Submit 1 Copy To Appropriate District 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

State of New Mexico
Energy, Minerals and Natural Resources

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

Form C-103
October 13, 2009

WELL API NO. 30-025-34055

5. Indicate Type of Lease STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

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

7. Lease Name or Unit Agreement Name
MONUMENT 12 STATE

8. Well Number 11

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

9. OGRID Number 4323

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

10. Pool name or Wildcat
MONUMENT; ABO, NORTH

4. Well Location
Unit Letter F: 2310 feet from the NORTH line and 2060 feet from the WEST line
Section 12 Township 19S Range 36E 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:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
OTHER INTENT TO ACIDIZE W/SONIC HAMMER				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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

CHEVRON U.S.A. INC. INTENDS TO ACIDIZE OPEN HOLE ABO SECTION & REPLACE ANY BAD TBG, PMP, ETC.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE AND C-144 INFO.

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 03-08-2011

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

For State Use Only

APPROVED BY: TITLE DATE 3-30-2011

Conditions of Approval (if any):

January 24, 2011

Monument 12 State #11
Monument North Field
T19S, R36E, Sec.12, 2060' FWL 2310' FNL
Job: Acidize OH section with Sonic Hammer

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 January 24, 2011. Verify what is in the hole with the well file in the Eunice field office. Discuss with WEO Engineer, Workover Rep, OS, ALCR, 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 casing with 8.6 PPG cut brine water, if necessary to kill well. Unseat pump and POOH rods and pump. Examine rods for wear and pitting. If rods show paraffin, clean rods with 40 bbls fresh hot water and 70 gals PAO-104. ND WH.

4. Release TAC. Record tension on TAC. NU BOP's and test as required. PU 2 jts and tag for fill (TAC 7167' – Top of OH interval 7230' – EOT 7468' – COTD 7528'). TOOH tbg. Scan tubing while tripping out of hole with tbg. Send all non-yellow band pipe to 1788 yard. Remove bull plug from BHA and collect sample from mud anchor for Baker chemical rep. Pressure test casing to 500 psi. Record tag depth. If tag depth above 7500', discuss with Midland Engineering before continuing.

5. Contact Sonic tool rep to be on site during job. PU and GIH with Sonic Hammer tool and 2 7/8" L-80 6.5# workstring to previously tagged depth while hydrotesting tbg to 5500 psi. Install stripper head and stand pipe with sufficient treating line to move tools vertically 65'. Rig up pressure gauges to allow monitoring of tbg and csg pressure.

6. Treat OH interval 7528-7230' with 50 bbls of water per stand 8.6 PPG cut brine water. Pump down 2 7/8" tbg and through Sonic Hammer tool at **5 BPM** while reciprocating tool across the perforated interval. Do not exceed 5000 psi tubing pressure. Leave annulus open in circulation mode while treating the perforated interval with water.

   Treat the same 60' interval w/ 1,500 gals 20% NEFE HCl acid. Spot 3 bbls acid outside tbg, shut in and close csg valve, pump acid @ 5BPM at first open hole interval from 7528'-7470', monitor csg pressure and do not exceed 500 psi on backside. Ensure that 1500 gal of acid is pumped across each 60' section of open hole (7500 gals acid total). Flush tbg w/ 8.6 cut brine, LD 1 stand and continue w/ next interval. Please see below example of intervals.

STAND	OH INTERVAL
1	7528' (or tagged depth) – 7470'
2	7470' – 7410'
3	7410' – 7350'
4	7350' – 7290'
5	7290' – 7230'

   PU workstring into casing. Shut in for 1 hrs for the acid to spend. Bleed excess pressure off at surface if necessary to keep casing pressure below 500 psi. If well is dead or on a vacuum, proceed to RIH and tag for fill. If fill is below 7500', proceed to POOH and LD 2-7/8" workstring and Sonic Hammer tool. RD and release pump truck. If fill is tagged above 7500', consult with remedial engineer for cleanout options.

7. RIH w/ 2-7/8" production tubing and hang off per ALS recommendation. NDBOP. NUWH. RIH w/ rods and pump per ALS. RD and release workover unit.

8. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels. Notify field specialist or ALCR when complete. Kelly Devilbiss 575-631-9138.