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

RECEIVED
JUL 07 2010
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State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
June 16, 2008

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	[2] OGRID Number
CHEVRON U S A INC 15 SMITH ROAD MIDLAND, TEXAS 79705	4323
	[3] API Number 30 – 025-35643

[3] Property Code	[5] Property Name	[6] Well No.
29908	B F HARRISON "B"	28

[9] Proposed Pool 1	[10] Proposed Pool 2
LANGLIE MATTIX 7 RIVERS QN GRAYBURG	

[7] Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	5	23-S	37-E		1650	SOUTH	840	EAST	LEA

[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

Additional Well Information

[11] Work Type Code	[12] Well Type Code	[13] Cable/Rotary	[14] Lease Type Code	[15] Ground Level Elevation
P	O		P	3334' GL
[16] Multiple	**[17] Proposed Depth**	**[18] Formation**	**[19] Contractor**	**[20] Spud Date**
NO	7200'	GRAYBURG		

[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 RECOMPLETE THE SUBJECT WELL TO THE GRAYBURG RESERVOIR.
THE INTENDED PROCEDURE, CURRENT AND PROPOSED WELLBORE DIAGRAM, C-102 PLAT, & C-144 PIT INFO ARE ATTACHED

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: Denise Pinkerton

Printed name	OIL CONSERVATION DIVISION
DENISE PINKERTON	Approved by:
Title REGULATORY SPECIALIST	Title: PETROLEUM ENGINEER
E-mail Address leakejd@chevron.com	Approval Date: AUG 04 2010 / Expiration Date
Date: 07-02-2010 / Phone: 432-687-7375	Conditions of Approval Attached ☐

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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	[2] Pool Code	[3] Pool Name
30-025-35643	37240	LANGLIE MATTIX 7 RIVERS GRAYBURG

[4] Property Code	[5] Property Name	[6] Well Number
29908	B.F. HARRISON "B"	28

[7] OGRID No.	[8] Operator Name	[9] Elevation
4323	CHEVRON U.S.A. INC.	3334' 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
I	5	23-S	37-E		1650	SOUTH	840	EAST	LEA

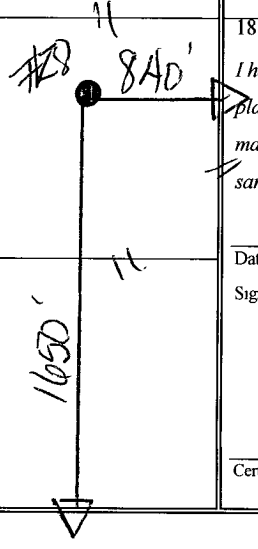
[11] Bottom Hole Location If Different From Surface

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	[13] Joint or Infill	[14] Consolidation Code	[15] Order No.
40			

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.

16



[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

Denise Pinkerton 07-02-2010
Signature Date

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

B. F. Harrison B # 28
Langlie Mattix North Field
T23S, R37E, Section 5
Job: PB To Grayburg Formation, Acidize, 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 5/18/2010. 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/1000 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. **Note: Prior to performing this step of the procedure, ensure that all valves, pipe, and fittings that will be exposed to test pressure are rated higher than the planned test pressure.**

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. Remove WH. Install BOP's and test as required. POH with 2 7/8" Class "B" yellow-band tbg string. LD excess 2 7/8" tbg while POH.

4. PU and GIH with 4 ¾" MT bit and 2 7/8" work string to approximately 4500'. POH with work string and bit. LD bit.

5. MI & RU Baker Atlas electric line unit. Install lubricator and test to 2000 psi. GIH and conduct GR/CBL/CCL from PBTD up to 3000'. POH. Inspect logs for good cement bond from approximately 4200' up to 3200'. If bond does not appear to be good across proposed completion interval, discuss with Engineering before proceeding. GIH with 3 3/8" RHSC Gunslinger casing guns (0.42" EH & 47" penetration) and perforate from 3780-83', 3788-92', 3805-08', 3813-21', 3852-56', 3861-69', 3890-97', 3904-07', 3916-24', 3931-36', 3942-47', 3952-56', and 3976-86' with 4 JSPF at 120 degree phasing, using 25 gram premium charges. POH. RD & release electric line unit. **Note: Use Schlumberger Platform Express Log dated 11/6/2002 for depth correlation.**

6. PU and GIH w/ 5 ½" PPI pkr (with 12' element spacing) and SCV on 2 7/8" work string to approximately 4000'. Test tbg to 5500 psi while GIH.

7. MI & RU DS Services. Acidize perfs 3780-3986' with 2,600 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
3976-86'	200 gals	½ BPM	3975-87'
3952-56'	200 gals	½ BPM	3950-62'
3942-47'	200 gals	½ BPM	3938-50'
3931-36'	200 gals	½ BPM	3928-40'
3916-24'	200 gals	½ BPM	3915-27'
3904-07'	200 gals	½ BPM	3900-12'
3890-97'	200 gals	½ BPM	3887-99'
3861-69'	200 gals	½ BPM	3858-70'
3852-56'	200 gals	½ BPM	3848-60'
3813-21'	200 gals	½ BPM	3810-22'
3805-08'	200 gals	½ BPM	3800-12'
3788-92'	200 gals	½ BPM	3786-98'
3780-83'	200 gals	½ BPM	3773-85'

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 GIH to 4000'. Set pkr at 4000'. Fish SCV. Pressure test casing from 4000' - 6185' to 2000 psi. Release pkr. PUH to approximately 3750'. Set pkr at 3750'. 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 ½" Arrow-Set 10K pkr & On-Off tool w/ 2.25" "F" profile and 117 jts. of 3 ½" EUE 8R L-80 work string, testing to 8500 psi. Set pkr at approximately 3600'. 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 ½" tubing at **40 BPM** with 80,000 gals of YF125 and 167,000 lbs. 16/30 mesh Jordan Sand with PROPNET. Observe a maximum surface treating pressure of **8000 psi**. Pump job as follows:
    Pump 2,000 gals 2% KCL water containing 110 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 at **40 BPM**
    Pump 14,000 gals YF125 containing 0.5 PPG 16/30 mesh Jordan Sand
    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 with **PROPNET**
    Pump 14,000 gals YF125 containing 4.5 PPG 16/30 mesh Jordan Sand with **PROPNET**.

    Flush to 3737' with 1,449 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 ½" work string, on-off tool, and pkr.

13. PU and GIH with 4 ¾" MT bit on 2 7/8" work string to approximately 4300'. If fill is tagged above 4300', cleanout to 4300' using 8.6 PPG cut brine water and air unit or bailer if necessary. POH with 2 7/8" work string and bit. LD bit.

14. PU & GIH with 5 ½" pkr on 2 7/8" work string to 3700'. Set pkr at 3700'. Open well. GIH and swab well until there is no sand inflow. Report recovered fluid volumes, pressures, and/or swabbing fluid levels.

15. Release pkr. POH LD 2 7/8" work string and pkr.

16. PU and GIH w/ BP mud anchor jt of 2 7/8" tbg, 2 7/8" x 4' perforated sub, SN, 1 jt 2 7/8" EUE 8R J-55 IPC tbg, 10 jts 2 7/8" EUE 8R J-55 tbg, TAC, and 120 jts 2 7/8" EUE 8R J-55 tbg, testing to 5000 psi. Set TAC at 3735', with EOT at 4117' and SN at 4080'.

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
6/15/2010

Well: **BF HARRISON "B" 28** Field: **TEAGUE NORTH** Reservoir: **Tubb/Drinkard/Abo**

Location:	1650'FSL
	840'FEL
Section:	5
LOT:	I
RANGE & TS:	23S 37E
County:	LEA

Elevations:

GL:	3334'
DF:	3348'
KB:	3349'

Current Wellbore Diagram

Well ID Info:

Refno:	HI0267
API No:	30-025-35643
L5/L6:	UCU820500
Spud Date:	10/22/2002
Compl. Date	11/7/2002
Wellbore #	448739

Surf. Csg: 8 5/8"
24# H-40

Set: @ 1200'
With: 650 SX CMT
Hole Size: 12 1/4"
Circ: Yes
TOC @ Surface

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	15 00
194	Jts 2 7/8" EUE 8R J-55 Tbg	6014 00
1	Jt 2 7/8" EUE 8R J-55 IPC Tbg	32 25
	SN	1 10
	2 7/8" x 4' Perf Tbg Sub	4 10
1	Jt 2 7/8" EUE 8R J-55 Tbg	31 55
	Bull Plug	0 50
196	**Bottom Of String >>**	**6098.50**

CIBP @ 6185'
(35' cmt on top)

TUBB PERFS: 6214'- 6223' , 6228'-6239'
6243'-6253' , 6258'- 6267' , 6272' - 6274'
6284'-6304' , 6322' - 6326'

CIBP @ 6400'
(35' cmt on top)

DRINKARD PERFS: 6448'-6450' 6463'-6465'
6477'-6490' 6535'-6537' 6554'-6556' 6568'-6570'
6596'-6598' 6611'-6627' 6631'-6639' 6652'-6656'
6663'-6666' 6673'-6697'

CIBP @ 6730'
(35' cmt on top)

UPPER ABO PERFS: 6737'-6752' 6779'-6784'
6800'-6816' 6822'-6827' 6834'-6838' 6841'-6865'

LOWER ABO PERFS: 6890'-6896' 6907'-6914'
6919'-6924' 6966'-6974' 6990'-6992' 7007'-7009'
7016'-7023' 7026'-7028' 7052'-7054' 7065'-7067'
7082'-7085' 7094'-7098' 7111'-7119' 7124'-7128'

Prod. Csg: 5 1/2"
17# K-55 & L-80
Set @ 7,200 '
With: 2265 sacks
Hole Size: 7 7/8"
Circ: Yes
TOC @ Surface

COTD: 6,150 '
PBTD: 6,150 '
TD: 7,200 '

Updated: 5/18/2010
By: AMH

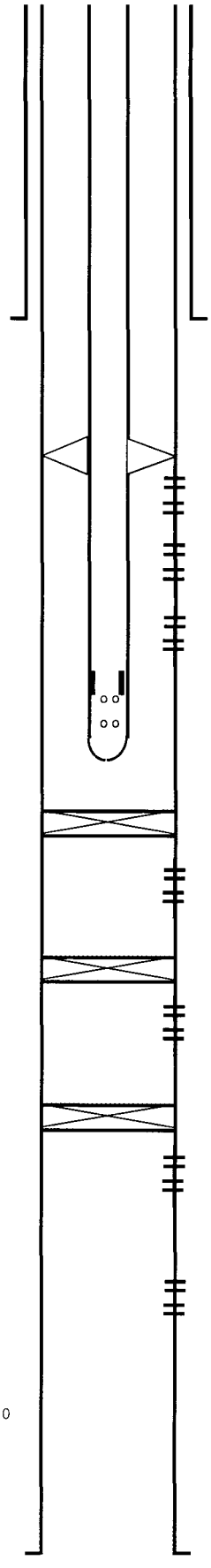
Well: **BF HARRISON "B" 28** Field: **Langlie Mattix North** Reservoir: **Grayburg**

Location: 1650'FSL
840'FEL
Section: 5
LOT: I
RANGE & TS: 23S 37E
County: LEA

Elevations:
GL: 3334'
DF: 3348'
KB: 3349'

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.

Proposed
Wellbore Diagram



Well ID Info:
Refno: HI0267
API No: 30-025-35643
L5/L6: UCUMK90200
Spud Date: 10/22/2002
Compl. Date 11/7/2002
Wellbore # 448739

Surf. Csg: 8 5/8"
24# H-40

Set: @ 1200'
With: 650 SX CMT
Hole Size: 12 1/4"
Circ: Yes
TOC @ Surface

GRAYBURG PERFS: 3780-83' 3788-92' 3805-08' 3813-21' 3852-56' 3861-69' 3890-97' 3904-07' 3916-24' 3931-36' 3942-47' 3952-56' 3976-86'

Tubing Detail:

#Jts:	Size:	Footage
	KB Correction	15 00
120	Jts 2 7/8" EUE 8R J-55 Tbg	3720 00
	TAC	2.77
10	Jts 2 7/8" EUE 8R J-55 Tbg	310.00
1	Jt 2 7/8" EUE 8R J-55 IPC Tbg	32 25
	SN	1 10
	2 7/8" x 4' Perf Tbg Sub	4 10
1	Jt 2 7/8" EUE 8R J-55 Tbg	31 55
	Bull Plug	0 50
132	**Bottom Of String >>**	4117.27

CIBP @ 6185'
(35' cmt on top)

TUBB PERFS: 6214'- 6223', 6228'-6239' 6243'-6253', 6258'- 6267', 6272' - 6274' 6284'-6304', 6322' - 6326'

CIBP @ 6400'
(35' cmt on top)

DRINKARD PERFS: 6448'-6450' 6463'-6465' 6477'-6490' 6535'-6537' 6554'-6556' 6568'-6570' 6596'-6598' 6611'-6627' 6631'-6639' 6652'-6656' 6663'-6666' 6673'-6697'

CIBP @ 6730'
(35' cmt on top)

UPPER ABO PERFS: 6737'-6752' 6779'-6784' 6800'-6816' 6822'-6827' 6834'-6838' 6841'-6865'

LOWER ABO PERFS: 6890'-6896' 6907'-6914' 6919'-6924' 6966'-6974' 6990'-6992' 7007'-7009' 7016'-7023' 7026'-7028' 7052'-7054' 7065'-7067' 7082'-7085' 7094'-7098' 7111'-7119' 7124'-7128'

Prod. Csg: 5 1/2"
17# K-55 & L-80
Set @ 7,200 '
With: 2265 sacks
Hole Size: 7 7/8"
Circ: Yes
TOC @ Surface

COTD: 6,150 '
PBTD: 6,150 '
TD: 7,200 '

Updated: 5/18/2010
By: AMH

Chevron

Todd Meade
Land Representative

MidContinent/Alaska SBU
North America Exploration
and Production Company
15 Smith Road
Midland TX 79705
Tel 432 687 7248
Fax 432 687 7448
ToddMeade@chevron.com

July 13, 2010

Providence Energy Services, Inc
dba Kelton Operating Corp.
P.O. Box 928
Andrews, Texas 79714

Attention: Mr Dale Kelton

Potential Recompletions/New Drills in Langlie Mattix Pool
By Chevron U.S.A. Inc.
Unit Letter I, Section 5, T-23-S, R-37-E,
Lea County, New Mexico

Dear Mr Kelton

Please acknowledge in the space provided herein below, that Providence Energy Services, Inc dba Kelton Operating Corp ("Providence") voluntarily, intentionally and knowingly waives any and all rights, claims, defenses or objections concerning or otherwise arising from Chevron U S A Inc or its affiliates, directors, officers, agents and employees ("Chevron") drilling and or completing new wells or recompleting any of Chevron's existing wells in the Langlie Mattix Pool Seven Rivers-Queen-Grayburg formations and located in Unit I, Section 5, T-23-S, R-37-E, Lea County, New Mexico (the "Land") as further described below

The parties understand and acknowledge that Providence's leasehold rights in the Land cover the Skelly Penrose B Unit as defined as 100' above the base of the Seven Rivers formation down to the base of the Queen formation It is agreed that any completions or recompletions in the Land by Chevron will be into the Grayburg formation at a depth below the Skelly Penrose B Unit

Respectfully,

Todd Meade
Land Representative

Agreed to and accepted this 13th day of July, 2010

Providence Energy Services, Inc
dba Kelton Operating Corp

By: C. Dale Kelton

Printed Name C. Dale Kelton

Title President