<u>District I</u> 1625 N. Frend District II	ch Dr., Hob	bs, NM 882	40	State of New Mexico Energy Minerals and Natural Resources					Form C-101 June 16, 2008			
1301 W. Gran District III 1000 Rio Bran District IV	zos Road, A	Aztec, NM 8	1 88210 7410 HOBBS C 1 87505AY 2 4	 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 				*	Submit to appropriate District Office			
APPLIC	ATION	FOR P	PERMIT TO) DRIL	L, RE-EN	TER,	DEEPEN	,				
LUGDA	<u>101, 0</u>		¹ Operator Name	and Addres	s			4323	² OGI	RID Number	/	
CHEVRON U.S.A. INC. 15 SMITH ROAD MIDLAND, TEXAS 79705										³ API Number		
³ Prope	erty Code				⁵ Property			30-023-	⁶ Well No. 25			
19	221	9	Proposed Pool 1		MONUMENT	12 STAT		¹⁰ Pr				
7 5	T 4	MONUM	IENT; DRINKAR	D, NE								
UL or lot no. D			Range 36-E	Lot Id	In Feet fr 75		North/South line NORTH	Feet from the 990'			County LEA	
⁸ Proposed	Bottom I	L Hole Loca	tion If Differen	t From Sı	urface		1					
UL or lot no.	Section	Township	Range	Lot Ic	In Feet fr	om the	North/South lin	Feet from the	East	t/West line	County	
Addition	al Well	Informat	tion	-			L					
	Type Code GBACK		¹² Well Type Coo O	¹² Well Type Code ¹³ Cab			¹⁴ Lease Type Code S			¹⁵ Ground Level Elevation		
¹⁶ Multiple NO						ormation NKARD		¹⁹ Contractor	¹⁹ Contractor		²⁰ Spud Date	
<u> </u>				L			L					
			Cement Prog		weight/foot	1 .	Setting Depth	Sacks of	Cement	- F	Estimated TOC	
Hole Size Casi												
· · · · · · · · · · · · · · · · · · ·												
22 - 12								ne present productiv			1	
CHEVRON	U.S.A. INC	C. INTEND: HED, THE		ete the s cedure, '	UBJECT WELI WELLBORE DI	L INTO T		ENT; DRINKARD, 1				
²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.						OIL CONSERVATION DIVISION						
Signature	MIL	Pin	Keston)		Аррго	oved by:	May	-			
Printed name DENISE PINKERTON							Title: PERMISSION DAVONCER					
Title: REGULATO	RY SPECI	ALIST				Appro	oval Date: MA	2 6 2011	Expirati	ion Date:		
E-mail Addre leakejd@che Date:			Phone:			Condi	tions of Approv	al Attached				
05-23-2011			432-687-737	5								

<u>District I</u> 1625 N. French Dr <u>District II</u> 1301 W. Grand Av <u>District III</u> 1000 Rio Brazos R <u>District IV</u> 1220 S. St. Francis	eenue, Artesi d., Aztec, NN	^{a, N} MOBBS ^{M 87410} MAY 2	OCD 4 2011	OIL C 12	ONSERVA 220 South St Santa Fe, N	al Resources Depa FION DIVISIO Francis Dr.	N S	ubmit to Appropr Stat Fe	Form C-102 October 12, 2005 ate District Office e Lease - 4 Copies e Lease - 3 Copies ENDED REPORT	
¹ API Number 30-025-34470				² Pool Code 97008		NUMENT; DRINKARD	³ Pool Na			
⁴ Property Code 18927					⁵ Property MONUMENT		⁶ Well Number 25			
⁷ OGRID No. 4323					⁸ Operator CHEVRON U			⁹ Elevation		
¹⁰ Surface Location										
UL or lot no. D	Section 12	Township 19-S	Range 36-E	Lot Idn	Feet from the 758	North/South line NORTH	Feet from the 990	East/West line WEST	County LEA	
¹¹ Bottom Hole Location If Different From Surface										
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	e North/South line	Feet from the	East/West line	County	
¹² Dedicated Acres 40	3 ¹³ Joint o	r Infill	nsolidation	Code ¹⁵ Or	der No.	"I	I		l	

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.

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	16 1425 990, 04725	s		17 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 othered by the division.
				¹⁸ 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

Monument 12 State #25 Monument Field T19S, R36E, Sec.12, 990' FWL 758' FNL Job: Perforate and acidize individual Drinkard zones and isolate water as needed

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 March 31, 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. ND WH. Install BOP's and test as required. TOOH tbg. Scan 2 7/8" 6.5# J-55 tbg while tripping out of hole with tbg. Send all non-yellow band pipe to 1788 yard. Stand back all yellow band pipe. Pressure test csg to 500 psi.
- 4. MI & RU Baker Hughes electric line unit. Install lubricator and test to 2000 psi. GIH with 3 3/8" RHSC Gunslinger casing gun (0.42" EH & 47" penetration). Perforate the following intervals with 4 JSPF at 120 degree phasing, using 25 gram premium charges:
 - 6724'-6729'
 - 6768'-6772'
 - 6776'-6778'
 - 6960'-6963'
 - 6968'-6982'
 - 6988'-6992'
 - 7092'-7095'
 - 7098'-7100'
 - 7102'-7106'

POH. RD and release electric line unit. <u>Note</u>: Use CCL with Wedge Dia-Log, Inc. CBL log dated September 10, 1998 for depth correlation.

5. PU and GIH with 5 1/2" RBP and 5 1/2" treating pkr and 2 7/8" EUE 8R L-80 workstring while hydrotesting to 5500 psi below slips. Set RBP at 7125'. Pick up 5' and pressure test RBP to 500 psi. Set pkr at 7052'.

<u>Note:</u> There will be three individual acid jobs in this procedure. The plan is to schedule Petroplex in the morning for the first acid job and then every other morning for the remaining two acid jobs. There will be about a day and a half to swab test each perforation interval between acid jobs.

- MI & RU Petroplex. Acidize perf interval 7092'-7106' with 2000 gals antisludge 20% HCL acid at a maximum rate of 1/2 BPM and a maximum surface pressure of 3500 psi. Spot acid to bottom of 2 7/8" tbg. Displace acid with 8.6 PPG cut brine water. <u>Note: Pickle tubing in 1 run of 250 gals acid prior to acidizing perfs. Pickle acid is to contain only 1/2 gal A264 and 1 gal W53.</u> RD and release Petroplex. Shut in for 1 hour.
- 7. GIH and swab back treated interval. Recover 100% of treatment and load volumes before shutting well in for night. Report recovered fluid volumes, pressures, and swabbing fluid levels to Production Engineer (Alex Moore) and Remedial Engineer.
- 8. Bleed off pressure. Release pkr. Engage RBP. PUH to 7017', pressure test RBP to 500 psi and reset RBP. PUH and set pkr at 6920'.
- 9. MI & RU Petroplex. Acidize perf interval 6960'-6992' with 5000 gals antisludge 20% HCL acid at a maximum rate of 1/2 BPM and a maximum surface pressure of 3500 psi. Spot acid to bottom of 2 7/8" tbg. Displace acid with 8.6 PPG cut brine water. RD and release Petroplex. Shut in for 2 hours.
- 10. GIH and swab back treated interval. Recover 100% of treatment and load volumes before shutting well in for night. Report recovered fluid volumes, pressures, and swabbing fluid levels to Production Engineer.
- 11. Bleed off pressure. Release pkr. Engage RBP. PUH to 6803', pressure test RBP to 500 psi and reset RBP. PUH and set pkr at 6684'.
- 12. MI & RU Petroplex. Acidize perf interval 6724'-6778' with 2000 gals antisludge 20% HCL acid at a maximum rate of 1/2 BPM and a maximum surface pressure of 3500 psi. Spot acid

to bottom of 2 7/8" tbg. Displace acid with 8.6 PPG cut brine water. RD and release Petroplex. Shut in for 1 hour.

- 13. GIH and swab back treated interval. Recover 100% of treatment and load volumes before shutting well in for night. Report recovered fluid volumes, pressures, and swabbing fluid levels. <u>Note:</u> Discuss with Midland Engineering before continuing with procedure. A decision will be made if a CIBP is needed.
- 14. Bleed off pressure and release pkr. Engage RBP. POH with 2 7/8" workstring, RBP, and treating pkr. LD RBP. <u>Note</u>: If decision is made to set a CIBP, skip to step #17. LD workstring and pkr.
- 15. PU and GIH with production tubing string as per Engineering determination (TBD after determining the CIBP setting depth). ND BOP's and NU WH. GIH with rods, weight bars and pump per ALCR recommendations. RD and release workover unit.
- 16. Turn well over to production. Report producing rates, choke sizes, flowing pressures and fluid levels. Notify field specialist when complete. Kelly Devilbiss 575-631-9138 or Bryan Duncan 575-631-9096.

Procedure if Decision is made to set CIBP for water isolation

- 17. MI & RU wireline unit. Dump bail 50' of cmt on top of CIBP set @ 7130' <u>Note</u>: This CIBP was set in 2009 to TA the Abo formation below. Make sure top of cement tags to a depth of 7095' or higher before continuing. Set CIBP with wireline to depth specified by Midland Engineering. POH. RD and release wireline unit.
- 18. PU and RIH with 2 7/8" workstring and pkr. Set pkr 10' above CIBP depth. Pressure test CIBP to 1500 psi. If pressure holds, release pkr. POH with 2 7/8" workstring and pkr. LD workstring and pkr.
- 19. PU and GIH with production tubing string as per Engineering determination (TBD after determining the CIBP setting depth). ND BOP's and NU WH. GIH with rods, weight bars and pump per ALCR recommendations. RD and release workover unit.
- 20. Turn well over to production. Report producing rates, choke sizes, flowing pressures, and fluid levels. Notify field specialist when complete. Kelly Devilbiss 575-631-9138 or Bryan Duncan 575-631-9096.

PROPOSED WELL DATA SHEET



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CURRENT WELL DATA SHEET

