

Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88201
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505

RECEIVED

SEP 02 2010

HOBBSOCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

| |
|---|
| WELL API NO. 30-025-26784 / |
| 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 R.E. COLE NCT-A / |
| 8. Well Number 22 / |
| 9. OGRID Number 4323 / |
| 10. Pool name or Wildcat BLINEBRY OIL AND GAS |

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 ☐ Other2. Name of Operator
CHEVRON U.S.A. INC.3. Address of Operator
15 SMITH ROAD, MIDLAND, TEXAS 79705

4. Well Location

Unit Letter A: 890 feet from the NORTH line and 990 feet from the EAST line

Section 16 Township 22-S Range 37-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 ADD BLINEBRY PERFS & FRAC

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 BLINEBRY PAY AND FRAC.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, WELLBORE DIAGRAMS, AND C-144 INFORMATION.

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 09-01-2010Type or print name DENISE PINKERTON E-mail address: leakejd@chevron.com PHONE: 432-687-7375

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE SEP 07 2010

Conditions of Approval (if any):

R. E. Cole (NCT-A) # 22
Blinebry Oil & Gas Field
T22S, R37E, Section 16
Job: Add Perfs In Blinebry 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 8/31/2010. 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. POH with rods and pump. Remove WH. Install BOP's and test as required. POH LD 2 3/8" tbg string. LD TAC.
4. PU and GIH with 4 3/4" MT bit and 2 7/8" work string to 5800'. MI&RU air unit. Establish circulation and clean out fill in casing to PBTD at 6203' using foam. Circulate well clean from 6203'. POH with work string and bit. LD bit.
5. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH with 3 3/8" RHSC Gunslinger casing guns (0.42" EH & 47" penetration) and perforate from 5414-22', 5428-31', 5433-37', 5443-48', 5451-60', 5484-89', 5492-5502', 5509-15', 5520-24', 5530-39', 5544-48', 5572-81', 5590-93', 5596-5606', 5627-37', 5656-60', 5663-73', 5679-88', 5704-10', 5714-20', 5736-46', 5750-54', 5760-64', 5784-90', 5861-71', 5874-82', 5885-92', 5896-5905', and 5910-16' with 4 JSPF at 120 degree phasing, using 25 gram premium charges. POH. RD & release electric line unit. **Note: Use casing collars from Zone Perforators Inc. Gamma Ray Log dated 7/8/1980 for depth correction.**
6. PU and GIH w/ 5 1/2" PPI pkr (with 12' element spacing) and SCV on 2 7/8" work string to approximately 5920'. Test tbg to 5500 psi while GIH.
7. MI & RU DS Services. Acidize perfs 5414-5916' with 5,600 gals anti-sludge 15% HCl acid * at a maximum rate **as shown below** and a maximum surface pressure of **4500 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 |
|------------|-----------|----------|-------------|
| 5910-16' | 200 gals | ½ BPM | 5436-48' |
| 5896-5905' | 200 gals | ½ BPM | 5400-12' |
| 5885-92' | 200 gals | ½ BPM | 5370-82' |
| 5874-82' | 200 gals | ½ BPM | 5340-52' |
| 5861-71' | 200 gals | ½ BPM | 5322-34' |
| 5784-90' | 200 gals | ½ BPM | 5286-98' |
| 5760-64' | 200 gals | ½ BPM | 5270-82' |
| 5750-54' | 200 gals | ½ BPM | 5235-47' |
| 5736-46' | 200 gals | ½ BPM | 5209-21' |
| 5714-20' | 200 gals | ½ BPM | 5182-94' |
| 5704-10' | 200 gals | ½ BPM | 5157-69' |
| 5679-88' | 200 gals | ½ BPM | 5137-49' |
| 5663-73' | 200 gals | ½ BPM | 5436-48' |
| 5656-60' | 200 gals | ½ BPM | 5400-12' |
| 5627-37' | 200 gals | ½ BPM | 5370-82' |
| 5596-5606' | 200 gals | ½ BPM | 5340-52' |
| 5584-93' | 200 gals | ½ BPM | 5322-34' |
| 5572-81' | 200 gals | ½ BPM | 5286-98' |
| 5544-52' | 200 gals | ½ BPM | 5270-82' |
| 5530-39' | 200 gals | ½ BPM | 5235-47' |
| 5520-24' | 200 gals | ½ BPM | 5209-21' |
| 5509-15' | 200 gals | ½ BPM | 5182-94' |
| 5492-5502' | 200 gals | ½ BPM | 5157-69' |
| 5484-89' | 200 gals | ½ BPM | 5137-49' |
| 5451-60' | 200 gals | ½ BPM | 5209-21' |
| 5443-48' | 200 gals | ½ BPM | 5182-94' |
| 5428-37' | 200 gals | ½ BPM | 5157-69' |
| 5414-22' | 200 gals | ½ BPM | 5137-49' |

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
8 GPT L63
2 PPT A179
20 GPT U66
2 GPT W53

Corrosion Inhibitor
Iron Control Agent
Iron Control Aid
Mutual Solvent
Non-Emulsifier

8. GIH and fish SCV. POH. Release PPI pkr. PUH with PPI pkr to 5400'. Set PPI pkr at 5400'. GIH and 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 2 7/8" work string and PPI packer. LD PPI tool.
10. PU and GIH w/ 5 1/2" 10K treating pkr & On-Off tool w/ 2.25" "F" profile and 161 jts. of 3 1/2" EUE 8R L-80 work string, testing to 8500 psi. Set pkr at approximately 5000'. 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 78,000 gals of 50 Quality CO2 Foamed WF150 and 167,000 lbs. 16/30 mesh Jordan Sand. Observe a maximum surface treating pressure of **8000 psi**. Pump job as follows:

Pump 14,000 gals WF150 50Q Foam pad

Pump 14,000 gals WF150 50Q Foam pad containing 0.5 PPG 16/30 mesh Jordan Sand

Pump 8,000 gals WF150 50Q Foam containing 1 PPG 16/30 mesh Jordan Sand

Pump 9,000 gals WF150 50Q Foam containing 2 PPG 16/30 mesh Jordan Sand

Pump 10,000 gals WF150 50Q Foam containing 3 PPG 16/30 mesh Jordan Sand

Pump 11,000 gals WF150 50Q Foam containing 4 PPG 16/30 mesh Jordan Sand and PROPNET

Pump 12,000 gals WF150 50Q Foam containing 5 PPG 16/30 mesh Jordan Sand and PROPNET.

Flush to 5330' with 2,157 gals WF150. **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.** **Note: DS should bring enough PropNet to location to add to 3 PPG sand stage if needed for pressure reduction.**

12. Open well. Bleed off pressure. Pump down tbg with 8.6 PPG cut brine water if necessary to kill well. Release pkr and POH with 3 1/2" work string. Lay down 3 1/2" work string and pkr.
13. PU and GIH with 4 3/4" MT bit on 2 7/8" work string to 6230'. If fill is found, MI&RU air unit. Clean out to 6230' using foam. Circulate well clean from 6230'. POH LD 2 7/8" work string and bit.
14. 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, 22 jts 2 7/8" EUE 8R J-55 tbg, TAC, and 175 jts 2 7/8" EUE 8R J-55 tbg, testing to 5000 psi. Set TAC at 5355', with EOT at 6100' and SN at 6065'.
15. Remove BOP's and install WH. GIH with rods, weight bars, and pump per ALS recommended design. RD & release pulling unit.

16. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

AMH

8/31/2010

Location:

890' FNL & 990' FEL
 Section 16 Unit Letter A
 Township 22S
 Range 37E
 County Lea State NM

Elevations:

GL 3402'
 KB 3419'
 DF 3418'

Current
Wellbore Diagram

Well ID Info:

Chevno EQ6552
 API No 30-025-26784
 L5/L6 U461000
 Spud Date. 5/29/80
 Compl. Date. 7/16/80

Surf. Csg: 11 3/4", 42#, H-40

Set: @ 335' w/ 250 sks

Hole Size: 14 3/4"

Circ: Yes **TOC:** Surface

TOC By: Circulated

Interm. Csg: 8 5/8", 24#, K-55

Set: @ 2532' w/ 750 sks

Hole Size: 11"

Circ: No **TOC:** 500'

TOC By: Temperature Survey

Tubing Detail:

| <u>#Jts:</u> | <u>Size:</u> | <u>Footage</u> |
|--------------|----------------------------------|----------------|
| | KB Correction | 17 00 |
| 173 | Jts 2 3/8" EUE 8R J-55 Tbg | 5241 98 |
| | TAC | 2 70 |
| 11 | Jts 2 3/8" EUE 8R J-55 Tbg | 336 16 |
| 1 | Jts 2 3/8" EUE 8R J-55 IPC Tbg | 32 53 |
| | SN | 1 10 |
| | 2 7/8" Odessa Tbg Screen | 23 88 |
| | Bullplug | 0 50 |
| 185 | Bottom Of String >> | 5655.85 |

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.

Perfs:

5499-5501'
 5512-14'
 5532-34'
 5550-52'
 5572-74'
 5584-86'

Status:

Blinebry - Open
 Blinebry - Open
 Blinebry - Open
 Blinebry - Open
 Blinebry - Open
 Blinebry - Open

Prod. Csg: 5 1/2", 14#, K-55

Set: @ 6230' w/ 1450 sks

Hole Size: 7 7/8"

Circ: Yes **TOC:** Surface

TOC By: Circulated

Cmt plug fr/ 6230-6350'

Cmt plug fr/ 6450-6625'

Cmt plug fr/ 7590-7940'

COTD: 5846'

PBTD: 6203'

TD: 7940'

Updated: 8/25/2010

By: A. M Howell

Location:
 890' FNL & 990' FEL
 Section 16 Unit Letter A
 Township 22S
 Range 37E
 County Lea State NM

Elevations:
 GL 3402'
 KB: 3419'
 DF 3418'

**Proposed
Wellbore Diagram**

Well ID Info:
 Chevno EQ6552
 API No 30-025-26784
 L5/L6: U461000
 Spud Date: 5/29/80
 Compl Date: 7/16/80

Surf. Csg: 11 3/4", 42#, H-40
Set: @ 335' w/ 250 sks
Hole Size: 14 3/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Interm. Csg: 8 5/8", 24#, K-55
Set: @ 2532' w/ 750 sks
Hole Size: 11"
Circ: No **TOC:** 500'
TOC By: Temperature Survey

Tubing Detail:

| #Jts. | Size: | Footage |
|-------|--------------------------------|---------|
| | KB Correction | 17 00 |
| 175 | Jts 2 7/8" EUE 8R J-55 Tbg | 5337 50 |
| | TAC | 2 70 |
| 22 | Jts 2 7/8" EUE 8R J-55 Tbg | 672 32 |
| 1 | Jts 2 7/8" EUE 8R J-55 IPC Tbg | 32 53 |
| | SN | 1 10 |
| | 2 7/8" x 4' Perf Tbg Sub | 4 00 |
| 1 | Jt 2 7/8" EUE 8R J-55 Tbg | 31 00 |
| | Bull Plug | 0 50 |
| 199 | Bottom Of String >> | 6098.65 |

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, WQ Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

| Perfs: | Status: |
|------------|-----------------|
| 5414-22' | Blinebry - Open |
| 5428-31' | Blinebry - Open |
| 5433-37' | Blinebry - Open |
| 5443-48' | Blinebry - Open |
| 5451-60' | Blinebry - Open |
| 5484-89' | Blinebry - Open |
| 5492-5502' | Blinebry - Open |
| 5509-15' | Blinebry - Open |
| 5520-24' | Blinebry - Open |
| 5530-39' | Blinebry - Open |
| 5544-48' | Blinebry - Open |
| 5550-52' | Blinebry - Open |
| 5572-81' | Blinebry - Open |
| 5584-86' | Blinebry - Open |
| 5590-94' | Blinebry - Open |
| 5596-5606' | Blinebry - Open |
| 5627-37' | Blinebry - Open |
| 5656-60' | Blinebry - Open |
| 5663-73' | Blinebry - Open |
| 5679-88' | Blinebry - Open |
| 5704-10' | Blinebry - Open |
| 5714-20' | Blinebry - Open |
| 5736-46' | Blinebry - Open |
| 5750-54' | Blinebry - Open |
| 5760-64' | Blinebry - Open |
| 5784-90' | Blinebry - Open |
| 5861-71' | Blinebry - Open |
| 5874-82' | Blinebry - Open |
| 5885-92' | Blinebry - Open |
| 5896-5905' | Blinebry - Open |
| 5910-16' | Blinebry - Open |

Prod. Csg: 5 1/2", 14#, K-55
Set: @ 6230' w/ 1450 sks
Hole Size: 7 7/8"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Cmt plug fr/ 6230-6350'

Cmt plug fr/ 6450-6625'

Cmt plug fr/ 7590-7940'

COTD: 6203'
PBTD: 6203'
TD: 7940'

Updated: 8/25/2010

By: A M Howell