

District I

1625 N French Dr., Hobbs, NM 88240

District II

1301 W Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, 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-101

June 16, 2008

RECEIVED

APR 06 2010

HOBBSOCD

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Submit to appropriate District Office

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

¹ Operator Name and Address CHEVRON MIDCONTINENT, L P 15 SMITH ROAD MIDLAND, TEXAS 79705		² OGRID Number 241333
		³ API Number 30 -- 025-10174
³ Property Code 30 2745	⁵ Property Name BRUNSON ARGO	⁶ Well No 6
⁹ Proposed Pool 1 PENROSE SKELLY GRAYBURG (50350)		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no E	Section 10	Township 22-S	Range 37-E	Lot Idn	Feet from the 1980	North/South line NORTH	Feet from the 660	East/West line WEST	County LEA
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⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Additional Well Information

¹¹ Work Type Code PLUGBACK	¹² Well Type Code O	¹³ Cable/Rotary	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3403' GL
¹⁶ Multiple NO	¹⁷ Proposed Depth 6570'	¹⁸ Formation GRAYBURG	¹⁹ Contractor	²⁰ Spud Date

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
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 RECOMLETE THE SUBJECT WELL INTO THE PENROSE SKELLY GRAYBURG FORMATION & FRAC

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, WELLBORE DIAGRAM, C-102 PLAT, & C-144 PIT INFORMATION

Permit Expires 2 Years From Approval Date Unless Drilling Underway
Plugback

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature

Printed name
DENISE PINKERTON

Title
REGULATORY SPECIALIST

E-mail Address
leakejd@chevron.com

Date
04-05-2010

Phone
432-687-7375

OIL CONSERVATION DIVISION

Approved by.

Title

PETROLEUM ENGINEER

Approval Date

APR 21 2010

Expiration Date

Conditions of Approval Attached ☐

Brunson Argo # 6
Penrose Skelly Field
T22S, R37E, Section 10
Job: PB To Grayburg Formation And Frac

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 3/24/2010. 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 scanalogging 2 3/8" tbg string. LD TAC.
4. PU and GIH with 4 1/4" MT bit and 2 3/8" 4.7# EUE 8R L-80 work string to COTD in 5" casing. Tag bottom. Establish reverse circulation and clean out wellbore to 5930' using 8.6 PPG cut brine water. POH with work string and bit. LD bit.
5. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH and conduct GR/CNL/CCL log from COTD up to 3000'. POH. E-mail log to Caleb Osborn (COFT@chevron.com) for picking new perms. GIH and dump bail 35' cement from 5930' up to 5895'. POH. GIH and set CIBP at 5400'. POH. GIH and dump bail 35' of cement on top of CIBP at 5400'. POH. Fill casing with 8.6 PPG cut brine water. Pressure test csg and CIBP to 500 psi. GIH and conduct GR/CBL/CCL log from 5350' up to 100' above top of cement. POH. If bond does not appear to be good across proposed completion interval, discuss with Engineering before proceeding. Cmt squeeze as necessary to obtain good cmt across completion interval. GIH with 3 3/8" RHSC Gunslinger casing guns (0.42" EH & 47" penetration) and perforate from 3635-45', 3647-56', 3660-75', 3678-87', 3690-3705', 3713-22', 3725-30', 3738-50', 3767-83', 3793-97', 3800-07', 3810-15', 3819-25', 3835-43', 3845-50', 3852-57', 3865-71', and 3879-85' with 4 JSPF at 120 degree phasing, using 25 gram premium charges. POH. RD & release electric line unit. **Note: Use Western Company Gammatron Radioactivity Log dated 8/29/1953 for depth correlation.**
6. PU and GIH w/ 5" PPI pkr (with 16' element spacing) and SCV on 2 3/8" work string to approximately 3900'. Test tbg to 5500 psi while GIH.

7. MI & RU DS Services. Acidize perfs 3635-3885' with 3,600 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
3879-85'	200 gals	½ BPM	3872-88'
3865-71'	200 gals	½ BPM	3862-78'
3845-57'	400 gals	½ BPM	3844-60'
3835-43'	200 gals	½ BPM	3828-44'
3819-25'	200 gals	½ BPM	3818-34'
3800-15'	400 gals	½ BPM	3779.5-3815.5'
3793-97'	200 gals	½ BPM	3783.5-99.5'
3767-83'	200 gals	½ BPM	3767-83'
3738-50'	200 gals	½ BPM	3736-52'
3725-30'	200 gals	½ BPM	3721.5-37.5'
3713-22'	200 gals	½ BPM	3708-24'
3690-3705'	200 gals	½ BPM	3689.5-3705.5'
3678-87'	200 gals	½ BPM	3673-89'
3660-75'	200 gals	½ BPM	3659.5-75.5'
3647-56'	200 gals	½ BPM	3642-58'
3635-45'	200 gals	½ BPM	3630-46'

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 500 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. **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/ 5" Arrow-Set 10K pkr & On-Off tool w/ 2.25" "F" profile and 117 jts. of 3 1/2" OD, 9.3# CS Hydril L-80 work string, testing to 8500 psi. Set pkr at approximately 3500'. Install 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 DS Services. Frac well down 3 1/2" 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**. Pump job as follows:
- Pump 2,000 gals 2% KCL water containing 55 gals Baker RE 4777-SCW Scale Inhibitor at **6 BPM**
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 PPG 16/30 mesh Jordan Sand
Pump 12,000 gals YF125 containing 2.5 PPG 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 3600' with 1,384 gals WF125. **Do not overflush.** Shut well in. Record ISIP, 5, 10, and 15 minute SI tbg pressures. SWI. RD & Release DS Services. **Leave well SI overnight.**
12. Open well. Bleed pressure from well, if any. Release pkr. POH LD 3 1/2" work string, on-off tool, and pkr.
13. PU and GIH with 4 1/4" MT bit on 2 3/8" work string to approximately 4300'. If fill is tagged above 4300', cleanout to 4300' using 8.6 PPG cut brine water and air unit if necessary. POH with 2 3/8" work string and bit. LD bit.
14. PU & GIH with 5" pkr on 2 3/8" work string to 3600'. Set pkr at 3600'. Open well. GIH and swab well until there is no sand inflow. Report recovered fluid volumes, pressures, and/or swabbing fluid levels. Release pkr. POH LD 2 3/8" work string and 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, 14 jts 2 3/8" EUE 8R J-55 tbg, TAC, and 115 jts 2 3/8" EUE 8R J-55 tbg, testing to 5000 psi. Set TAC at 3600', with EOT at 4100' and SN at 4065'.
17. Remove BOP's and install WH. GIH with rods, weight bars, and pump per ALS recommended design. RD & release pulling unit.
18. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

AMH

3/31/2010

Well **Brunson Argo # 6**Field **Blinebry O&G &
Drinkard (DHC)**Reservoir **Blinebry &
Drinkard****Location:**

1980' FNL & 660' FWL
Section 10
Township 22S
Range 37E
County Lea State NM

Elevations:

GL 3403'
KB 3421'
DF 3420'

Current
Wellbore Diagram

Well ID Info:

Cheveno FB1176
API No 30-025-10174
L5/L6 U46AA00
Spud Date 11/8/39
Compl Date 11/29/39

Surf. Csg: 9 5/8", 36#, H-40
Set: @ 1170' w/ 325 sks
Hole Size: 12 1/4"
Circ: No **TOC:** 328'
TOC By: Calculated

Interm. Csg: 7", 22#, SS
Set: @ 3578' w/ 275 sks
Hole Size: 8 3/4"
Circ: No **TOC:** Surface
TOC By: 1000 sks pumped down
9 5/8" x 7" annulus 9/16/76

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, WO 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
	KB Correction	18 00
169	Jts 2 3/8" EUE 8R J-55 Tbg	5342 00
	TAC	2 70
13	Jts 2 3/8" EUE 8R J-55 Tbg	409 50
	2 3/8" x 10' Blast Joint	10 00
	SN	1 00
	2 3/8" x 4' Perf Tbg Sub	4 00
1	Jt 2 3/8" EUE 8R J-55 Tbg	31 00
	Bull Plug	0 50
183	Bottom Of String >>	5818 70

RBP @ 5990'

(60' frac sand & junk on top --
junk is RBP retrieving head,
lower pkr mandrel & 1 slip)

COTD: 5930'
PBTD: 6562'
TD: 6570'

Updated: 3/24/2010

By: A M Howell

Perfs: **Status**
5442-59' Blinebry - Open
5475-90' Blinebry - Open
5508-15' Blinebry - Open
5534-5834' Blinebry - Open

Perfs: **Status**
6066-72' Tubb - Cmt Sqzd
6084-93' Tubb - Cmt Sqzd
6118-35' Tubb - Cmt Sqzd

6307-6444' Drnkard - Below RE
6466-94' Drnkard - Below RE
6510-40' Drnkard - Cmt Sqz

Prod. Csg: 5", 15#, J-55 & N-80
Set: @ 6570' w/ 250 sks
Hole Size: 6 1/4"
Circ: No **TOC:** 3240'
TOC By: Temperature Survey

Well **Brunson Argo # 6**Field **Penrose Skelly**Reservoir **Grayburg**

CMLP

Location:

1980' FNL & 660' FWL
 Section 10
 Township 22S
 Range 37E
 County Lea State NM

Elevations:

GL 3403'
 KB 3421'
 DF 3420'

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/ WED Engineer, WO 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
	KB Correction	18 00
115	Jts 2 3/8" EUE 8R J-55 Tbg	3582 00
	TAC	2 70
14	Jts 2 3/8" EUE 8R J-55 Tbg	434 00
1	Jts 2 3/8" EUE 8R J-55 IPC Tbg	31 00
	SN	1 10
	2 3/8" x 4' Perf Tbg Sub	4 10
1	Jt 2 3/8" EUE 8R J-55 Tbg	31 00
	Bull Plug	0 50
131	Bottom Of String >>	4104.40

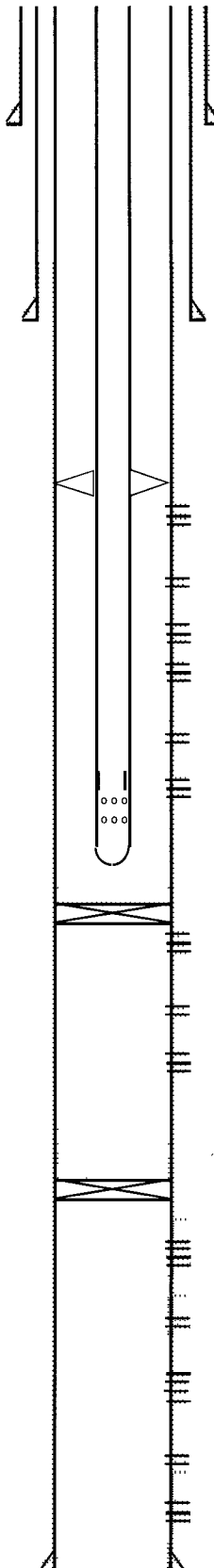
CIBP @ 5400'
 (35' cmt on top)

RBP @ 5990'
 (60' frac sand & junk on top capped with 35' of cement – junk is RBP retrieving head, lower pkr mandrel & 1 slip)

COTD: 5365'
 PBTD: 5365'
 TD: 6570'

Updated: 3/24/2010

Proposed
Wellbore Diagram

**Well ID Info:**

Chevno FB1176
 API No 30-025-10174
 L5/L6 BCU497200
 Spud Date 11/8/39
 Compl Date 11/29/39

Surf. Csg: 9 5/8", 36#, H-40
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Hole Size: 12 1/4"
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TOC By: Calculated

Intern. Csg: 7", 22#, SS
Set: @ 3578' w/ 275 sks
Hole Size: 8 3/4"
Circ: No **TOC:** Surface
TOC By: 1000 sks pumped down
 9 5/8" x 7" annulus 9/16/76

Perfs:	Status
3635-45'	Grayburg - Open
3647-56'	Grayburg - Open
3660-75'	Grayburg - Open
3678-87'	Grayburg - Open
3690-3705'	Grayburg - Open
3713-22'	Grayburg - Open
3725-30'	Grayburg - Open
3738-50'	Grayburg - Open
3767-83'	Grayburg - Open
3793-97'	Grayburg - Open
3800-07'	Grayburg - Open
3810-15'	Grayburg - Open
3819-25'	Grayburg - Open
3835-43'	Grayburg - Open
3845-50'	Grayburg - Open
3852-57'	Grayburg - Open
3865-71'	Grayburg - Open
3879-85'	Grayburg - Open

Perfs:	Status
5442-59'	Blaine - Below CII
5475-90'	Blaine - Below CII
5508-15'	Blaine - Below CII
5534-5834'	Blaine - Below CII

Perfs:	Status
6066-72'	Tubb - Cmt Sqzd
6084-93'	Tubb - Cmt Sqzd
6118-35'	Tubb - Cmt Sqzd
6307-6444'	Drnkard - Below RI
6466-94'	Drnkard - Below RI
6510-40'	Drnkard - Cmt Sqz

Prod. Csg: 5", 15#, J-55 & N-80
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By: A M Howell

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State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-10174	² Pool Code 50350	³ Pool Name PENROSE SKELLY GRAYBURG
⁴ Property Code	⁵ Property Name BRUNSON ARGO	⁶ Well Number 6
⁷ OGRID No. 241333	⁸ Operator Name CHEVRON MIDCONTINENT, L.P.	⁹ Elevation 3403' GL

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
E	10	22-S	37-E		1980	NORTH	660	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division Signature Date 04-05-2010 DENISE PINKERTON REGULATORY SPECIALIST Printed Name
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.
	Date of Survey Signature and Seal of Professional Surveyor
	Certificate Number