

State of New Mexico
Energy, Minerals and Natural Resources

RECEIVED

NOV 23 2009

HOBBSDOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-025-38783
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 405
9. OGRID Number 4323
10. Pool name or Wildcat VACUUM GRAYBURG S/A
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3977'
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>
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 _____

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 H: 1910 feet from the NORTH line and 40 feet from the EAST line

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

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3977'

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 ☐

OTHER: INTENT TO ADD PAY

SUBSEQUENT REPORT OF:

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

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 ADD PERFS IN THE SUBJECT WELL.
ATTACHED, PLEASE FIND THE INTENDED PROCEDURE AND WELLBORE DIAGRAM.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 11-20-2009Type or print name Denise Pinkerton E-mail address: leakejd@chevron.com Telephone No. 432-687-7375

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APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE DEC 01 2009
Conditions of Approval (if any):

VGSAU #405

Job: Add TZ Pay

API No. 30-025-38783

Vacuum Grayburg San Andres Unit Field

Lea County, NM

Workover Procedure:

1. MIRU PU. Kill well as necessary.
2. ND wellhead. NU BOP.
3. TOH w/ sub pump and 2 7/8" production tbg. Report any scale, paraffin, etc.
4. TIH with 4-3/4" bit on 2-7/8" workstring and clean out to PBTD of 4900'. Note any scale/debris and have analyzed by Baker Petrolite.
5. Run GR- CCL Log to TD. Tie into Schlumberger's Platform Express Litho Density log dated May 9, 2008, and perforate the new intervals.
6. RIH w/ perf gun and perforate the 5-1/2" casing w 3-3/8" guns w/ 2 JSPF @ 120 degree phasing as follows: 4730' – 4735', 4738' – 4742', 4746' – 4749', 4753' – 4756', 4758' – 4769', 4786' – 4793', 4796' – 4800', 4802' – 4810', 4814' – 4820', 4829' – 4836'.
7. ROH w/ perf gun.
8. TIH w/ 5-1/2" treating packer on 2-7/8" workstring and set @ 4465' (Note: Bottom Perf is 4720'). Perform pump in test and monitor backside.
9. Pump 3000 gallons 2% KCL w/ 275 ball sealers. Acidize perfs w/ 10,000 gallons 15% NEFE. Divert using 180 1.2 SG ball sealers. Pump acid at 6 BPM. Max Pressure = 4,500 psi. Shut-in for one hour. Monitor backside pressure.
10. Flow back load.
11. TOH w/ workstring and treating packer.
12. TIH w/ packer and workstring and set @ 4,200'.
13. Scale squeeze formation w/ 330 gallons of SCW 358 in 120 bbls fresh water and overflush w/ 300 bbl 10# brine containing 10 gallons of XC-302 biocide.
14. GIH with new ESP on production tbg and set ESP Motor @ 4600' and as per ALCR design.
15. ND BOP. NU wellhead. Clean Location RDMO.
16. Turn well over to Production.
17. Report Production Test.

Contacts:

Larry Birkelbach – Remedial Engineer (432-687-7106 / Cell: 432-208-4772)

Carlos Valenzuela – ALCR (Cell: 575-390-9615)

Edgar Acero – Production Engineer (432-687-7343 / Cell: 432-230-0704)

Ken LaFortune – Halliburton (432-238-3842)

Tim Gray - Baker Petrolite (575-910-9390)

VGSAU #405 Wellbore Diagram

Created: 05/28/08 By: BSPT
 Updated: 07/15/08 By: NC
 Lease: Vacuum Grayburg San Andres Unit
 Field: Vacuum Grayburg San Andres Unit
 Surf Loc.: 1910' FNL & 40' FEL
 Bot. Loc.:
 County: Lea St.: NM
 Status: Oil well

Well #: 405 St. Lse: 30-025-38783
 API: 30-025-38783
 Unit Ltr.: H Section: 1
 TSHP/Rng: 18S 34E
 Unit Ltr.: Section:
 TSHP/Rng:
 Directions: Buckeye, NM
 Chevno: LD9380

Surface Casing

Size: 11 3/4"
 Wt., Grd.: 42#, H-40
 Depth: 454'
 Sxs Cmt: 400
 Circulate: yes; 166 sx
 TOC: Surface
 Hole Size: 14 3/4"

Intermediate Casing

Size: 8 5/8"
 Wt., Grd.: 24#, J-55
 Depth: 3166'
 Sxs Cmt: 1000
 Circulate: No
 TOC: 540' calc @ 50% effy*
 Hole Size: 11"

*No pressure on int. annulus

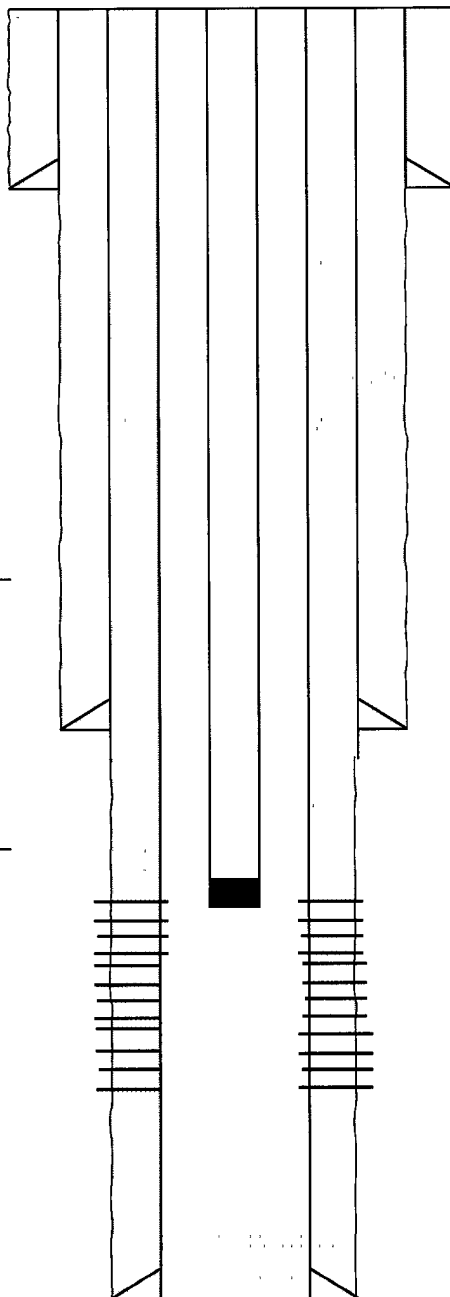
Production Casing

Size: 5 1/2"
 Wt., Grd.: 15.5# & 17#, K-55
 Depth: 4990'
 Sxs Cmt: 1350
 Circulate: yes; 137 sx
 TOC: Surface
 Hole Size: 7 7/8"

*22 jts of 17# 5 1/2"

2 7/8" tubing to 4240'

Perf intervals: 4254-4720'



KB: 4,002
 DF: 4,001
 GL: 3,977
 Ini. Spud: 04/29/08
 Ini. Comp.: 07/01/08

History

Perfs: 4254-64,4268-72,4314-18,4331-34,4348-56,4360-70,4376-90. Acidize 4254-4390' w/5000 gals 15% HCL.
 Perfs: 4408-12,4414-24,4428-36,4442-50,4479-93. Acidize 4408-4493' w/4500 gals 15% HCL
 Perfs: 4504-10,4530-38,4544-51,4560-64,4573-82,4591-95,4600-08. Acidize 4504-4608' w/4500 gals 15% HCL.
 Perfs: 4617-22,4626-33,4640-48,4651-58,4682-86,4690-94,4698-4704,4709-4720. Acidize 4617-4720' w/5000 gals 15% HCL

ESP @ 4240'

PBDT: 4,900
 TVD: 5,000