

Submit 3 Copies To Appropriate District Office
District I
1625 N French Dr, Hobbs, NM 88240
District II
1301 W Grand Ave, Artesia, NM 88210
District III
1000 Rio Brazos Rd, Aztec, NM 87410
District IV
1220 S St Francis Dr, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-30851
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 VACUUM GRAYBURG SAN ANDRES UNIT
8. Well Number 156
9. OGRID Number 4323
10. Pool name or Wildcat VACUUM GRAYBURG SAN ANDRES

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
CHEVRON U.S.A. INC.

3. Address of Operator
15 SMITH ROAD, MIDLAND, TEXAS 79705

4. Well Location

Unit Letter C: 660 feet from the NORTH line and 1330 feet from the WEST line

Section 1 Township 18-S Range 34-E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3997' GL

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. 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 ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER INTENT TO CLEAN OUT, ADD PERFS & ACIDIZE

OTHER:

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

CHEVRON U.S.A. INC. INTENDS TO CLEAN OUT TO 4900' & ADD TRANSITION ZONE PERFS & ACIDIZE. THIS WORK IS IN PREPARATION FOR THE VGSAU PHASE CO2 EXPANSION.

THE INTENDED PROCEDURE IS ATTACHED FOR YOUR APPROVAL.

RECEIVED

APR 09 2008

HOBBS OCD

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Denise Pinkerton TITLE Regulatory Specialist DATE 04-07-2008

Type or print name Denise Pinkerton E-mail address: leakejd@chevron.com Telephone No. 432-687-7375

For State Use Only

APPROVED BY: Chris Williams OC DISTRICT SUPERVISOR/GENERAL MANAGER TITLE DATE APR 29 2008

Conditions of Approval (if any):

VGSAU 156

Vacuum (Grayburg, San Andres) Field, Lea County NM

API No. 30-025-30851

Procedure to: C/O Perforate and Stim T-Z

- 1 RUPU & RU. Kill well if necessary. Pump 10# BW tbg capacity. Load and Pressure BS to 500#. Note TP and CP. If nec RU WL set Plug in ON/OFF tool and circ well with kill weight fluid as nec. This is a flowing producer.
- 2 ND WH. NU BOP. Rise Pkr & POOH with tbg and Pkr.
- 3 If a leak was detected while testing BS, PU RIH w/ 7" Pkr & RBP. Set RBP above perms @ ~4250' pull 1 joint and set Pkr test RBP to 1000#. Move Pkr to isolate leak, obtaining pmp in rate and Pressure. Contact Remedial Engineer for Sqz procedure.
- 4 TIH w 6 1/8" MT bit, 6 3 1/2" DC on 2 7/8" WS. RU Rvs Unit and C/O fill and cement to a new PBD of 4900'.
Note: The original PBD was 4815'. In March 2005, an obstruction was tagged at 4755' and the hole was cleaned out to 4760' before the bit became stuck in the casing. Circ clean with 10# BW. POOH w/ WS, DCs & bit.
- 5 Rig up wireline truck. Get on depth with the Penwood GR-CCL log if it can be located. Well records show that there is a short joint at 3979' to 3999'. Otherwise pull a GR-CCL log from 4900' to 2900' (or minimum footage) and get on depth with Western Atlas' Compensated Z-Densilog/Compensated Neutron/ Gamma Ray Caliper Log dated 10/19/1990. Perf the following using 3-1/8" guns w/ 2 JSPF @ 120 degree phasing: 4684-90, 4694-4700, 4706-12, 4718-24, 4731-39, 4745-49, 4756-66, 4782-96, 4800-06, 4810-17, 4822-32, 4838-48.
- 6 TIH w/ 7" treating packer on 2-7/8" workstring and set at 4774'.
- 7 MI RU Halliburton to acidize the perforated interval 4782' - 4848' with 1,500 gallons 15% HCL in 1 stage. Shut in on hour and flow back load.
- 8 Release packer and pull up to 4615'. Drop 1500# rock salt. Acidize the perforated interval 4622' to 4848' with 4,500 gallons 15% HCl in three stages with 1500# rock salt between stages. SI 1 hr. Flowback to tank to recover load.
- 9 Release packer and pull up and set at 4150'. Acidize the entire perforated interval 4226' to 4848' w/ 4,500 gallons 15% HCl in three equal stages with 1500# rock salt as a diverter. Shut-in 2 hours and flow back load.
- 10 Kill well with 10 ppg BW. Rise Pkr & POOH with WS and PKR.
- 11 TIH w/ notched collar and circ out rock salt to PBD of 4900'.
- 12 TIH w/ 7" prod Pkr, On/Off tool and pump out plug on 2 7/8" prod tbg. Set pkr as pulled. Get off On/Off tool circ well with 10# packer fluid, latch onto On/Off tool. MIT test BS. Pressure tbg to pump out plug. Pump scale inhibitor per Baker recommendation. Leave well SI overnight.
- 13 Clean location. RDMO PU & RU.
- 14 Turn well over to production department.

LGB 3/27/08

PTB 4/3/08 (modified)

VGSAU #156 Wellbore Diagram

Created: 07/21/03 By: SMG
 Updated: 12/12/07 By: BSPT
 Lease: Vacuum Grayburg San Andres Unit
 Field: Vacuum Grayburg San Andres Unit
 Surf. Loc.: 660' FNL & 1330' FWL
 Bot. Loc.:
 County: Lea St.: NM
 Status: Active Oil Well

Well #: 156 St. Lse: 857948
 API: 30-025-30851
 Unit Ltr.: C Section: 1
 TSHR/Rng: S-18 E-34
 Unit Ltr.: Section:
 TSHR/Rng:
 Directions: Buckeye, NM
 CHEVNO: KX1747

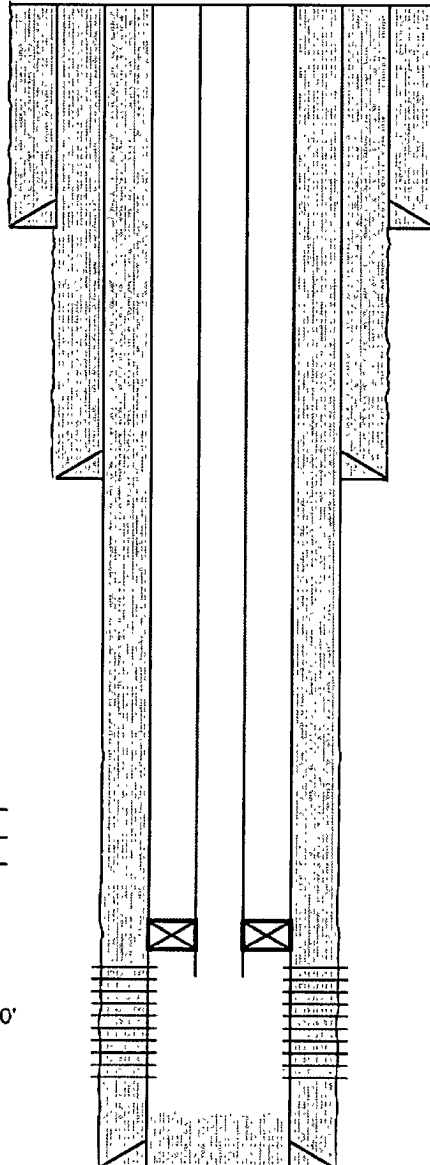
Surface Casing
 Size: 13 3/8"
 Wt., Grd.: 48 & 54.5#
 Depth: 1560'
 Sxs Cmt: 1700
 Circulate: 359 sx
 TOC: Surface
 Hole Size: 17 1/2"

Intermediate Casing
 Size: 9 5/8"
 Wt., Grd.: 36#
 Depth: 2820'
 Sxs Cmt: 1570
 Circulate: 310 sx
 TOC: Surface
 Hole Size: 12 1/4"

Production Casing
 Size: 7"
 Wt., Grd.: 26#
 Depth: 5000'
 Sxs Cmt: 900
 Circulate: 100 sx
 TOC: Surface
 Hole Size: 8 3/4"

Original Perforations
 4226'-4281', 2 JSPF, 42 holes
 4302'-4490', 2 JSPF, 118 holes
 4502'-4680', 2 JSPF, 70 holes

San Andres Perfs:
 4226' - 4680'



KB: 4010'
 DF:
 GL: 3997'
 Ini. Spud: 10/09/90
 Ini. Comp.: 11/03/90

History

11/3/90: Initial Completion: Perf 4502-05, 18-24, 89-94, 4601-35, 72-80 Acidize w/ 4000 gals 15% NEFE. Set RBP @ 4495'
 Perf 4302-10, 16-18, 25-32, 38-43, 60-64, 88-93, 4424-30, 48-54, 63-67, 78-90. Acidize w/ 5300 gals 15% NEFE. Set RBP @ 4292. Perf 4226-34, 58-62, 72-81 Acidize w/ 3300 gals 15% NEFE. Re-acidize w/ 3000 gals.
 1/8/91 - 11/8/94: Several Pump/Rod Failures
 12/17/94-12/22/94: Add Pay. Acid: C/O to 4808'. Perf 4297'-4666', 137', 274 holes. Acid 4226'-4680' w/ 12,420 gals 15% NEFE. SIS.
 2/5/95, Pump Failure
 5/9/95-5/31/95: Rod Part & Upsize pump
 6/7/96: Acidize: Run ESP.
 5/20/97-5/31/97: Frac, C/O to 4779'. Set CIBP @ 4440'. Frac perfs 4226'-4430' w/ 20,000 gals 40# XL, 47,000 # 16/30 Ottawa and 18,000 # 16/30 resin AIR=35 bpm D/O CIBP.
 7/5/01: Change Pump.
 7/7/03-7/8/03: Upgrade Pump.
 12/18-24/2003: Acid: Pump 1500 gals xylene, 6000 gals 15% HCl acid w/ 4000 # RS. 1st block 600 psi inc, 2nd block 515 psi inc AIR= 4 5 bpm, SIS. C/O rocksalt RWTP.
 12/04, Acidize & Convert to Flow Mill to 4770'. Pump 3000 gals DAD acid in 1 stage SIS.
 3/3/05 - 3/14/05: Convert to Sub- Stim: Worked bit to 4760'. TOH. Set pkr @ 4175'. Pump 3000 gals DAD acid w/ 2000# RS. Run Sub Pump w/ Shroud.
 3/13/2006: Convert to Flow

PBTD: 4,770
 TD: 5,000