

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

Energy, Minerals and Natural Resources

June 19, 2008

RECEIVED

MAY 20 2010

HOBBSON

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO. ☒
30-025-24314

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
VACUUM GRAYBURG SAN ANDRES
UNIT

8. Well Number 31

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 INJECTION ☒

2. Name of Operator

CHEVRON U.S.A. INC.

3. Address of Operator

15 SMITH ROAD, MIDLAND, TEXAS 79705

4. Well Location

Unit Letter J: 2630 feet from the SOUTH line and 1330 feet from the EAST line

Section 2 Township 18-S Range 34-E NMPM County LEA

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

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 ☐DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

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

OTHER: INTENT TO REPAIR - MIT

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 PULL THE INJECTION STRING, RUN A CASING INSPECTION LOG AND RE-RUN THE PACKER. THE CSG INSPECTION LOG WILL BE UTILIZED TO SELECT PKR SETTING DEPTHS.

PLEASE FIND ATTACHED THE INTENDED PROCEDURE AND WELLBORE DIAGRAM.

Spud Date:

Rig Release Date:

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

SIGNATURE

TITLE

REGULATORY SPECIALIST

DATE 05-18-2010

Type or print name DENISE PINKERTON

E-mail address: leakejd@chevron.com

PHONE: 432-687-7375

For State Use Only

APPROVED BY:

TITLE

STAFF MEMBER

DATE 5-20-10

Conditions of Approval (if any):

VGSAU 31

API No. 30-025-24314

Vacuum (Grayburg-San Andres) Field

Lea County, NM

Engineering Comments

The subject well recently had a MIT failure evidenced by the presence of injection pressure on the backside. The subject well was last pulled in August 2009 for a cleanout workover. The impetus for the August workover was a failed MIT test due to a wellhead leak at the surface. During this workover a new plastic coated injection string was installed.

This workover will involve pulling the injection string, running a casing inspection log and then re-running the packer. The casing inspection log will be utilized to select the packer setting depths. The packer can be set as high as 4038' (338 ft above the top perf) and still be in compliance with the OCD Injection Orders.

No economics have been run for this workover since the work is required for regulatory compliance. A WBS is being built primarily for cost tracking purposes. The subject well supports 25-30 BOPD in offset production.

Workover Procedure

1. Rig up pulling unit. Kill well if necessary. NU BOP.
2. Release 4-1/2" packer set at 4238' and TOH w/ 2-3/8" plastic coated injection tubing.
3. Rig up Baker wireline and pull a GR-Microvertilog from PBTD to surface.
4. TIH w/ 4-1/2" packer w/ 1.43" profile nipple on bottom on 2-3/8" plastic coated injection tubing.
5. Consult with the technical team for the packer setting depth.
6. Circulate packer fluid and set packer.
7. Perform MIT test.
8. If MIT test is successful, rig up pump truck on the tubing and inject at 2000 psi. Monitor annulus pressure.
9. If well does not develop annulus pressure, rig down pulling unit.
10. If well develops annulus pressure, bleed down the tubing and release the packer. Consult with the technical team for the packer setting depth.
11. Reset packer.
12. Repeat steps 6 and 7.
13. If well develops annulus pressure, consult with technical team for next steps.

PTB 5/11/10

VGSAU #31 Wellbore Diagram

Created: 01/05/06 By: C. A. Irie
 Updated: 08/13/07 By: HLH
 Updated: 08/04/09 By: PTBP
 Updated: 08/31/09 By: Cayce
 Lease: Vacuum Grayburg San Andres Unit
 Field: Vacuum Grayburg San Andres Unit
 Surf. Loc.: 2,630' FSL & 1,330' FWT (42)
 Bot. Loc.:
 County: Lea St.: NM
 Status: Active Injection well

Well #: 31 St. Lse: 857948
 API 30-025-24314
 Unit Ltr.: Section:
 TSHP/Rng: S-18 E-34
 Unit Ltr.: Section:
 TSHP/Rng:
 Directions: Buckeye, NM
 Chevno: FH0735

Surface Casing

Size: 8 5/8"
 Wt., Grd.: 20#, X-40
 Depth: 360'
 Sxs Cmt: 210
 Circulate: Yes
 TOC: Surface
 Hole Size: 12 1/4"

KB: 4,011
 DF: 4,010
 GL: 4,000
 Ini. Spud: 12/06/72
 Ini. Comp.: 01/14/73

Production Casing

Size: 4 1/2"
 Wt., Grd.: 9.5#, J-55
 Depth: 4,710'
 Sxs Cmt: 650
 Circulate: No
 TOC: 2,610' - CBL
 Hole Size: 7 7/8"

Open Hole

Depth: 4,800'
 Hole Size: 3 7/8"

Perforations

Producing: 4,376'-4,705' (2 JSPI)
 4,376'-4,692' (Open)
 4710-4800' OH

History

1/14/73 New well: TD 4750', Perfs 2JSPI @ 4376, 88, 4410, 15, 23, 30, 47, 58, 74, 83, 94, 4531, 58, 62, 74, 80, 86, 4611, 18, 30, 37, 49, 58, 68, 84, 92 & 4705', acid w/6000 gls 20% NEA 6 stages, OH 4705-4750', Converted to injection.
 6/3/82 CT CO: 4376-4750' w/900 gls acid.
 6/24/88 CO: 4376-4715' w/2000 gls 15% NEA.
 2/3/91 CO: 4750', Deepen to 4800', Set tailpipe @ 4750', acid OH 4710-4800' w/3000 gls 15% NEFE, perfs 2JSPI 4385, 91, 4402, 44, 50, 54, 62, 86, 90, 4543, 55, 66, 4615, 40 & 46 (30 holes). Spot 300 gls 4% Na perborate and SI, acid w/ 300 gls 4% Na perborate, 5000 gls 15% NEFE and 1 drum solvent. inj pkr @ 4217'
 4/8/91 Replace injection tubing
 7/23/97 CO: 4277-4750', CIBP @ 4710', cap w/10' cmt (PBTD 4700'), acid w/ 6000 gls 15% NEFE. 609/1533#
 9/23/05 Wireline Tag: 4556' (144' Fill).
 10/16/2008: Slickline tag @ 4556'.
 8/09 C/O: install new 4-1/2" tbg head 3000# C/O 4562-4722'. Acid w/6000 gals 15% acid, 3000# RS. PU 136 jts 2-3/8" TK-99 internally plastic-coated tubing. Pkr set @ 4238. MIT OK.

4-1/2" nickel-plated pkr @ 4238.10'

San Andres Perfs: 4,376' - 4,692'

CIBP @ 4710' capped w/ 10' cmt

Open Hole: 4710' - 4800'

4038