

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 88011  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
June 16, 2008

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

Submit to appropriate District Office

☐ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN,  
PLUGBACK, OR ADD A ZONE**

<sup>1</sup> Operator Name and Address CHEVRON U.S.A. INC. 15 SMITH ROAD MIDLAND, TEXAS 79705		<sup>2</sup> OGRID Number 4323
		<sup>3</sup> API Number 30 - 025-26765
<sup>3</sup> Property Code 307992	<sup>5</sup> Property Name L.E. GRIZZELL	<sup>6</sup> Well No. 4
<sup>9</sup> Proposed Pool 1 PENROSE SKELLY; GRAYBURG		<sup>10</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no. A	Section 8	Township 22-S	Range 37-E	Lot Idn	Feet from the 810'	North/South line NORTH	Feet from the 410'	East/West line EAST	County LEA
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<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South lin	Feet from the	East/West line	County
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Additional Well Information

<sup>11</sup> Work Type Code PLUGBACK	<sup>12</sup> Well Type Code O	<sup>13</sup> Cable/Rotary	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3423' GL
<sup>16</sup> Multiple NO	<sup>17</sup> Proposed Depth 6365'	<sup>18</sup> Formation GRAYBURG	<sup>19</sup> Contractor	<sup>20</sup> Spud Date

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
NO CHANGE					

<sup>22</sup> 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 RECOMLETE THE SUBJECT WELL INTO THE PENROSE SKELLY, GRAYBURG FORMATION.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, WELLBORE DIAGRAM, C-102 PLAT, & C-144 PIT INFORMATION.

**Permit Expires 2 Years From Approval  
Date Unless drilling Underway  
Plugback**

<sup>23</sup> 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:  
DENISE PINKERTON

Title:  
REGULATORY SPECIALIST

E-mail Address:  
leakejd@chevron.com

Date:  
05-20-2011

Phone:  
432-687-7375

OIL CONSERVATION DIVISION

Approved by:

*[Signature]*

Title:

REGULATORY SPECIALIST

Approval Date:

MAY 26 2011

Expiration Date:

Conditions of Approval Attached ☐

District I  
1625 N. French Dr., Hobbs, NM 88240  
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1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD  
MAY 24 2011  
RECEIVED

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

<sup>1</sup> API Number 30-025-26765	<sup>2</sup> Pool Code 50350	<sup>3</sup> Pool Name PENROSE SKELLY; GRAYBURG
<sup>4</sup> Property Code 307992	<sup>5</sup> Property Name L.E. GRIZZELL	<sup>6</sup> Well Number 4
<sup>7</sup> OGRID No. 4323	<sup>8</sup> Operator Name CHEVRON U.S.A. INC.	<sup>9</sup> Elevation 3423' GL

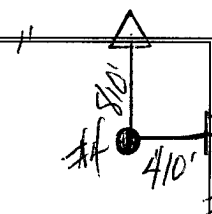
<sup>10</sup> Surface Location

UL or lot no. A	Section 8	Township 22-S	Range 37-E	Lot Idn	Feet from the 810	North/South line NORTH	Feet from the 410	East/West line EAST	County LEA
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<sup>11</sup> 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
<sup>12</sup> Dedicated Acres 40	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> 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.

<sup>16</sup>		<sup>17</sup> 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. Signature: Denise Pinkerton Date: 05-20-2011 Printed Name: DENISE PINKERTON REGULATORY SPECIALIST
		<sup>18</sup> 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

**L. E. Grizzell # 4**  
**Penrose Skelly Field**  
**T22S, R37E, Section 8**  
**Job: PB To Grayburg Formation And Frac Stimulate**

**Procedure:** (Revised: 5/12/2011)

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 5/12/2011. 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 test line according to the type of pipe. All polypipe (SDR7 and SDR11) will be tested to 1 ½ times the derated poly working pressure. All steel lines will be tested to 1 ½ times the working pressure of the lowest pressure rated component of the flowline. If a leak is found, contact Donnie Ives for repair/replacement. If test is good, bleed off pressure and **open valve** at header. This test must be charted for 30 minutes and the chart turned in to Donnie Ives. Also, document this process in the morning report.
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 LD rods and pump. ND WH. NU BOP's. Release TAC. POH LD 2 jts 2 3/8" 6.5 # J-55 EUE 8R tbg. PU and GIH w/ 5 ½" compression-set pkr to 25'. Set pkr at 25'. Test BOP's to 250 psi low, 1000 psi high. Release pkr. POH LD pkr, 2 3/8" tbg string and TAC.
4. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH and make GR/JB (use gauge ring for 5 ½" 14# csg) run to 6430'. POH. GIH and set CIBP at 6400'. POH. Fill casing with 8.6 PPG cut brine water. Pressure test casing and CIBP to 500 psi. GIH and conduct GR/CNL/CCL log from 4500' up to 2500'. POH. E-mail log to Caleb Osborn (COFT@chevron.com) for picking new perfs. GIH and conduct GR/CBL/CCL from PBTD up to up to 100' above top of cement. Run log with with 500 psi on casing. POH. Inspect log for good cement bond from approximately 4100' up to 3300'. If bond does not appear to be good from 3300' to 4100', discuss with Engineering before proceeding. GIH with 3 3/8" RHSC Gunslinger casing guns (0.42" EH & 47" penetration) and perforate from 3630-35', 3640-44', 3647-54', 3665-70', 3675-85', 3694-3702', 3710-18', 3728-33', 3738-43', 3748-52', 3760-63', 3770-74', 3786-92', 3798-3806', 3810-15', 3828-35', 3854-60', and 3868-78' with 4 JSPF at 120 degree phasing, using 25 gram premium charges. POH. GIH and dump bail 35' of cement on top of CIBP at 6400'. POH. RD & release electric line unit. **Note: Use Schlumberger GR/CNL Log dated 5/31/1980 for depth correlation.**
5. PU and GIH w/ 5 ½" Arrow-Set 10K pkr & On-Off tool w/ 2.25" "F" profile and 109 jts. of 3 ½" EUE 8R L-80 work string, testing to 8500 psi. Space out. Set pkr at approximately 3400'. Install 10K frac valve. Pressure annulus to 500 psi to test csg and pkr.

6. MI and RU pump truck. Pump down tbg with 50 bbls 8.6 PPG cut brine water containing 110 gals Baker Petrolite RE-4777 scale inhibitor. Displace scale inhibitor solution down tbg with 50 bbls 8.6 PPG cut brine water. **Do not exceed 5 BPM or 2500 psi while pumping scale squeeze.** RD and release pump truck. RD & MO workover rig.
7. MI & RU Schlumberger and ProTechnics Services. Pressure test casing and pkr to 500 psi. Leave 250 psi on annulus during frac to monitor for communication. Frac well down 3 ½" tubing at **40 BPM** with 88,000 gals of YF125, 176,000 lbs. 16/30 mesh Jordan Sand, and 30,000 lbs **resin-coated** 16/30 mesh CR1630 proppant. Observe a maximum surface treating pressure of **8000 psi**. Tag frac with 2 radioactive isotopes (1 in regular sand stages, and 1 in resin-coated proppant stage). Pump job as follows:

Pump 1,000 gals 2% KCL water spacer at **20 BPM**

Pump 14,000 gals YF125 pad containing 5 GPT J451 Fluid Loss Additive 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

Pump 16,000 gals YF125 containing 4.5 PPG 16/30 mesh Jordan Sand

Pump 6,000 gals YF125 containing 5 PPG **resin-coated** 16/30 mesh CR16/30 proppant.

Flush to 3580' with 1,424 gals WF125. **Do not overflush.** Shut well in. Record ISIP, 5, 10, and 15 minute SI tbg pressures. SWI. RD & release Schlumberger and ProTechnics Services. **Leave well SI overnight.**

8. MI & RU workover rig.
9. Open well. Bleed pressure from well, if any. Release pkr. POH LD 3 ½" work string, on-off tool, and pkr.
10. PU and GIH with 4 ¾" MT bit, float & float sub, and 6 DC's on new 2 7/8" J-55 production tbg string to approximately 4300'. If fill is tagged above 4300', cleanout to 4300' using 8.6 PPG cut brine water and air unit as per attached Air Foam procedure. POH with 2 7/8" production tbg string and bit. LD bit and DC's.
11. PU & GIH with 5 ½" pkr on 2 7/8" production tbg string to 3500'. Set pkr at 3500'. Open well. GIH and swab well until there is no sand inflow. Swab well for at least 3 hours before logging. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH through tbg and conduct after-frac PRISM GR/Temp/CCL log from 4300' up to 3300'. POH. RD & release electric line unit. **Note: Correlate logs and run flat with Baker Atlas GR/CBL/CCL Log conducted in Step # 4.**
12. Release pkr. POH with 2 7/8" production tbg string and pkr. LD packer.

13. PU and GIH with TAC, Quinn PC pump stator, and 115 joints 2 7/8" EUE 8R J-55 tbg, testing to 5000 psi. Set TAC at 3615'.
14. ND BOP's and NU WH. GIH with rotor and spin-thru guided rods per Quinn Pump recommended design. RD & release pulling unit.
15. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

5/12/2011

Well: **L. E. Grizzell # 4**Field: **Drinkard**Reservoir: **Drinkard****Location:**

810' FNL & 410' FEL  
 Section: 8 Unit Letter: A  
 Township: 22S  
 Range: 37E  
 County: Lea State: NM

**Elevations:**

GL: 3423'  
 KB: 3438'  
 DF: 3437'

**Current**  
**Wellbore Diagram**

**Well ID Info:**

Chevron: F17993  
 API No: 30-025-26765  
 L5/L6: U41AA00  
 Spud Date: 5/11/80  
 Compl. Date: 6/10/1980

Surf. Csg: 13 3/8", 48# H-40  
 Set: @ 423' w/ 400 sks  
 Hole Size: 17 1/2"  
 Circ: Yes TOC: Surface  
 TOC By: Circulated

Interm. Csg: 8 5/8", 24# & 32# K-55  
 Set: @ 3865' w/ 1475 sks  
 Hole Size: 12 1/4"  
 Circ: Yes TOC: Surface  
 TOC By: Circulated

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
209	Jts. 2 3/8" EUE 8R J-55 Tbg	6592.96
	SN	1.10
	TAC	2.75
	2 3/8" x 3' Perf Tbg Sub	3.10
1	Jt. 2 3/8" EUE 8R J-55 Tbg	31.18
	Bull Plug	0.50
210	Bottom Of String >>	6646.59

CIBP @ 7000'  
 (35' cmt on top)

COTD: 6965'  
 PBD: 6965'  
 TD: 7290'

Updated: 5/4/2011

By: A. M. Howell

Perfs:	Status:
6448-50'	Drinkard - Open
6459'	Drinkard - Open
6480'	Drinkard - Open
6489'	Drinkard - Open
6496'	Drinkard - Open
6501'	Drinkard - Open
6508'	Drinkard - Open
6524'	Drinkard - Open
6532-37'	Drinkard - Open
6572-74'	Drinkard - Open
6580'	Drinkard - Open
6661-64'	Drinkard - Open

7174-86' Fusselman - Below CIBP

Prod. Csg: 5 1/2", 14#, 15.5# & 17# K-55 & N-80  
 Set: @ 7290' w/ 700 sks  
 Hole Size: 7 7/8"  
 Circ: No TOC: 2550'  
 TOC By: Temperature Survey

Well: L. E. Grizzell # 4

Field: Penrose Skelly

Reservoir: Grayburg

**Location:**  
 810' FNL & 410' FEL  
 Section: 8 Unit Letter: A  
 Township: 22S  
 Range: 37E  
 County: Lea State: NM

**Elevations:**  
 GL: 3423'  
 KB: 3438'  
 DF: 3437'

### Proposed Wellbore Diagram

**Well ID Info:**  
 Chevno: F17993  
 API No: 30-025-26765  
 L5/L6: U497400  
 Spud Date: 5/11/80  
 Compl. Date: 6/10/1980

**Surf. Csg:** 13 3/8", 48# H-40  
**Set:** @ 423' w/ 400 sks  
**Hole Size:** 17 1/2"  
**Circ:** Yes **TOC:** Surface  
**TOC By:** Circulated

#### Tubing Detail

#Jts:	Size:	Footage
	KB Correction	15.00
115	Jts. 2 7/8" J-55 Cl. 'B'	3565.00
	2 7/8" x 4' Tbg Sub	4.00
	PC Stator	29.02
	TAC	2.70
115	Bottom Of String >>	3615.72

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**CIBP @ 6400'**  
 (35' cmt on top)

**CIBP @ 7000'**  
 (35' cmt on top)

**COTD:** 6365'  
**PBTD:** 6365'  
**TD:** 7290'

Updated: 5/12/2011

By: A. M. Howell

Perfs:	Status:
3630-35'	Grayburg - Open
3640-44'	Grayburg - Open
3647-54'	Grayburg - Open
3665-70'	Grayburg - Open
3675-85'	Grayburg - Open
3694-3702'	Grayburg - Open
3710-18'	Grayburg - Open
3728-33'	Grayburg - Open
3738-43'	Grayburg - Open
3748-52'	Grayburg - Open
3760-63'	Grayburg - Open
3770-74'	Grayburg - Open
3786-92'	Grayburg - Open
3798-3806'	Grayburg - Open
3810-15'	Grayburg - Open
3828-35'	Grayburg - Open
3854-60'	Grayburg - Open
3868-78'	Grayburg - Open

**Interm. Csg:** 8 5/8", 24# & 32# K-55  
**Set:** @ 3865' w/ 1475 sks  
**Hole Size:** 12 1/4"  
**Circ:** Yes **TOC:** Surface  
**TOC By:** Circulated

Perfs:	Status:
6448-50'	Drinkard - Below CIBP
6459'	Drinkard - Below CIBP
6480'	Drinkard - Below CIBP
6489'	Drinkard - Below CIBP
6496'	Drinkard - Below CIBP
6501'	Drinkard - Below CIBP
6508'	Drinkard - Below CIBP
6524'	Drinkard - Below CIBP
6532-37'	Drinkard - Below CIBP
6572-74'	Drinkard - Below CIBP
6580'	Drinkard - Below CIBP
6661-64'	Drinkard - Below CIBP

7174-86' Fusselman - Below CIBP

**Prod. Csg:** 5 1/2", 14#, 15.5# & 17# K-55 & N-80  
**Set:** @ 7290' w/ 700 sks  
**Hole Size:** 7 7/8"  
**Circ:** No **TOC:** 2550'  
**TOC By:** Temperature Survey