULATE.

THE INTENDED PROCEDURE & 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 10/16/2007

TYPE OR PRINT NAME Denise Pinkerton

Telephone No 432-687-7375

(This space for State Use)

APPROVED Ray W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER

DATE

OCT 16 2007

Eunice King # 8
Penrose Skelly Field
T21S, R37E, Section 28
Job: Add Perfs In Grayburg Formation, Acidize, And Scale Squeeze

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 10/11/2007. 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. POH with rods and pump. Remove WH. Install BOP's and test as required. Release TAC. POH with 2 7/8" tbg string and TAC. LD TAC.
4. PU and GIH with 6 1/4" MT bit and 2 7/8" work string to 4965'. Reverse circulate well clean from 4965' using 8.6 PPG cut brine water. POH with work string and bit. LD bit. **Note: If well will not circulate, MI & RU air unit and cleanout using foam.**
5. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH with 3 3/8" Predator casing guns and perforate from 3670-74', 3851-55', 3886-94', 3898-3902', and 3908-18' with 4 JSPF at 120 degree phasing, using 32 gram premium charges. POH. RD & release electric line unit. **Note: Use casing collars from Baker Atlas GR/CNL/CCL Log dated 6/17/2004 for depth correction.**
6. PU and GIH w/ 7" PPI pkr (with 12' element spacing) and SCV on 2 7/8" work string to approximately 3900'. Test tbg to 5500 psi while GIH.
7. MI & RU DS Services. Acidize perfs 3663-3918' with 5,100 gals anti-sludge 15% HCl acid * at a maximum rate **as shown below** and a maximum surface pressure of **3500 psi**. Spot acid across perfs at beginning of each stage and let soak to lower breakdown pressure and prevent communication. Pump job as follows:

Interval	Amt. Acid	Max Rate	PPI Setting
3908-18'	500 gals	1 BPM	3907-19'
3898-3902'	200 gals	1 BPM	3895-3907'
3886-94'	400 gals	1 BPM	3884-96'

3862-68'	300 gals	1 BPM	3860-72'
3851-55'	200 gals	1 BPM	3848-60'
3837-46'	400 gals	1 BPM	3836-48'
3824-26'	200 gals	1 BPM	3822-34'
3818-20'	200 gals	1 BPM	3811-23'
3804-10'	300 gals	1 BPM	3801-13'
3786-88'	200 gals	1 BPM	3780-92'
3777-79'	200 gals	1 BPM	3772-84'
3765-71'	300 gals	1 BPM	3760-72'
3735-41'	300 gals	1 BPM	3730-42'
3718-22'	200 gals	1 BPM	3715-27'
3700-06'	300 gals	1 BPM	3698-3710'
3688-93'	300 gals	1 BPM	3686-98'
3670-80'	400 gals	1 BPM	3669-81'
3663-65'	200 gals	1 BPM	3655-67'

Displace acid with 8.6 PPG cut brine water -- do not overdisplace. Use a SCV to control displacement fluid. Record ISIP, 5 & 10 minute SIP's. RD and release DS services. **Note:** **Pickle tubing in 1 run of 500 gals acid, prior to acidizing perfs. Pickle acid is to contain only 1/2 gal A264 and 1 gal W53. Also, if communication occurs during treatment of any interval, monitor casing pressure and attempt to complete stage w/o exceeding 1000 psi csg pressure. If cannot, then move PPI to next setting depth and combine treatment volumes of the intervals.**

* Acid system is to contain:	1 GPT A264	Corrosion Inhibitor
	8 GPT L63	Iron Control Agent
	2 PPT A179	Iron Control Aid
	20 GPT U66	Mutual Solvent
	2 GPT W53	Non-Emulsifier

8. Release PPI pkr and PUH to approximately 3600'. Set pkr at 3600'. Fish SCV. Swab back all intervals together. Recover 100% of treatment and load volumes before shutting well in for night, if possible. Report recovered fluid volumes, pressures, and/or swabbing fluid levels.
9. Open well. MI & RU pump truck. Pump down tbg with 50 bbls 8.6 PPG cut brine water containing 110 gals Baker RE-4777 Scale Inhibitor followed by 200 bbls 8.6 PPG cut brine water at **5 BPM** and **2500 psi maximum pressure**. RD and release pump truck. Release PPI pkr. POH with 2 7/8" work string. LD 2 7/8" work string and PPI packer.
10. PU and GIH w/ Cavins dump valve, 2 jts. of 2 7/8" tbg, Cavins Desander, SN, 1 jt 2 7/8" EUE 8R J-55 IPC tbg, 9 jts 2 7/8" EUE 8R J-55 tbg, TAC, and 115 jts 2 7/8" EUE 8R J-55 tbg, testing to 5000 psi. Set TAC at 3625', with EOT at 4035' and SN at 4000'.
11. Remove BOP's and install WH. GIH with rods, weight bars, and pump per ALS recommended design. RD & release workover unit.

12. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

AMH

10/11/2007

Well Eunice King # 8

Field Penrose Skelly

Reservoir Grayburg

Location

1980' FNL & 660' FEL
Section 28
Township 21S
Range 37E
County Lea State NM

Elevations

GL 3435'
KB 3446'
DF 3445'

Current Wellbore Diagram

Well ID Info

Chevno FA7941
API No 30-025-06844
L5/L6 U491600
Spud Date 1/1/48
Compl Date 2/26/48

Surf Csg: 13 3/8", 48#, H-40
Set @ 300' w/ 300 sks
Hole Size: 17 1/4"
Circ: Yes TOC Surface
TOC By Circulated

Interm. Csg: 9 5/8", 36#, H-40
Set @ 2850' w/ 1300 sks
Hole Size: 12 1/4"
Circ No TOC 530'
TOC By Temperature Survey

Tubing Detail:

#Jts.	Size	Footage
	KB Correction	11 00
114	Jts 2 7/8" EUE 8R J-55 Tbg	3585 05
	TAC	2 35
9	Jts 2 7/8" EUE 8R J-55 Tbg	283 34
1	Jt 2 7/8" EUE 8R J-55 IPC Tbg	32 25
	SN	1 10
	2 7/8" x 4" Tbg Sub	4 10
1	Cavins Desander	20 28
2	Jts 2 7/8" EUE 8R J-55 Tbg	63 66
	Dump Valve	0 50
127	Bottom Of String >>	4003 63

CIBP @ 5000'
(35' cmt on top)

CIBP @ 5450'
(35' cmt on top)

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/ WFO Engineer, WFO Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well

CIBP @ 6000'
(35' cmt on top)

CIBP @ 6455'
(11' cmt on top)

COTD 4965'
PBDT 6444'
TD 6627'

Updated: 10/11/07

By: A M Howell

Perfs:	Status
3663-65'	Grayburg - Open
3677-80'	Grayburg - Open
3688-93'	Grayburg - Open
3700-06'	Grayburg - Open
3718-22'	Grayburg - Open
3735-41'	Grayburg - Open
3765-71'	Grayburg - Open
3777-79'	Grayburg - Open
3786-88'	Grayburg - Open
3804-10'	Grayburg - Open
3818-20'	Grayburg - Open
3824-26'	Grayburg - Open
3837-39'	Grayburg - Open
3844-46'	Grayburg - Open
3862-68'	Grayburg - Open

5057-59'	Paddock - Cmt Sqzd
5064-66'	Paddock - Cmt Sqzd
5070-72'	Paddock - Cmt Sqzd
5094-96'	Paddock - Cmt Sqzd
5104-06'	Paddock - Cmt Sqzd
5119-21'	Paddock - Cmt Sqzd
5142-44'	Paddock - Cmt Sqzd
5162-64'	Paddock - Cmt Sqzd
5172-74'	Paddock - Cmt Sqzd
5186-88'	Paddock - Cmt Sqzd
5203-05'	Paddock - Cmt Sqzd
5234-36'	Paddock - Cmt Sqzd
5246-48'	Paddock - Cmt Sqzd
5256-58'	Paddock - Cmt Sqzd

5508'	5626'	Blaineby - Open
5517'	5633'	Blaineby - Open
5526'	5638'	Blaineby - Open
5534'	5643'	Blaineby - Open
5546'	5654'	Blaineby - Open
5553'	5660'	Blaineby - Open
5558'	5672'	Blaineby - Open
5564'	5680'	Blaineby - Open
5573'	5685'	Blaineby - Open
5590'	5694'	Blaineby - Open
5599'	5700'	Blaineby - Open
5612'	5708'	Blaineby - Open
5621'	5712'	Blaineby - Open

5766-68'	Blaineby - Open
5788-90'	Blaineby - Open
5834-36'	Blaineby - Open
5874-76'	Blaineby - Open
5904-06'	Blaineby - Open

6020-22'	Tubb - Open
6063-65'	Tubb - Open
6080-82'	Tubb - Open
6102-04'	Tubb - Open
6116-18'	Tubb - Open
6142-44'	Tubb - Open
6183-85'	Tubb - Open
6210-12'	Tubb - Open
6254-56'	Tubb - Open

Prod. Csg: 7", 23#, J-55
Set @ 6470' w/ 700 sks
Hole Size: 8 3/4"
Circ: No TOC 3001'
TOC By: Temperature Survey

OH 6470-6627' Drinkard - Below CIBP

Well Eunice King # 8

Field Penrose Skelly

Reservoir Grayburg

Location:

1980' FNL & 660' FEL
Section 28
Township 21S
Range 37E
County Lea State NM

Elevations

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KB 3446'
DF 3445'

Proposed Wellbore Diagram

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API No 30-025-06844
L5/L6 U491600
Spud Date 1/1/48
Compl Date 2/26/48

Surf Csg 13 3/8", 48#, H-40

Set: @ 300' w/ 300 sks

Hole Size: 17 1/4"

Circ: Yes TOC: Surface

TOC By: Circulated

Interm. Csg: 9 5/8", 36#, H-40

Set: @ 2850' w/ 1300 sks

Hole Size: 12 1/4"

Circ: No TOC: 530'

TOC By: Temperature Survey

Tubing Detail:

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115	Jts 2 7/8" EUE 8R J-55 Tbg	3616 05
	TAC	2 35
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