

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
**Do not use this form for proposals to drill or to re-enter an
abandoned well. Use Form 3160-3 (APD) for such proposals.**

5. Lease Serial No.
NM-24161

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☒ Oil Well

☐ Gas Well

☐ Other

2. Name of Operator
CHEVRON U.S.A. INC.

8. Well Name and No.
KEEL A FEDERAL #4

9. API Well No.
30-025-33499

3a. Address
15 SMITH ROAD
MIDLAND, TEXAS 79705

3b. Phone No. (include area code)

432-687-7375

10. Field and Pool or Exploratory Area
YOUNG; SAN ANDRES, SOUTH

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL, & 800' FEL, SECTION 33, T-18S, R-32E UL:1

11. Country or Parish, State
LEA COUNTY, NEW MEXICO

Young
Grayburg
South

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other ADD PERFS +
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	DHC
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

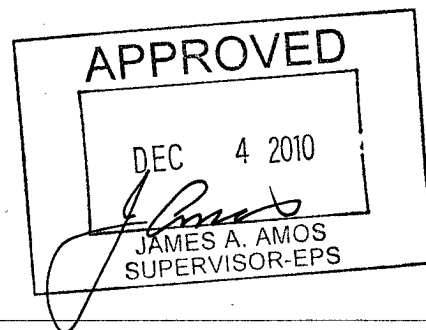
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

CHEVRON U.S.A. INC. INTENDS TO ADD PAY IN THE SUBJECT WELL & ACIDIZE.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, WELLBORE DIAGRAM, & C-144 INFO FOR THE NMCD.

RECEIVED

DEC 08 2010
HOBBSCOCD



14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
DENISE PINKERTON

Title REGULATORY SPECIALIST

Signature

Date 11/16/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

PETROLEUM ENGINEER
KZ

Date

DEC 16 2010

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Oil Conservation Division

Conditions of approval : Approval for drilling/workover
ONLY— CANNOT produce Downhole Commingled until
DHC is approved in Santa Fe.

by person knowingly and willfully to make to any department or agency of the United States any false
information.

DISTRICT I
P.O. Box 1220, Hobbs, NM 88241-1220

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Braxos Rd., Aztec, NM 87410

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-33499	Pool Code 9b416	Pool Name Young SAN ANDRES South
Property Code 18733	Property Name KEEL FEDERAL	Well Number 4
OGRID No. 4323	Operator Name CHEVRON U.S.A. INC.	Elevation 3688

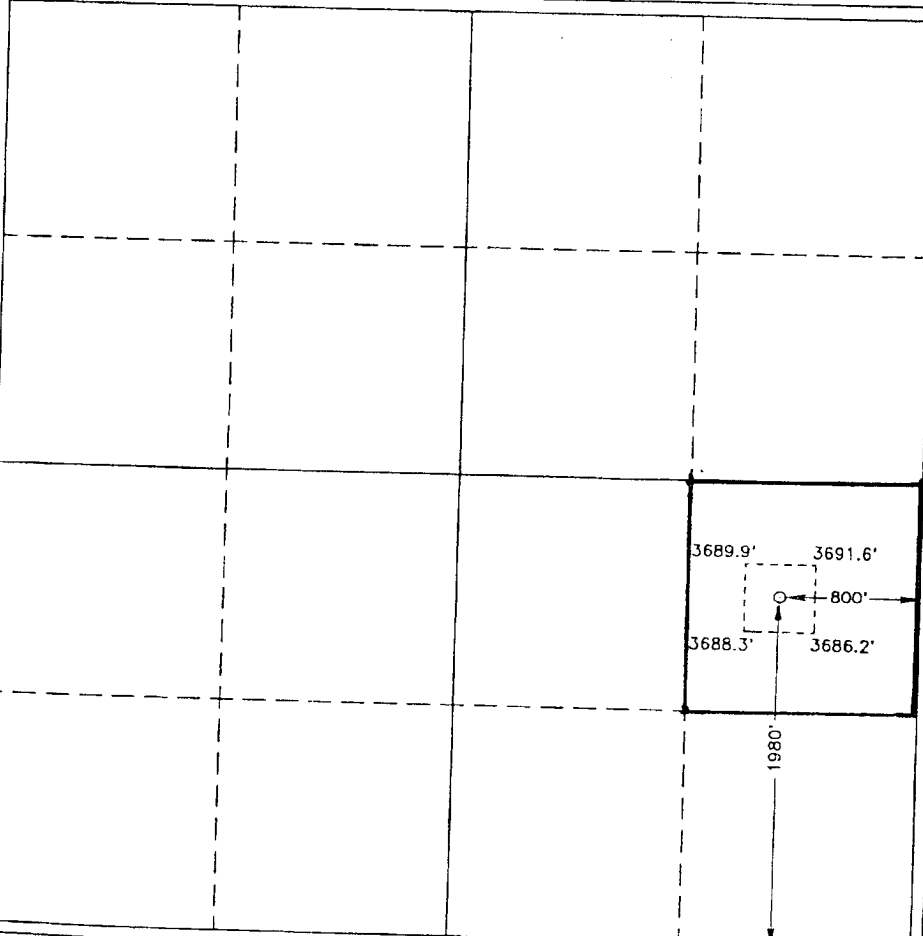
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
1	33	18 S	32 E		1980	SOUTH	800	EAST	LEA

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
Dedicated Acres 40	Joint or Infill	Consolidation Code	Order No.						

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


	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. Signature <u>J. K. Ripley</u> J. K. RIPLEY Printed Name T.A. Title 5/20/96 Date
	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. MAY 2, 1996 Date Surveyed Signature & Seal Professional Surveyor NEW MEXICO 3239 5-0396 S.W. Num 96-0527 Certificate No. J. EIDSON, 676 G. EIDSON, 12641

1220 S. St. Francis Dr., Santa Fe, NM 87505

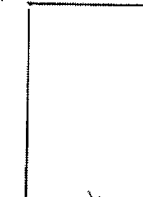
Santa Fe, NM 87505

District Office

☐ AMENDED REPORT

16				
				<div style="text-align: right;">17</div> <div style="text-align: center;">OPERATOR CERTIFICATION</div> <p><i>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.</i></p> <div style="display: flex; justify-content: space-between;"> <div>  Signature </div> <div> 12-15-2010 Date </div> </div> <div style="border-top: 1px solid black; padding-top: 5px;"> DENISE PINKERTON REGULATORY SPECIALIST Printed Name </div> <div style="border-top: 1px solid black; padding-top: 5px;"> leakejd@chevron.com E-mail Address </div>
				<div style="text-align: right;">18</div> <div style="text-align: center;">SURVEYOR CERTIFICATION</div> <p><i>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.</i></p> <div style="border-top: 1px solid black; padding-top: 5px;"> Date of Survey </div> <div style="border-top: 1px solid black; padding-top: 5px;"> Signature and Seal of Professional Surveyor: </div> <div style="border-top: 1px solid black; padding-top: 5px;"> Certificate Number </div>

1980'



800'

Keel A Fed 4

Job: Recompletion

API: 30-025-33499

Lusk North Field

Lea County, NM

Workover Procedure:

1. MIRU PU. Kill well.
2. Pull rods and pump. No rod and pump details. Count rods on TOH and put pump depth on report.
3. ND wellhead. NU BOP.
4. Unset TAC. TOH w/ 2-7/8" tbg. Scanalog tbg. LD bad jts.
5. TIH w/ 4-3/4" MT bit on 2-7/8" J-55 workstring and clean out to 5600', 300' of fill is acceptable. Notify Remedial Engineer if > 300' of fill is tagged.
6. TOH.
7. TIH w/ 5-1/2" compression set treating pkr and SN on top of pkr on 2-7/8" workstring w/ 310' of tailpipe to ~5280' (pkr @ 4970').
8. Set pkr. Drop SCV. Open bypass on pkr. Pump 60 BFW down tbg to check SCV.
9. Pump 900 gallons of Petroplex X-25. Spot 200 gal from 5280'-5005' in annulus. Close pkr bypass.
10. Squeeze remaining 700 gallons of Petroplex X-25 into formation. Displace tbg w/ FW. SI over night.
11. Swab back load.
12. Retrieve SCV on swab line.
13. Release packer. Spot 1,000 gallons of acetic acid (Use swab data for spot calculations).
14. TOOH w/ 2 7/8" WS and 5 1/2" packer.
15. RU WL. RIH w/ perf gun (include gamma ray gun) and perforate the 5 1/2" casing using full lubricator w/ 3-3/8" guns, 0.42" hole, 48.24" penetration, w/ 2 JSPF @ 120 degrees phasing as follows: 4596'-4601', 5272'-5286', 5291'-5306', 5311'-5313', 5316'-5326'. Correlate depths w/ Schlumberger Platform Express Compensated Neutron Litho-Density Gamma Ray log dated 22-JUL-1996.
16. POH w/ perf gun. RD WL.
17. RIH w/ 5-1/2" treating pkr while hydro testing 2-7/8" work string to 5500 psi
18. Set packer @ +/- 4500'. Load and test backside to 500 psi. RU flowback manifold an open top tank.
19. MI RU Schlumberger. Hold 500 psi csg pressure, monitor throughout the job. Pump down 2-7/8" WS and acidize all perms with 10,000 gallons of 20% HCL acid w/ nitrogen foam as per

Schlumberger procedure. Rate: 8 BPM and Maximum Surface Pressure: 5000 psi. Displace acid with 75% quality Nitrogen and 2% KCL to bottom perf.

20. Shut-in for one hour.
21. Flowback load, report flowing pressure, rates, and volumes on report.
22. POOH w/ 2-7/8 work string and packer.
23. RIH w/ 2-7/8" J55 production tbg and set TAC per ALCR.
24. ND BOP. NU wellhead
25. RIH w/ pump and rods and set per ALCR.
26. RDMO PU.
27. Turn well over to production. Return to Production.
28. Report production tests.

Contacts:

Ivan Pinney - Remedial Engineer (281-796-9252)
Carlos Valenzuela – ALCR (Cell: 575-390-9615)
Edgar Acero – Production Engineer (432-687-7343 / Cell: 432-230-0704)
Joe Moroney - Baker Hughes (432-230-7373)
Steve Pendleton – Petroplex (432-556-4211)
Chucks Ezeokonkwo – Schlumberger (432-571-4600)

Foam / Air Cleanout Procedure

1. Review All JSA's associated with work. Ensure exclusion zones are identified and communicated to all personnel. All lines must be hobbled.
2. Install flowback manifold with two chokes. All components on flowback manifold must be rated to at least 3,000 psi. Flowback manifold components should be hydrotested before delivery. Recommend mandating proof of testing from vendor.
3. Install flowback tank downwind from rig.
4. Ensure there is a Near Bit Float (If not consult with the engineer to TOOH to install)
5. Install test plug in wellhead. Close pipe rams and pressure test pipe rams and connection between BOP and wellhead to 250 psi/2,000 psi. Bleed off pressure.
6. Open pipe rams and close annular. Pressure test annular to 250/1,500 psi. Bleed off pressure. Open annular. Remove test plug.
7. NU stripper head with **NO Outlets** (Check stripper cap for thread type – course threads preferred). **Stripper head to be stump tested to 1,000 psi before being delivered to rig. Ensure stump test documentation can be provided upon arrival.**
8. RIH to +/-4250 RU foam air unit. Install float at surface before beginning to pump. Break circulation with foam/air. Evacuate fluid from well.

Clear floor of all personnel while breaking circulation and any time they are not required. Pump high quality foam at all times. Do not pump dry air at any time. Fluid injection rates will generally be above 12 gallons per minute.

Whenever there is pressure on the stripper head, have a dedicated person continuously monitor pressure at choke manifold and have a dedicated person at accumulator ready to close annular BOP in case stripper leaks. Do not allow pressure on stripper head to exceed 500 psi. If pressure cannot be controlled below 500 psi, stop pumping, close BOP and bleed off pressure.

9. Strip in hole until tag.
10. Rig up power swivel. Break circulation with foam/air. Install float at surface before beginning to pump. Cleanout as per original procedure. Circulate hole clean.
11. Kill tubing and casing using Brine water. If needed.
12. POOH LD workstring and bit. Brine water down tubing to put tubing on vacuum to help eliminate trapped pressure before breaking out string floats. **Have foam-air hand on location during this process.**
13. ND Stripper and flowback manifold.
14. Resume original procedure.

Keel A Federal #4 Wellbore Diagram

Created: 07/26/10 By: _____
 Updated: 07/26/10 By: _____
 Lease: Keel A Federal
 Field: Lusk North - San Andres
 Surf. Loc.: I-33-18S-32E 1980 FSL 800 FEL
 Bot. Loc.: I-33-18S-32E 1980 FSL 800 FEL
 County: Lea St.: NM
 Status: Active Oil Well

Well #: 4 Fd./St. #: _____
 API: 30-025-33499
 Surface: Tshp/Rng: S-18 & E-32
 Unit Ltr.: G Section: 33
 Bottom hole: Tshp/Rng: S-18 & E-32
 Unit Ltr.: Section: _____
 Directions: Carlsbad, NM
 Chevno: B11819

Surface Casing

Size: 8 5/8
 Wt., Grd.: 24#
 Depth: 1,260
 Sxs Cmt: 650
 Circulate: Yes
 TOC: Surface
 Hole Size: 12 1/4

Production Casing

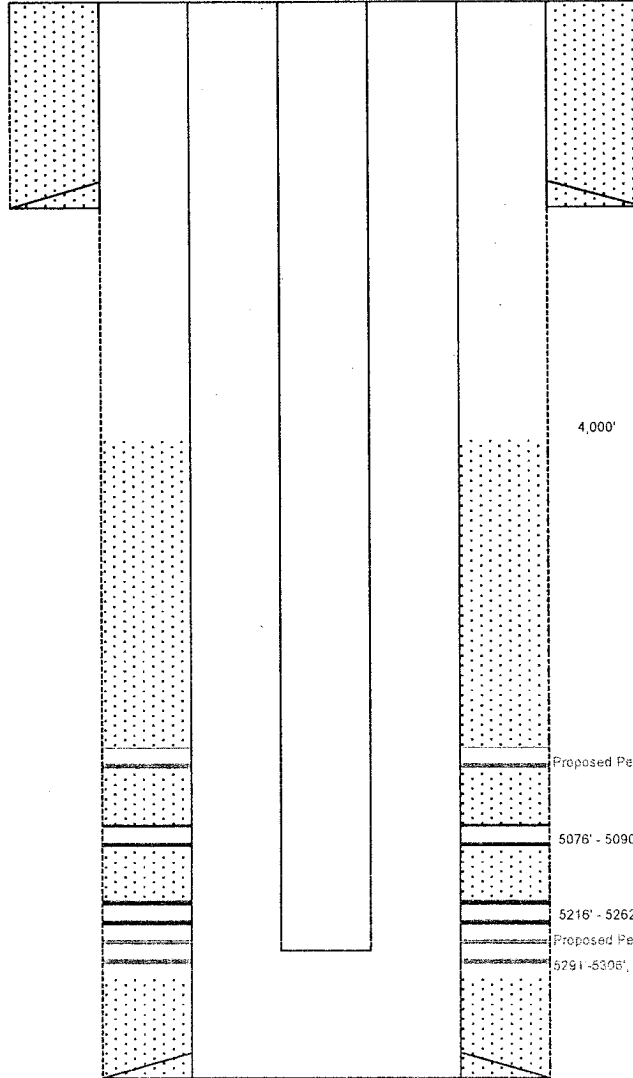
Size: 5 1/2
 Wt., Grd.: 15.5#
 Depth: 5,900
 Sxs Cmt: 425
 Circulate: No
 TOC: 4,000
 Hole Size: 7 7/8

Tubing

Type: J-55 External Upset
 Wt., Grd.: 6.40#
 Depth: 5,305
 OD: 2.875
 ID: 2.441

Perforations

5076-5090
 5216-5262



KB: _____
 DF: _____
 GL: 3,688
 Ini. Spud: 07/06/96
 Ini. Comp.: 07/31/96

History

7/31/96 Ini Comp: Perf 5076-5090, 5216-5262, acid 6000 gis 15% HCl 180 RCNB, 2 7/8 tbg, pkr 5300.

8/18/05: Cut paraffin, tally tbg, test tbg in hole @ 5000 psi. Acidz 5216-62' w/ 4000 gal Resisol & 1000 gal 15% anti-sludge.

Geology - Tops

Yates	2,788
Seven Rivers	3,342
Queen	3,874
Grayburg	4,406
San Andres	4,891
Delaware	5,230
Bone Spring	7,062
Wolfcamp	10,312
Cisco/Canyon	10,869
Strawn	11,515
Atoka	11,876

Proposed Perfs: 4590'-4601'

5076' - 5090'

5216' - 5262'

Proposed Perfs: 5272'-66'

5291'-5306', 5311'-15', 5316'-26'

PBTD: 5,900
 TD: 5,900

Chevron U.S.A. Inc. Wellbore Diagram : KEEL A FED 4

