

District I  
1625 N French Dr, Hobbs, NM 88240  
District II  
1301 W. Grand Ave, Artesia, NM 88203  
District III  
1000 Rio Brazos Rd, Aztec, NM 87410  
District IV  
1220 S St Francis Dr, Santa Fe, NM  
87505

RECEIVED

MAY 20 2010  
HOBBSOCD

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

WELL API NO. <input checked="" type="checkbox"/> 30-025-24364
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 46
9. OGRID Number 4323
10. Pool name or Wildcat VACUUM GRAYBURG S/A <input checked="" type="checkbox"/>

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

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

4. Well Location  
Unit Letter H: 1405 feet from the NORTH line and 1230 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.)  
3983'

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>DOWNHOLE COMMINGLE <input type="checkbox"/></p> <p>OTHER: INTENT TO REPAIR - MIT</p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER</p>
---	---

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 THE PACKER 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 Denise Pinkerton 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: [Signature] TITLE STAFF MGR DATE 5-20-10  
Conditions of Approval (if any):

VGSAU 46

API No. 30-025-24364

Vacuum (Grayburg-San Andres) Field

Lea County, NM

#### Engineering Comments

The subject well has had four MIT Failures over the past year. The failures have been detected by the presence of injection pressure on the backside. On previous MIT repairs the following has been done: new fiberlined tubing was run in January 2009, the on-off tool, a potential leak source, was removed in July 2009.

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 3978' (341 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 ~30 BOPD in offset production.

#### Workover Procedure

1. Rig up pulling unit. Kill well if necessary. NU BOP.
2. Release 5-1/2" packer set at 4250' and TOH w/ 2-3/8" fiberlined injection tubing.
3. Rig up Baker wireline and pull a GR-Microvertilog from PBTD to surface.
4. TIH w/ 5-1/2" packer w/ 1.43" profile nipple on bottom on 2-3/8" fiberlined 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

# Wellbore Diagram

## VGSAU 46

Created: 10/16/08 By: N Cayce  
 Updated: 01/28/09 By: N Cayce  
 Updated: 05/04/10 By: PTB  
 Lease: Vacuum Grayburg San Andres Unit  
 Field: Vacuum Grayburg San Andres Unit  
 Surf. Loc.: 1405' FNL & 1230' FEL  
 Bot. Loc.:  
 County: Lea St.: NM  
 Status: Active Injection Well

Well #: 46 St. Lse: B-1441  
 API: 30-025-24364  
 Unit Ltr.: H Section: 2  
 TSHR/Rng: 18S 34E  
 Unit Ltr.: Section:  
 TSHR/Rng:  
 Directions: Buckeye, NM

### Surface Casing

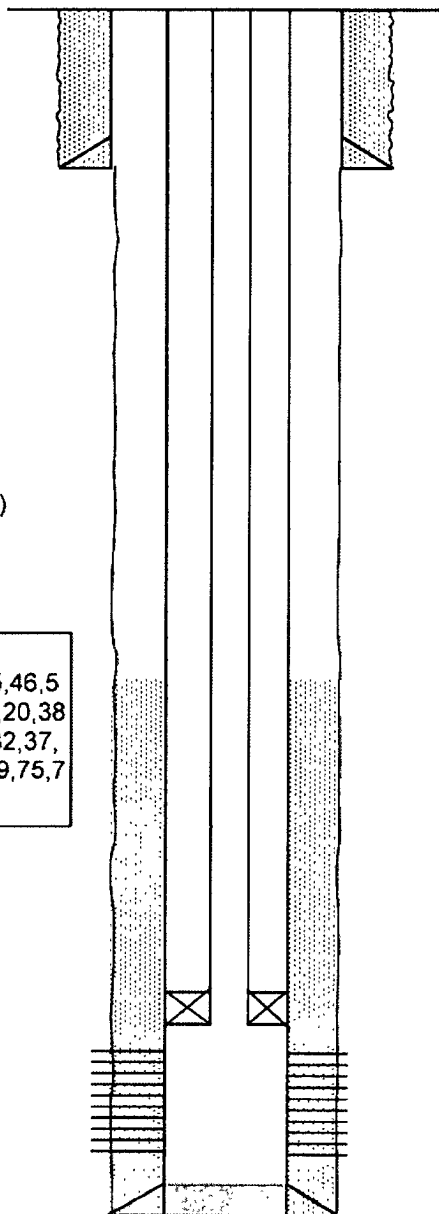
Size: 8 5/8"  
 Wt., Grd.: 20# H-40  
 Depth: 356'  
 Sxs Cmt: 300 sx  
 Circulate: Yes  
 TOC: Surface  
 Hole Size: 12-1/4"

### Production Casing

Size: 5 1/2"  
 Wt., Grd.: 14# K-55  
 Depth: 4,800'  
 Sxs Cmt: 500 sx  
 Circulate: no  
 TOC: 2895' (calc @ 50% effy)  
 Hole Size: 7-7/8"

### Perf Detail:

4319,43,55,70,80,87,4412,16,20,25,46,5  
 0,53,56,60,65,70,75,4506,10,13,17,20,38  
 ,41,45,84,90,94,97,4601,08,22,26,32,37,  
 42,46,52,80,88,97,4730,34,49,66,69,75,7  
 9,85,



KB: 4018'  
 DF: 4010'  
 GL: 4010'  
 Ini. Spud: 02/15/73  
 Ini. Comp.: 03/07/73

### History

3/73 perf 4319-4697' AC 8M gals, P99o 7w 262g  
 7/74 frac 30M gals+39M# sand 139o 7w GOR 1530  
 9/82 converted to injector  
 5/89 CO to 4775'. Spot 40 gals 15% NEFE across perfs. AC 2M gals 15% NEFE gelled acid in 2 stages + 500# RS  
 6/90 Spot 450 gal NA Perborate across 4319-4697'. Perf 4412-4785', AC 4519-4785 w/6M gals 15% NEFE in 3 stages w/3000# RS+BS. Set pkr @ 4265' Test, OK.  
 before 210/1240#, after 349/1200#  
 3/95 Install new inj pkr & test csg. Set pkr @ 4264'.  
 4/96 C/O to 4787'. AC w/ 5,100g 15% NEFE  
 4/97 Repaired inj. pkr & test csg. TIH w/5-1/2" inj pkr on 2-3/8" IPC inj. tbg. Set pkr @ 4263'. Tstd csg Held OK  
 1/09 C/O from 4270-4608', C/O from 4608-4767'. Could not clean out to original PBTD. Acidize w/6000 gals 15% in 3 stages. Set pkr @ 4260' MIT. Test OK.  
 6/29/09 MIT Failure. Set pkr @ 4250'. MIT. 700 psi for 45 min.  
 7/8/09 MIT Failure. Lay down on-off tool. Set pkr @ 4250'. MIT test 500 psi for 30 minutes  
 9/10/09 MIT Failure Set pkr @ 4249' MIT:

2-3/8" Fiberlined Injection Tubing (134 jts )

5 1/2" Arrowset (?) pkr @ 4250'

San Andres Perfs: 4319' - 4785'

PBTD: 4788'  
 TD: 4800'