DISTRICT I P.O. Box 1980, Hobbs, NM 88241-1980 DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88211-0719

DISTRICT III

1000 Rio Brazos 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-101 Revised February 10,199 Instructions on bac

Submit to Appropriate District Offic

State Lease - 6 Copie

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

AMENDED REPORT

Fee Lease - 5 Copie

APPLICAT	ION FOR PERMIT TO	DRILL, RE-EN	TER, DEEPEN, P	LUGBACK, OF	R ADD A ZONE	
	1 Operator Name and Add	ress				D Number
CHEVRON USA INC						23
15 SMITH ROAD, MIDLAND,	X 79705	-			3 API Nu 30 025	
Property Code 30020			erty Name RSON, V. M.		6 We	ell No. 2
		⁷ Surface L				
JI or lot no. Section Town	ship Range Lot.ldr			Feet From The	East/West Line	County
A 30 21	S 37E	660	NORTH	660	EAST	LEA
	⁸ Proposed Bot	tom Hole Locati	on If Different Fro	m Surface		
UI or lot no. Section Town	ship Range Lot.ldr	Feet From The	North/South Line	Feet From The	East/West Line	County
	oposed Pool 1 SKELLY GRAYBURG			¹⁰ Proposed Po	ol 2	
11 Work Type Code	¹² WeilType Code	Rotary or C.1	- 14 Lea	se Type Code	15 Ground Level	Elevation
16 Multiple	17 Proposed Depth	¹⁸ Formation	19 Co	ontractor	3492' ²⁰ Spud	Date
No	6674'	GRAYBURG			3/1/2003	Date
	²¹ Prop	osed Casing and	d Cement Progran	<u> </u>		
SIZE OF HOLE S		HT PER FOOT	SETTING DEPTH		CEMENT	EST. TOP
NO CH	ANGE					
				:		
		:				
				1		
Describe the proposed program. If this Describe the blowout prevention program	application is to DEEPEN or PLUG m, if any. Use additional sheets if n	BACK give the data on the ecessary.	present productive zoneand	proposed new productiv	e zone.	
CHEVRON U.S.A. INC. INTENI	S TO RECOMPLETE THE	E SUBJECT WELL	IN THE GRAYBURG	FORMATION, ACI	DIZE AND FRAC.	
HE INTENDED PROCEDURE	AND WELL BORE DIAGR	AM IS ATTACHED	FOR YOUR APPROV	ΆΙ		
	, and there is not the surface of th	, with the state of the state o	i on room, a rino v	, N.C.		
		Permit E	xpires 1 Year	From Aporco	:al	
			Unless Drilling			
			P/44 -1	Back		
I hereby certify that the rules and regulation have been complied with and		OIL C	ONSERVA	TION DIVISIO	N	
is true and complete to the best of my	knowledge and belief.				20081818	
ignature Inuse		Approved By:	ी <u>दि</u>	GINAL SIGNED PAUL F. KAUTZ	UT 1	
rinted Name Denise Lea				FETT	TOLEUM ENGIN	IEE3
Printed Name Denise Lea	\e		Title:	6 3330		
itle Regulatory Specialist			Approval Date: South State Expiration Date:			
Pate 2/18/2003	Telephone	915-687-7375	Conditions of Approva	ıl:		

V. M. Henderson # 2 Penrose Skelly Field T21S, R37E, Section 30 Job: PB To Grayburg Formation, Acidize, And Frac

Procedure:

- 1. Displace flowline with fresh water. Have field specialist close valve at header. Pressure line according to the type of line. AGU, EMSU, and EMSUB 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/500 psi. If a leak is found, contact Larry Williams for repair/replacement. If test is good, bleed off pressure and open valve at header. Document this process in the morning report.
- 2. MI & RU pulling unit. Bleed pressure from well, if any. Pump down csg with 2% KCl water, if necessary to kill well. POH with rods and pump. Remove WH. Install BOP's and test to 1000 psi. Release pkr. POH with 2 3/8" tbg string.
- 3. PU and GIH with 4 ¾" MT bit and 2 7/8" work string to 5200'. POH with work string and bit. LD bit.
- 4. PU and GIH with 5 ½" tbg-set CIBP to 5100'. Set CIBP at 5100'. Dump 35' cmt on top of CIBP. PUH to 5000'. Reverse circulate well clean from 5000' using 2 % KCl water. POH with 2 7/8" work string. Pressure test csg and CIBP to 500 psi. POH with 2 7/8" work string.
- 5. MI & RU Baker Atlas electric line unit. Install lubricator and test to 1000 psi. GIH and conduct GR/CBL/CCL log from 5000' up to 2600'. POH. Inspect logs for good cement bond from approximately 4300' up to 3500'. If bond does not appear to be good across proposed completion interval, discuss with Engineering before proceeding. Cmt squeeze as necessary to obtain good cmt across completion interval. GIH with 3 1/8" DP slick casing gun and perforate from 3658-66', 3692-3701', 3712-18', 3750-58', 3777-82', 3792-99', 3814-18', 3833-39', and 3848-56' with 4 JSPF at 120 degree phasing, using 23 gram premium charges. POH. RD & release electric line unit. Note: Correlate logs and run flat with Welex Thermal Multigate Decay Log conducted 3/4/87.
- 6. PU and GIH w/ 5 ½" PPI pkr (with 10' element spacing) and SCV on 2 7/8" work string to approximately 3650'. Test tbg to 5500 psi while GIH.
- 7. MI & RU DS Services. Acidize perfs 3658-3856' with 1,800 gals anti-sludge 15% HCl acid * at a maximum rate as shown below and a maximum surface pressure of 3500 psi. Spot acid across perfs at beginning of each stage and let soak to lower breakdown pressure and prevent communication. Pump job as follows:

Interval	Amt. Acid	Max Rate	PPI Setting
3848-56'	200 gals	½ BPM	3847-57'
3833-39'	200 gals	$\frac{1}{2}$ BPM	3831-41'
3814-18'	200 gals	1/2 BPM	3811-21'
3792-99	200 gals	½ BPM	3790-3800'
3777-82	200 gals	½ BPM	3775-85'
3750-58	200 gals	½ BPM	3749-59'
3712-18	200 gals	½ BPM	3710-20'
3692-3701'	200 gals	½ BPM	3692-3702'
3658-66	200 gals	½ BPM	3657-67'

Displace acid with 2% KCl water -- do not overdisplace. Use a SCV to control displacement fluid. Record ISIP, 5 & 10 minute SIP's. RD and release DS services.

Note: Pickle tubing in 1 run of 500 gals acid, prior to acidizing perfs. Pickle acid is to contain only 1/2 gal A264 and 1 gal W53. Also, if communication occurs during treatment of any interval, monitor casing pressure and attempt to complete stage w/o exceeding 1000 psi csg pressure. If cannot, then move PPI to next setting depth and combine treatment volumes of the intervals.

* 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

- 8. Release PPI pkr and PUH to approximately 3625'. Swab back all intervals together. Recover 100% of treatment and load volumes before shutting well in for night, if possible. Report recovered fluid volumes, pressures, and/or swabbing fluid levels. Note: Selectively swab perfs as directed by Engineering if excessive water is produced.
- 9. Open well. Release PPI pkr. POH with tbg and PPI packer. LD 2 7/8" work string and PPI tool.
- 10. PU and GIH w/ 5 ½" Lok-Set pkr & On-Off tool w/ 2.25" "F" profile and 118 jts. of 3 ½" EUE 8R L-80 work string, testing to 7500 psi. Set pkr at approximately 3600'. Install frac head. Pressure annulus to 500 psi to test csg and pkr. Leave pressure on csg during frac job to observe for communication.
- 11. MI & RU DS Services. Frac well down 3 ½" tubing at **40 BPM** with 68,000 gals of YF135, 130,000 lbs. 16/30 mesh Jordan Sand, and 30,000 lbs **resin-coated** 16/30 mesh CR4000 proppant. Observe a maximum surface treating pressure of **7400 psi**. Pump job as follows:

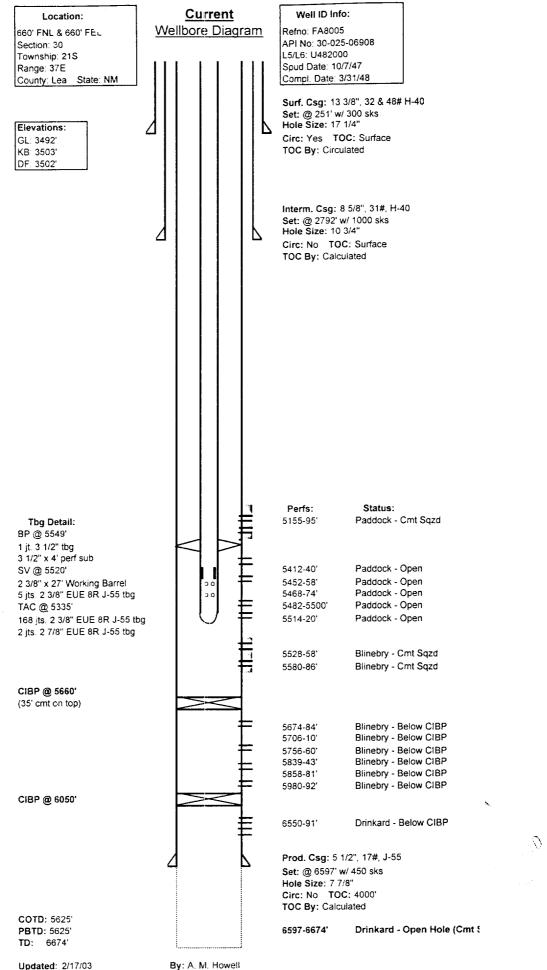
Pump 28,000 gals YF135 pad containing 5 GPT J451 Fluid Loss Additive

Pump 4,000 gals YF135 containing 1 PPG 16/30 mesh Jordan Sand Pump 4,000 gals YF135 containing 2 PPG 16/30 mesh Jordan Sand Pump 6,000 gals YF135 containing 3 PPG 16/30 mesh Jordan Sand Pump 8,000 gals YF135 containing 4 PPG 16/30 mesh Jordan Sand Pump 10,000 gals YF135 containing 5 PPG 16/30 mesh Jordan Sand Pump 3,000 gals YF135 containing 6 PPG 16/30 mesh Jordan Sand Pump 5,000 gals YF135 containing 6 PPG resin-coated 16/30 mesh CR4000 proppant

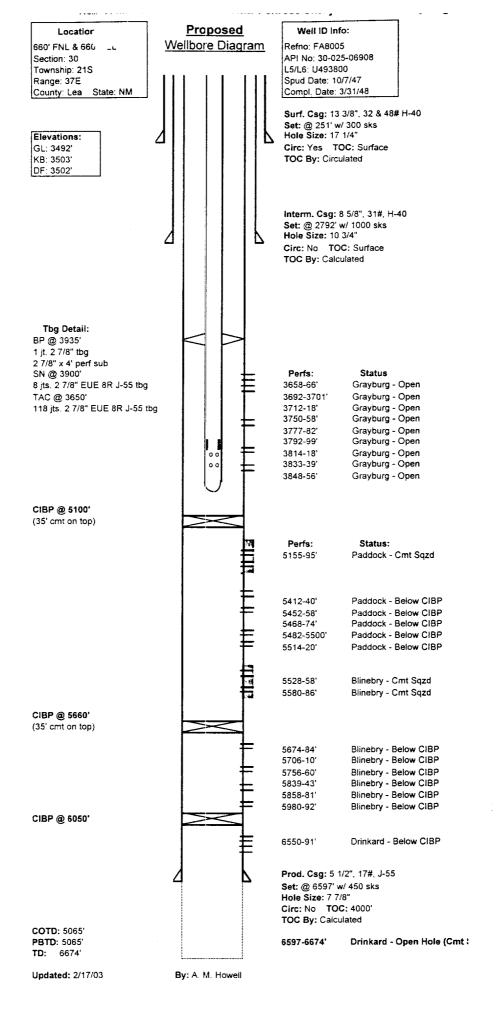
Flush to 3600' with 1,315 gals WF135. <u>Do not overflush.</u> Shut well in. Record ISIP, 5, 10, and 15 minute SI tbg pressures. SWI. RD & Release DS Services. <u>Leave well SI overnight.</u>

- 12. Open well. Release pkr and POH with 3 ½" work string. Lay down work string and pkr.
- 13. PU 4 3/4" MT bit and GIH on 2 7/8" work string to top of sand fill in 5 1/2" csg. Establish circulation using 2% KCl water. LD and cleanout wellbore to 4100'. Reverse circulate well clean from 4100' using 2% KCl water. POH with 2 7/8" work string and bit. LD bit.
- 14. PU and GIH w/ BP mud anchor jt of 2 7/8" tbg, 2 7/8" x 4' perforated sub, SN, 8 jts 2 7/8" EUE 8R J-55 tbg, TAC, and 118 jts 2 7/8" EUE 8R J-55 tbg, testing to 5000 psi. Set TAC at 3650', with EOT at 3935' and SN at 3900'.
- 15. Remove BOP's and install WH. GIH with rods, weight bars, and pump per ALS recommended design. RD & release pulling unit.
- 16. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

AMH 2/18/2003



By: A. M. Howell



P.O. Box 1980, Hobbs, NM 88241-1980

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DISTRICT II

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

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

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

OIL CONSERVATION DIVISION

P.O. Box 2088

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> Fee Lease - 3 Copie AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	³ Pool Name
30 025 06908	50350	PENROSE SKELLY GRAYBURG
4 Property Code	⁵ Property N	ame ⁶ Well No.
30020	HENDERSO	N, V. M. 2
OGRID Number	⁸ Operator N	Name ⁹ Elevation
4323	CHEVRON U	ISA INC 3492'

Surface Location

Ul or lot no	Section	Township	Range	Lot.idn	Feet From The	North/South Line	Feet From The	East/West Line	County
Α	30	21S	37E		660	NORTH	660	EAST	LEA

Bottom Hole Location If Different From Surface

Ul or lot no. Section	Township	Range Lot.ldn	Feet From T	he North/South Line	Feet From The	East/West Line	County
¹² Dedicated Acre	13 Joint or Infill	¹⁴ Consolidation	n Code	Order No.			
40	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

