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

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

HOBBS OCD
MAY 24 2011
RECEIVED

Form C-103
October 13, 2009

WELL API NO. 30-025-39094	
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.)	7. Lease Name or Unit Agreement Name CENTRAL DRINKARD UNIT
1. Type of Well: Oil Well ☐ Gas Well ☐ Other INJECTOR	8. Well Number 435
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 DRINKARD
4. Well Location Unit Letter D: 660 feet from the NORTH line and 340 feet from the WEST line Section 29 Township 21S Range 37E 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 RE-PERF, ACIDIZE				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 ADD PERFS USING STIM GUN, AND ACIDIZE.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, WELLBORE DIAGRAM, & 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 05-20-2011

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

For State Use Only

APPROVED BY: TITLE STAFF MGR DATE 5-26-2011

Condition of Approval: *Notify OCD Hobbs office 24 hours prior to running MIT Test & Chart.*

MAY 25 2011

Central Drinkard Unit #435
Drinkard
T21S, R37E, Section 29
Job: Add Perfs Using Baker Stim Gun and Acidize

Procedure:

1. Displace injection line with fresh water. Have field specialist close valve at header. Pressure test injection line to 2000 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.**

2. MI & RU workover unit. Bleed pressure from well, if any. Pump down tbg with 8.6 PPG cut brine water, if necessary to kill well. ND WH. NU BOP's w/ 2-3/8" pipe rams. Blinds on bottom. Test BOP to 250 low/ 500 high psi before unset pkr.

3. Release pkr at 6556'. POH and stand back 2 3/8" IPC TK-99 J-55 injection tbg string. LD on-off tool and packer. Talley tbg out of the hole.

4. Change to 2-7/8" Pipe Rams. PU 4 ¾" MIT bit and GIH with 2 7/8" L 6.5# L-80 WS to 6683'. Establish circulation using 8.6 PPG cut brine water. Drill out plug, float-collar at 6683' and cement to 6750' **(Shoe track is 88' long, do not drill out more than 67' of shoe track).** Circulate clean from 6750'. POOH LD work string & bit. Confirm float collar is at 6683' as per wellbore diagram. If not, adjust drill out depth.

5. MI & RU Baker Atlas electric line unit. Install lubricator and test to 2000 psi. GIH with 3 3/8" EHC Predator XP guns w/ Stim Gun Sleeves (23.5 Gm. .40" EHD 48" TTP) and perforate from 6651 -57', 6659 - 62', 6665 - 76', 6683 - 89' in separate runs, per Baker Atlas recommendation. **Ensure that FL in wellbore is > 100' from surface prior to perforating.** POH. RD & release electric line unit. **Note: Correlate logs and use csg collars from Schlumberger, CBL/VDL/GR/CCL dated 11/21/2008 for depth correction.** Rig down Baker Atlas electric line unit.

6. Change Pipe Rams. PU and GIH with new 5 ½" x 2 3/8 NP lock-set pkr, pump out plug, and on-off tool w/ 1.5" F profile 2 3/8" IPC inj tbg string testing to 5000 psi. Set pkr at 6550'. Release on-off tool and circ well w/ corrosion inhibited pkr fluid. Re-engage on-off tool. Pressure test csg and pkr to 500 psi. Observe casing pressure during acid job to monitor for communication. Pump out Plug. Pump down 2 3/8" IPC tubing and perform acid job and step-rate test using 5,000 gals antisludge 15% HCl acid *** and 262 bbls 8.5 PPG cut brine water. Maximum surface pumping pressure of **4800 psi**. Pump job as follows:

   Pump 50 bbls 8.5 PPG cut brine water at **3 BPM**
   Pump 5,000 gals acid at **3 BPM**

Pump 26 bbls 8.5 PPG cut brine water at **3 BPM**

Shut down and wait 1 hour for acid to spend

Open well and load hole with 8.5 PPG cut brine at **1 BPM**
Pump 10 bbls 8.5 PPG cut brine water at **½ BPM**
Pump 20 bbls 8.5 PPG cut brine water at **1 BPM**
Pump 30 bbls 8.5 PPG cut brine water at **1 ½ BPM**
Pump 40 bbls 8.5 PPG cut brine water at **2 BPM**
Pump 50 bbls 8.5 PPG cut brine water at **2 ½ BPM**
Pump 60 bbls 8.5 PPG cut brine water at **3 BPM.**

Shut down and record ISIP, 5, 10, & 15 minute SIP's. Have Petroplex send entire acid job and step-rate treating report to Chevron Engineer (ivpi@chevron.com; nsou@chevron.com) Bleed pressure from casing. RD and release Petroplex. **Note: While performing step-rate test it is imperative that each stage achieve a stabilized surface pumping pressure. Extend each stage as needed to maintain a stabilized pump pressure for at least 10 minutes prior to going to the next pump rate. Have 400 bbls 8.5 PPG cut brine water on location to provide for extended stages.**

*** 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

7. ND BOP's and NU WH. Conduct MIT test. Pressure test 5 ½" csg to 500 psi and record chart for 30 minutes. Send scanned copy of chart to Denise Pinkerton (JLBM) for filing with NMOCD. Rig down and release workover unit. **Note: Notify NMOCD of MIT Test with 48 hours advance notice.**

8. RDMO.

9. Turn well over to production. Report injection rates and tubing pressures.

Nami Southern
2/21/2011
Engineer – Nami Southern
432-687-7373 Office
979-739-6088 Cell
Baker Wireline: Doug Lunsford: 432-559-0396
MP: Donny Ives: 575-390-7182
ALCR: Shannon Richardson: 575-631-9108
Peak Completions: Randy Goods: 575-631-7543

Ivan Pinney
2/25/2011
Ivan Pinney
432-687-7849 Office
281-796-9252 Cell
OS: Danny Lovell: 575-394-1242
DS: Boyd Schaneman: 432-238-3667
Petroplex: Robert Denney 575-390-4510

Central Drinkard Unit #435

Location:

660' FNL & 340' FWL, Sec-29 T-21S, R-37E	
Unit Letter:	D
Field:	Drinkard
County:	Lea
State:	New Mexico
Area:	Eunice

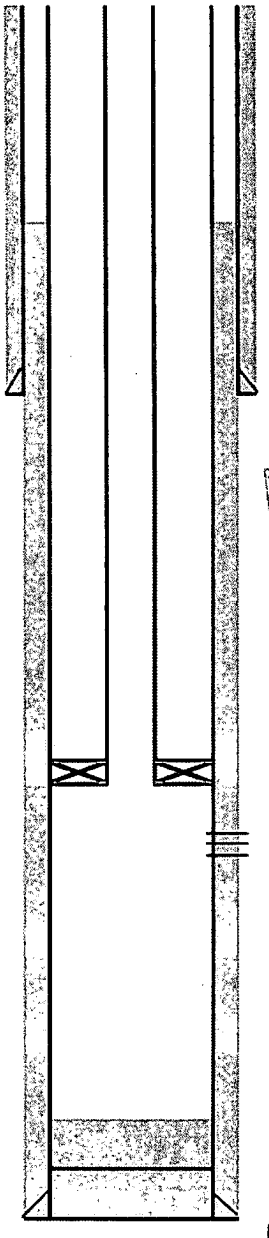
Well Info:

Spud Date:	10/13/2008
API:	30-025-39094
Cost Center:	UCU410400
WBS#:	UWDPS-F8006
RefNO:	LB5043
Lease:	Fee

Current
Wellbore Diagram

Elevations:

DF:	
KB: (22')	3515'
GL:	3493'



Surface Casing
Size: 8 5/8", 24#, J-55 STC
Set @: 1237'
With: 775 sx
Hole Size: 12 1/4"
TOC: Surface
By: Circulation

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.

5-1/2" Nickel-Plated Injection Packer
Set @ 6556'

Perfs	**Status**
6616-26'	Drinkard - Open
6630-36'	Drinkard - Open
6640-48'	Drinkard - Open

Tbg Details
209 jts 2-3/8" J-55 TK-99 IPC tbg
5-1/2" x 2-3/8" T-2 on-off tool w/ss top and 1.50" F ss nipple
5-1/2" x 2-3/8" AS-1X nickel plated pkr
Pump out plug/WL reentry guide
EOT @ 6563'

Production Casing
Size: 5 1/2", 15.5#.J-55 LTC
Set @: 6772'
With: 1020 sx
Hole Size: 7 7/8"
TOC: ?
By: CBL

Updated: 9-Mar-11
By: aoht

PBTD: 6683' (float collar)
TD: 6787'

Central Drinkard Unit #435

Location:

660' FNL & 340' FWL, Sec-29 T-21S, R-37E	
Unit Letter:	D
Field:	Drinkard
County:	Lea
State:	New Mexico
Area:	Eunice

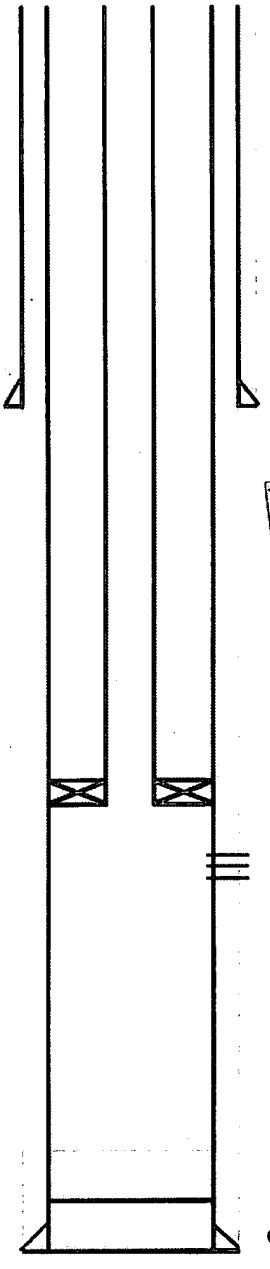
Well Info:

Spud Date:	10/13/2008
API:	30-025-39094
Cost Center:	UCU410400
WBS#:	UWDPS-F8006
RefNO:	LB5043
Lease:	Fee

Proposed
Wellbore Diagram

Elevations:

DF:	
KB: (22')	3515'
GL:	3493'



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5-1/2" Nickel-Plated Injection Packer
Set @ 6550'

Perfs	Status
6616-26'	Drinkard - Open
6630-36'	Drinkard - Open
6640-48'	Drinkard - Open
6651-57'	***Proposed StimGun Perfs***
6659-62'	***Proposed StimGun Perfs***
6665-76'	***Proposed StimGun Perfs***
6683-89'	***Proposed StimGun Perfs***

Tbg Details
2-3/8" J-55 TK-99 IPC tbg
On-off tool w/ 1.50" F profile nipple
5-1/2" x 2-3/8" AS-1X nickel plated pkr
Pump out plug/WL reentry guide

Production Casing
Size: 5 1/2", 15.5#,J-55 LTC
Set @: 6772'
With: 1020 sx
Hole Size: 7 7/8"
TOC: ?
By: CBL

COTD: 6750'
PBTD: ~~6683' (float collar)~~ 6750
TD: 6787'

Updated: 9-Mar-11
By: aoht