

DISTRICT I
P O Box 1980, Hobbs, NM 88241-1980
DISTRICT II
P O Box Drawer DD, Artesia, NM 88211-0719
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
P O Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-101

Revised February 10, 199

Instructions on bac

Submit to Appropriate District Office

State Lease - 6 Copie

Fee Lease - 5 Copie

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address CHEVRON USA INC 15 SMITH RD, MIDLAND, TX 79705		² OGRID Number 4323
⁴ Property Code 2593	⁵ Property Name J N. CARSON 'A'	³ API Number 30-025-06830
		⁶ Well No 1

⁷ Surface Location									
UI or lot no	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
K	28	21-S	37-E		1980'	SOUTH	1980'	WEST	LEA

⁸ Proposed Bottom Hole Location If Different From Surface									
UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
⁹ Proposed Pool 1 PENROSE SKELLY GRAYBURG					¹⁰ Proposed Pool 2				

¹¹ Work Type Code D	¹² WellType Code O	¹³ Rotary or C T	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3452' GL
¹⁶ Multiple No	¹⁷ Proposed Depth 3925'	¹⁸ Formation GRAYBURG	¹⁹ Contractor	²⁰ Spud Date

²¹ Proposed Casing and Cement Program					
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST TOP
NO CHANGE					

²² Describe the proposed program If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone
Describe the blowout prevention program, if any Use additional sheets if necessary

CHEVRON U S A INC INTENDS TO DEEPEN THE SUBJECT TO THE BASE OF THE GRAYBURG FORMATION & ACID STIMULATE

A PIT WILL NOT BE USED FOR THIS DEEPENING

THE INTENDED PROCEDURE & CURRENT & PROPOSED WELLBORE DIAGRAMS ARE ATTACHED FOR YOUR APPROVAL

JAN - 4 2008

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

RECEIVED

HOBBS OCD

²³ I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature Denise Pinkerton		Approved By Chris Williams	
Printed Name Denise Pinkerton		Title OC DISTRICT SUPERVISOR/GENERAL MANAGER	
Title Regulatory Specialist		Approval Date JAN 07 2008	Expiration Date:
Date 1/3/2008	Telephone 432-687-7375	Conditions of Approval Attached <input type="checkbox"/>	

J. N. Carson (NCT-A) # 1

Penrose Skelly Field

T21S, R37E, Section 28

Job: Drill Well Deeper To Base Of Grayburg Formation And Acid Stimulate

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 12/18/2007. 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 to 1000 psi. Release TAC. POH with 2 7/8" production tbg string.
4. PU 4 3/4" MT bit and GIH on 2 7/8" work string to top of fill in wellbore. MI & RU air unit(s). LD and cleanout 4 3/4" open hole to TD at 3867'. Drill well deeper to a new TD of 3925'. Circulate well clean from 3925'.
5. MI & RU DS Services. Pump down tbg and spot 1000 gals anti-sludge 15% HCl acid* from TD up to 2927'. POH with 4 3/4" MT bit and drill string. LD MT bit. PU & GIH with 5 1/2" pkr on 2 7/8" work string to 3500'. Set pkr at 3500'. Pump down tbg and acidize open-hole from 3608-3907' with 5,000 gals (includes spotted acid) anti-sludge 15% HCl acid * at a maximum rate of **5 BPM** and a maximum surface pressure of **2500 psi**. Displace acid with 8.6 PPG cut brine water -- do not overdisplace. Record ISIP, 5 & 10 minute SIP's. RD and release DS services. **Note: It is not necessary to pickle tbg due to low BHP. Also, attempt to keep acid off of sqzd perfs at 1000' and 1250'.**

* 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

6. Open well. GIH and swab back spent fluids. 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.

7. MI & RU pump truck. Pump down tbg with 50 bbls 8.6 PPG cut brine water containing 55 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 pkr. POH with 2 7/8" work string. LD 2 7/8" work string and packer.
8. PU and GIH w/ BP mud anchor jt of 2 7/8" tbg, 2 7/8" x 4' perforated sub, SN, 1 jt 2 7/8" EUE 8R J-55 IPC tbg, 9 jts 2 7/8" EUE 8R J-55 tbg, TAC, and 112 jts 2 7/8" EUE 8R J-55 tbg, testing to 5000 psi. Set TAC at 3500', with EOT at 3840' and SN at 3805'.
9. Remove BOP's and install WH. GIH with rods, weight bars, and pump per ALS recommended design. RD & release workover unit.
10. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

AMH
12/18/2007

Location:
1980' FSL & 1980' FWL
Section 28
Township 21S
Range 37E
County Lea State NM

Elevations:
GL 3452'
KB 3462'
DF 3461'

Blk Sqz Perfs @ 1000'
(Sqzd w/ 150 sks, TOC
at 886' by TS)

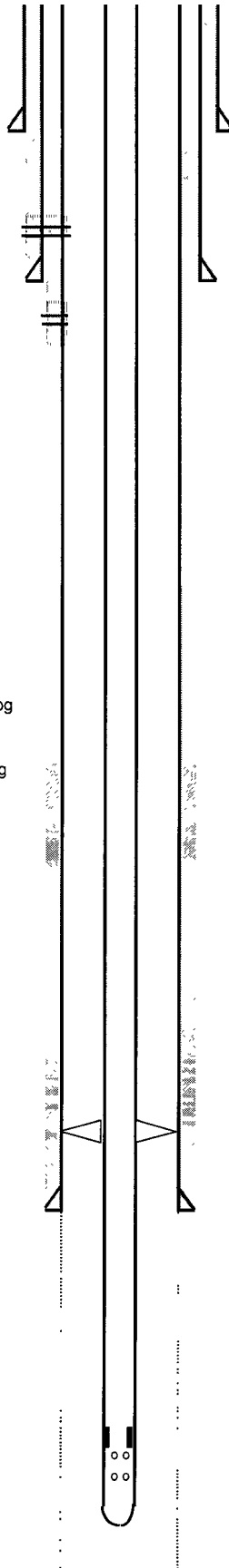
Blk Sqz Perfs @ 1250'
(Sqzd w/ 125 sks, TOC
at 1082' by TS)

Tbg Detail:
BP @ 3840'
1 jt 2 7/8" tbg
2 7/8" x 4' perf sub
SN @ 3806'
1 jt. 2 7/8" EUE 8R J-55 IPC tbg
9 jts 2 7/8" EUE 8R J-55 tbg
TAC @ 3492'
112 jts 2 7/8" EUE 8R J-55 tbg

COTD: 3852'
PBTD: 3867'
TD: 3867'

Updated: 12/18/07

Current
Wellbore Diagram



Well ID Info:
Refno. FA7927
API No 30-025-06830
L5/L6 U491400
Spud Date 3/20/37
Compl Date 4/21/37

Surf. Csg: 13 3/8", 27 8# Armco SS
Set: @ 33' w/ 50 sks
Hole Size: 17"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Interm. Csg: 7 5/8", 22#, SCLW
Set: @ 1204' w/ 600 sks
Hole Size: 9 7/8"
Circ: Yes **TOC:** Surface
TOC By: Circulated

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, W0 Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

Prod. Csg: 5 1/2", 17#, SCLW
Set: @ 3608' w/ 150 sks
Hole Size: 6 3/4"
Circ: No **TOC:** 2700'
TOC By: Calculated

3608-3867' Grayburg - Open Hole

By: A M Howell

Location:

1980' FSL & 1980' FWL
 Section 28
 Township 21S
 Range 37E
 County Lea State NM

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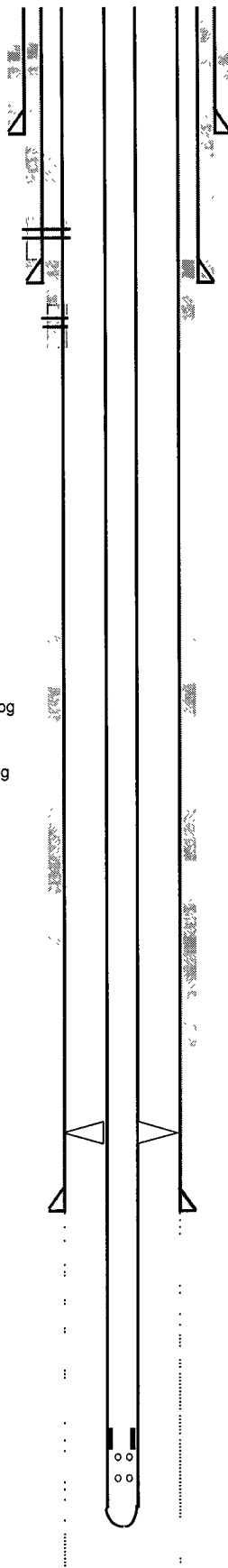
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COTD: 3925'
 PBSD: 3925'
 TD: 3925'

Updated: 12/18/07

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3608-3925' Grayburg - Open Hole

By: A M Howell