

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
*Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.*

5 Lease Serial No
LC 032650B

6 If Indian, Allottee or Tribe Name
N/A

SUBMIT IN TRIPLICATE - Other instructions on page 2

1 Type of Well

☒ Oil Well ☒ Gas Well ☐ Other

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

3a Address
15 SMITH ROAD, MIDLAND, TEXAS 79705

3b Phone No (include area code)
432-687-7375

4 Location of Well (Footage, Sec., T, R, M., or Survey Description)
1650' FSL & 1650' FWL, SEC 24, UL K, T-25-S, R-37-E

7 If Unit of CA/Agreement, Name and/or No
N/A

8 Well Name and No
COATES GLORIETA FEDERAL COM #1 *****

9 API Well No
30-025-21428

10 Field and Pool or Exploratory Area
LANGLIE MATTIX 7 RVR QN GRAYBURG

11 Country or Parish, State
LEA, NEW MEXICO

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

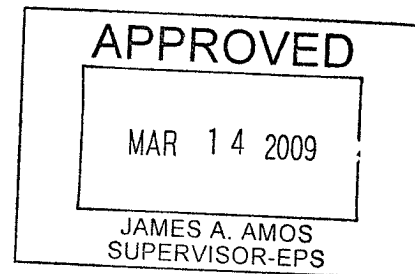
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other INTENT TO
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	RECOMPLICATE TO
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	GRAYBURG

13 Describe Proposed or Completed Operation. Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

CHEVRON U.S.A. INC. INTENDS TO REMOVE THE SUBJECT WELL FROM THE CURRENT COM AGREEMENT & PLUG IT BACK TO THE GRAYBURG.
*****AFTER COMPLETION, THE WELL NAME WILL BE CHANGED TO A.B. COATES FEDERAL C #27.

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

RECEIVED
MAR 18 2009
HOBBSOCD



* Return well to prod. within 90 days.

14 I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
DENISE PINKERTON

Title REGULATORY SPECIALIST

Signature

Date 03/05/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

PETROLEUM ENGINEER

MAR 23 2009

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

A.B. Coates C #27
(formerly Coates Glorieta Federal Com #1)
Langlie Mattix Field
30-025-21428
T25S, R37E, Section 24
Job: PB to Grayburg and Frac Stimulate

02/16/2009

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 02/16/2009. Verify what is in the hole with the well file in the 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 Bryan Martin 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. Remove WH. Install BOP's and test as required.
4. MI & RU WL. GIH with 3-1/8" slick casing guns and perforate the following intervals with 4 JSPF at 120 degree phasing using 23 gram premium charges:

Top	Bottom	Net Ft	No. Perfs
3263	3271	8	32
3285	3293	8	32
3296	3304	8	32
3307	3315	8	32
3334	3342	8	32
3345	3353	8	32
3356	3364	8	32
3386	3394	8	32
3397	3405	8	32
3408	3416	8	32
3419	3427	8	32
3430	3438	8	32

5. POH RD & release WL. **Note: Use Apollo Perforators Inc. CBL/GR/CCL dated 2/9/2009 for depth correction.**
6. RIH w/ 4-1/2" PPI packer w/ SCV and 10' element spacing. Test PPI packer in blank pipe. Mark Settings.

7. MI & RU Schlumberger. Acidize perfs 3263'-3438' with 2,400 gals anti-sludge 15% HCl acid * at a maximum rate **as shown below** and a maximum surface pressure of **4000 psi**. Spot acid to bottom of tbg at beginning of each stage. Pump job as follows:

Perfs	Acid Volume	Max Rate	PPI Interval
3430'-3438'	200 gal	1/2 BPM	3439'-39'
3419'-3427'	200 gal	1/2 BPM	3428'-28'
3408'-3416'	200 gal	1/2 BPM	3417'-17'
3397'-3405'	200 gal	1/2 BPM	3406'-3406'
3386'-3394'	200 gal	1/2 BPM	3395'-95'
3356'-3364'	200 gal	1/2 BPM	3365'-65'
3345'-3353'	200 gal	1/2 BPM	3354'-54'
3334'-3342'	200 gal	1/2 BPM	3343'-43'
3307'-3315'	200 gal	1/2 BPM	3316'-16'
3296'-3304'	200 gal	1/2 BPM	3305'-3305'
3285'-3293'	200 gal	1/2 BPM	3294'-94'
3263'-3271'	200 gal	1/2 BPM	3272'-72'

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 SLB.

Note: 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 3200'. Set pkr at 3200'. 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. **Note: Selectively swab perfs as directed by Engineering if excessive water is produced.**
9. Open well. Release PPI pkr. POH with tbg and PPI packer. LD PPI tool.
10. PU and GIH w/ 4-1/2" 10K treating pkr & On-Off tool w/ 2.25" "F" profile on 84 jts. of 2-7/8" EUE 8R L-80 work string, testing to 8500 psi. Set pkr at approximately **2600'**. (below TOC) Install 10K frac head. Pressure annulus to 500 psi to test csg and pkr. Leave pressure on csg during frac job to observe for communication.
11. MI & RU Schlumberger Frac Crew and Tracer-Tech Services (Mike Mathis (866) 595-3115) (**Pls schedule Rita Dickey (432-553-2526) for fluid quality control prior to frac job**). Frac well down 2-7/8" tubing at **40 BPM** with 88,000 gals of YF125, 176,000 lbs. 16/30 mesh Jordan Sand, and 30,000 lbs **resin-coated** 16/30 mesh CR1630 proppant. Observe a maximum surface treating pressure

of **8000 psi**. Tag frac with 2 radioactive isotopes (1 in regular sand stages, and 1 in resin-coated proppant stage). Pump job as follows:

Pump 1,000 gals 2% KCL water spacer

Pump 2,000 gals 2% KCL water containing 55 gals Baker RE 4777-SCW Scale Inhibitor

Pump 1,000 gals 2% KCL water spacer at **20 BPM**

Pump 14,000 gals YF125 PAD containing 5 GPT J451 Fluid Loss Additive at **40 BPM**

Pump 14,000 gals YF125 containing 0.5 PPG 16/30 mesh Jordan Sand & 5 GPT J451 FL Additive

Pump 12,000 gals YF125 containing 1.5 PPB 16/30 mesh Jordan Sand

Pump 12,000 gals YF125 containing 2.5 PPB 16/30 mesh Jordan Sand

Pump 14,000 gals YF125 containing 3.5 PPG 16/30 mesh Jordan Sand

Pump 16,000 gals YF125 containing 4.5 PPG 16/30 mesh Jordan Sand

Pump 6,000 gals YF125 containing 5 PPG **resin-coated** 16/30 mesh CR1630 proppant

Flush to 3200' with 1,042 gals WF125. **Do not overflush.** Shut well in. Record ISIP, 5, 10, and 15 minute SI tbg pressures. SWI. RD & Release Schlumberger and Tracer-Tech Services. **Leave well SI overnight.**

12. Open well. Bleed pressure from well, if any. Release pkr. POH LD 2-7/8" work string, on-off tool, and pkr.
13. PU and GIH with 3-7/8" MT bit on 2-3/8" tubing to 4521'. If fill is tagged above 4521', cleanout to 4521' using 8.6 PPG cut brine water and air unit if necessary. POH with 2-3/8" tubing and bit. LD bit.
14. PU & GIH with 4-1/2" pkr on 2-3/8" work string to 3200'. Set pkr at 3200'. Open well. GIH and swab well until there is no sand inflow. Swab well for at least 3 hours before logging. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH and conduct after-frac PRISM GR/Temp/CCL log from 4521' up to 2800'. POH. RD & release electric line unit.
15. Release pkr. POH. Stand back 2-3/8" work string and LD pkr.
16. PU and GIH w/ BP mud anchor jt of 2 3/8" tbg, 2 3/8" x 4' perforated sub, SN, 1 jt 2 3/8" EUE 8R J-55 IPC tbg, 7 jts 2 3/8" EUE 8R J-55 tbg, TAC, and 103 jts 2 3/8" EUE 8R J-55 tbg, testing to 5000 psi. Set TAC at 3204', with EOT at 3492' and SN at 3456'.
17. Remove BOP's and install WH. GIH with rods, weight bars, and pump per ALS (John Bermea , telephone (432) 967-3420) recommended design. RD & release pulling unit.
18. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

Engineer – Richard Jenkins

432-687-7120 Office

432-631-3281 Cell

rjdg@chevron.com

Well A.B. Coates C #27

Field Langlie Mattix

Reservoir Grayburg

Location:

1650' FSL & 1650' FWL
 Section 24 Unit Letter K
 Township 25S
 Range 37E
 County Lea State NM

Elevations.

KB 3083'
 GL 3072'
 KB 3082'

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

Tubing Detail

#Jts	Size	Footage
None	KB Correction	11 00
103	Jts 2 7/8" EUE 8R J-55 Tbg	3193 00
	TAC	3 15
7	Jts 2 7/8" EUE 8R J-55 Tbg	217 00
1	Jt 2 7/8" EUE 8R J-55 IPC Tbg	31 00
	SN	1 10
	2 7/8" x 4" Perf Tbg Sub	4 00
1	Jt 2 7/8" EUE 8R J-55 Tbg	31 00
	Bull Plug	0 50
112	Bottom Of String >>	3491 75

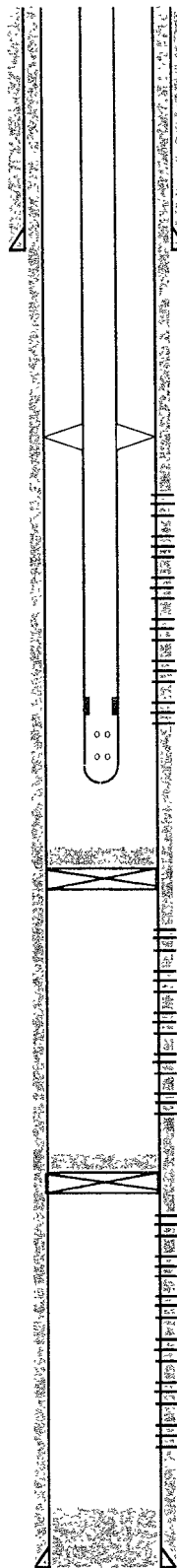
CIPB @ 4556' w/ 35' cmt on top

CIPB @ 4975' w/ 35' cmt on top

COTD: 4521'
 PBTD: 4521'
 TD: 5650'

Updated: 2/20/2009

Proposed Wellbore Diagram



By: rldg

Well ID Info

Chevro LF4782
 API No 30-025-21428
 L5/L6 UCU728200
 Spud Date 7/25/65
 Compl Date

Surf Csg. 7 5/8", 26 4#, J-55

Set: @ 909' w/ 435 sks

Hole Size: 11"

Circ. No TOC Surface

TOC By Circulated using 1" pipe

Perfs:

3263'-71' Grayburg - Open
 3285'-93' Grayburg - Open
 3296'-3304' Grayburg - Open
 3307'-15' Grayburg - Open
 3334'-42' Grayburg - Open
 3345'-53' Grayburg - Open
 3356'-64' Grayburg - Open
 3386'-94' Grayburg - Open
 3397'-3405' Grayburg - Open
 3408'-3416' Grayburg - Open
 3419'-3427' Grayburg - Open
 3430'-3438' Grayburg - Open

Status:Perfs

4628'-32' Glorieta/Paddock - I
 4646'-50' Glorieta/Paddock - I
 4666'-70' Glorieta/Paddock - I
 4686'-4728' Glorieta/Paddock - I
 4688'-94' Glorieta/Paddock - I
 4702'-30' Glorieta/Paddock - I
 4752'-56' Glorieta/Paddock - I
 4767'-71' Glorieta/Paddock - I
 4815'-19' Glorieta/Paddock - I
 4850'-54' Glorieta/Paddock - I
 4896'-4900' Glorieta/Paddock - I

Status:Blindery Perfs - Below CIPB

4986'	5171'	5395'
4944'	5181'	5400'
5002'	5234'	5408'
5009'	5257'	5414'
5013'	5314'	5418'
5102'	5323'	5425'
5105'	5328'	5429'
5112'	5338'	5435'
5119 5'	5342'	5441'
5126 5'	5347'	5446'
5129'	5357'	5449'
5149'	5359'	

Prod Csg: 4 1/2", 11 6#, J-55

Set: @ 5649 w/ 882 sks

Hole Size: 6 3/4"

Circ: No TOC: 2400'

TOC By: CBL dated 2/19/09

Well Coates Glorieta Federal Com #1

Field Justis Glorieta

Reservoir Glorieta/Paddock

Status TA'd

Location:

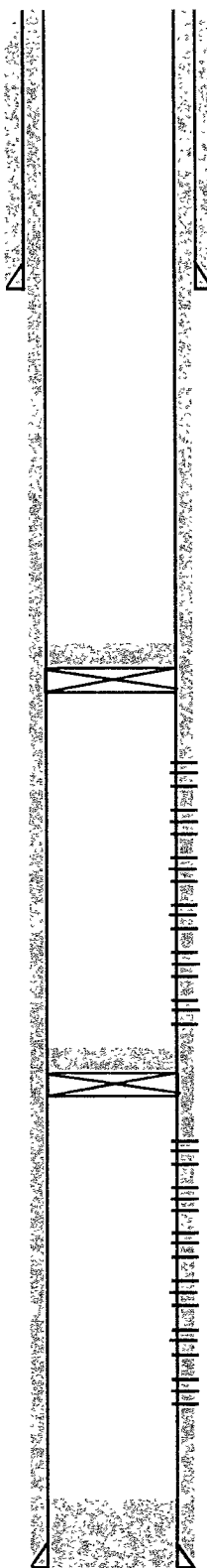
1650' FSL & 1650' FWL
 Section 24 Unit Letter K
 Township 25S
 Range 37E
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Elevations:

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Current
Wellbore Diagram



Well ID Info

Chevno LF4782
 API No 30-025-21428
 L5/L6
 Spud Date 7/25/65
 Compl Date

Surf. Csg: 7 5/8", 26 4#, J-55

Set: @ 909' w/ 435 sks

Hole Size: 11"

Circ: No TOC: Surface

TOC By: Circulated using 1" pipe

CIBP @ 4556' w/ 35' cmt on top

CIPB @ 4975' w/ 35' cmt on top

Perfs:

4628-32'
 4646-50'
 4666-70'
 4686-4728'
 4688-94'
 4702-30'
 4752-56'
 4767-71'
 4815-19'
 4850-54'
 4896-4900'

Status:

Glorieta/Paddock - Below CIBF
 Glorieta/Paddock - Below CIBF
 Glorieta/Paddock - Below CIBF
 Glorieta/Paddock - Squeezed
 Glorieta/Paddock - Below CIBF
 Glorieta/Paddock - Below CIBF
 Glorieta/Paddock - Below CIBF
 Glorieta/Paddock - Below CIBF
 Glorieta/Paddock - Below CIBF
 Glorieta/Paddock - Below CIBF
 Glorieta/Paddock - Below CIBF

Blinberry Perfs - Below CIBP

4986'	5171'	5395'
4944'	5181'	5400'
5002'	5234'	5408'
5009'	5257'	5414'
5013'	5314'	5418'
5102'	5323'	5425'
5105'	5328'	5429'
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COTD: 4521'
 PBTD: 4521'
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Updated: 2/20/2009

By: rjdg

Prod. Csg: 4 1/2", 11 6#, J-55

Set: @ 5649 w/ 882 sks

Hole Size: 6 3/4"

Circ: No TOC: 2400'

TOC By: CBL dated 2/19/09