Office	State of New Mexico	<i>Page 1 of 1</i> Form C-103	
<u>District I</u> – (575) 393-6161	Energy, Minerals and Natural Resources	Revised August 1, 2011	
1625 N. French Dr., Hobbs, NM 88240		WELL API NO.	
DISTRICT II	OIL CONSERVATION DIVISION	30-025-10312	
<u>District III</u> – (505) 334-6178	1220 South St. Francis Dr.	5. Indicate Type of Lease	
1000 Rio Brazos Rd., Aztec, NM 87410	Sente Es. NM 97505	STATE STATE	
<u>District IV</u> – (505) 476-3460	Santa Fe, INM 87505	6. State Oil & Gas Lease No.	
87505		B-3480	
SUNDRY NOTICES (DO NOT USE THIS FORM FOR PROPOSALS	7. Lease Name or Unit Agreement Name RE COLE		
DIFFERENT RESERVOIR. USE "APPLICATI PROPOSALS)	ON FOR PERMIT" (FORM C-101) FOR SUCH	8. Well Number:	
I. Type of Well: Oil Well 🛛 Gas	Well Other	0.3	
2. Name of Operator Chevron USA INC		9. OGRID Number	
3. Address of Operator		10. Pool name or Wildcat	
6301 DEAUVILLE BLVD., MIDL	AND, TX 79706	PENROSE SKELLY-GRAYBURG	
4. Well Location			
Unit Letter <u>M</u> : 990 feet fro	m the WEST line and 560 feet from the SOUTH 1	line	
Section 16	Township 22-S Range 37E	NMPM County Lea	
11	Elevation (Show whether DR, RKB, RT, GR, etc.	.)	
12. Check App	ropriate Box to Indicate Nature of Notice,	, Report or Other Data	

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK PLUG AND ABANDON TEMPORARILY ABANDON CHANGE PLANS PULL OR ALTER CASING MULTIPLE COMPL DOWNHOLE COMMINGLE		REMEDIAL WORK ALTERING CASING COMMENCE DRILLING OPNS. P AND A CASING/CEMENT JOB I
OTHER:		OTHER: TEMPORARILY ABANDON
13. Describe proposed or completed operations (Clearly	state all r	pertinent details and give pertinent dates including estimated date

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.

See attached procedure

4" diameter 4' tall Above Ground Marker

SEE ATTACHED CONDITIONS OF APPROVAL

I hereby certify that the information above is true and complete to the best of my knowledge and belief. SIGNATURE	DATE <u>6/17/2021</u>
Type or print name: <u>Hayes Thibodeaux</u> PHONE: <u>432 687 7786</u> For State Use Only	
APPROVED BY: Youther TITLE Compliance Officer A Conditions of Approval (if any):	_DATE 6/25/21

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WELL HEADER

Date:	02/04/2021
Well Name:	Well # 3 at Section 16 of the R. E. Cole lease
Objective:	P&A
P&A Job Level:	2
P&A Priority Level:	1
Current Well Status:	Shut-In
Failure Date:	3/1/20 (SI Date)
Well Class:	Injection Well
Area:	Central Area - Eunice FMT
Field:	Penrose Skelly Field
County / State:	Lea / New Mexico
API #:	30-025-10312
Chevno:	FB4778
Operator:	Chevron
Spud Date:	3/27/1957
Completion Date:	4/15/1957
Unusual Jewelry (CRA, fiber-line,	
etc.)	
H2S Concentration >100 PPM?	Yes
NORM Present in Area?	No
Governing Authority:	NMOCD
Sec - Two - Rng:	560' FSL & 990' FWL
Sec - Twp - Kilg.	Sec 16, T-22S, R-37E
Surface X / Y:	
Survey:	
Latitude & Longitude:	
GL / KB:	3390' DF

FORMATION TOPS & DEPTHS

Only provide BHP for the Yates and any other potentially, abnormally pressured zones, if possible, as it creates a lot of trouble frequently

	TD, ft	
Formation Name	Тор	BHP, psi
Rustler	1,096	
Salt Top	1,203	
Salt Bottom	2,450	
Yates	2,599	
Seven Rivers	2,822	
Queen	3,357	
Grayburg	3,631	
TD	3,731	
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R E Cole #3 Section 16

Initial Completion

- 3/27/1957 Spud well.
- 4/15/1957 Complete well. Perf Grayburg FM f/ 3582-3642'. Ran 500 gals mud acid ahead of frac; fracure stimulate w/ 20,000 gals refined oil, 32,000# bulk sand and 1000# moth balls.
- 4/17/1957 24-hour OPT @ 75 bopd.

Subsequent Work

- **4/23/1958** Perf f/ 3528-40', 3547-50' & 3553-61' w/ 4spf. Treat w/ 15,000 gals oil & 22,500# sand. Perf f/ 3480-92' & 3498-3508'. Treat w/ 2,000 acid . Frac w/ 15,000 gals oil & 15,000# sand.
- 5/1/1958 24-hour OPT @ 49 bopd, 1 bwpd.
- 2/20/1973 Deepen w/ 4-3/4" bit to 3731'. Spot 200 gals 15% reg acid. Convert to water injection.
- **10/15/1990** Test casing holes @ 552'. Free point 5-1/2" csg @ 654' & back off. TOOH w/ bad csg. RIH w/ 6" sleeve & 650' 5-1/2" 15.5# csg. Cmt w/ 400sx cmt.

Critical Well Notes

- Former producer converted to injection well
- Cut, pulled, and replaced 5-1/2" casing from 650' in 1990. Circulate 400 sacks cement to surface behind the new portion of casing string.
 - Will affect circulation to surface. Any failed bubble test will need to be addressed with suicide squeezes below this depth.

Procedure - Rig Only

- 1 Contact NMOCD at least 24 hrs prior to performing any work
- 2 MIRU pulling service rig
- 3 Check pressure on all casing strings. Verify no pressure and observe well for 15 minutes to verify no flow. Kill well with brine or mud as necessary.
 - 1 Bubble test all annuli for 30 minutes each and capture results in WellView under daily pressures tab.
 - 2 If having issues killing injection well, discuss plan with NMOCD to set CITP adjacent to packer and cut tubing above this depth, effectively forming mechanical barrier with packer + CITP
- 4 N/U stump-tested BOPE.
 - 1 5k 7-1/16" Class II BOP and pressure test 250 psi low and 1000 psi, MASP, or max anticipated pressure (whichever is larger) high for 5 min each.
- 5 TOH with tubing string
 - 1 If unable to release packer (limited details on make/model), discuss with NMOCD to cut tubing above packer. Set CITP adjacent to packer and cut above this depth to form a mechanical seal above perforations.
- 6 MIRU wireline and lubricator. Run gauge ring to planned set depth for CIBP at 3437'
- 7 POOH with gauge ring run. RIH with CIBP and set at 3437'. POOH with W/L.
- 8 TIH with pressure tested workstring and tag mechanical barrier
- 9 Pressure test CIBP, casing to 500 psi for 15 minutes
- 10 Proceed to pump cement per the cementing table below. Additional notes/considerations:
 - 1 Original TOC in production casing annulus = 2346' by calculation.
 - 2 Cement plug #3 is an additional plug designed as an additional seal between the Yates formation and surface. Attempt to inject if unsuccessful test request variance to spot balanced plug across interval.
 - 3 Replacement casing from 650' was circulated to surface with 400 sacks in 1990. If failing a bubble test and unable to squeeze cement, discuss contingency option to conduct suicide squeezes to place sufficient cement in 5-1/2" annulus. Begin this discussion after perf/squeeze at 2250'.
- 11 Discuss with engineer any changes to proposed plan forward during execution

	Plug				
Summary Table	Base	Тор	Volume	Perf & Squeeze	Notes
Formation 1	3437	3200	32	NO	
Formation 2	2599	2300	39	NO	
Formation 3	2250	2100	43	YES	
Formation 4	1203	1053	39	YES	
Formation 5	700	0	76	NO	
Total Sacks	229				
Total Perf & Squeeze		2			
Total Spot		3	1		





CONDITIONS OF APPROVAL FOR PLUGGING AND ABANDONMENT OCD - Southern District

The following is a guide or checklist in preparation of a plugging program, this is not all inclusive and care must be exercised in establishing special plugging programs in unique and unusual cases, Notify NMOCD District Office I (Hobbs) at (575)-263-6633 at least 24 hours before beginning work. After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down.

Company representative will be on location during plugging procedures.

1. A notice of intent to plug and abandon a wellbore is required to be approved before plugging operations are conducted. A cement evaluation tool is required in order to ensure isolation of producing formations, protection of water and correlative rights. A cement bond log or other accepted cement evaluation tool is to be provided to the division for evaluation if one has not been previously run or if the well did not have cement circulated to surface during the original casing cementing job or subsequent cementing jobs. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.

2. Closed loop system is to be used for entire plugging operation. Upon completion, contents of steel pits are to be hauled to a permitted disposal location.

3. Trucking companies being used to haul oilfield waste fluids to a disposal - commercial or private- shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator as well as the contractor, to verify that this permit is in place prior to performing work. Drivers shall be able to produce a copy upon request of an NMOCD Field inspector.

4. Filing a subsequent C-103 will serve as notification that the well has been plugged.

5. A final C-103 shall be filed (and a site inspection by NMOCD Inspector to determine if the location is satisfactorily cleaned, all equipment, electric poles and trash has been removed to Meet NMOCD standards) before bonding can +be released.

6. If work has not begun within 1 Year of the approval of this procedure, an extension request must be file stating the reason the well has not been plugged.

7. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.

8. Produced water will not be used during any part of the plugging operation.

9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.

10. All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater. 50' of calculated cement excess required for inside casing plugs and 100% calculated cement excess required on outside casing plugs.

11. Class 'C' cement will be used above 7500 feet.

12. Class 'H' cement will be used below 7500 feet.

13. A cement plug is required to be set 50' above and 50' below, casing stubs, DV tools, attempted casing cut offs, cement tops outside casing, salt sections and anywhere the casing is perforated, these plugs require a 4 hour WOC and then will be tagged

14. All Casing Shoes Will Be Perforated 50' below shoe depth and Attempted to be Squeezed, cement needs to be 50' above and 50' Below Casing Shoe inside the Production Casing.

16. When setting the top out cement plug in production, intermediate and surface casing, wellbores should remain full at least 30 minutes after plugs are set

17. A CIBP is to be set within 100' of production perforations, capped with 100' of cement, WOC 4 hours and tag.

18. A CIBP with 35' of cement may be used in lieu of the 100' plug if set with a bailer. This plug will be placed within 100' of the top perforation, (WOC 4 hrs and tag).

19. No more than 3000' is allowed between cement plugs in cased hole and 2000' in open hole.

20. Some of the Formations to be isolated with cement plugs are: These plugs to be set to isolate formation tops

- A) Fusselman
- B) Devonian
- C) Morrow
- D) Wolfcamp
- E) Bone Springs
- F) Delaware
- G) Any salt sections
- H) Abo
- I) Glorieta
- J) Yates.

K) Potash---(In the R-111-P Area (Potash Mine Area),

A solid cement plug must be set across the salt section. Fluid used to mix the cement shall be saturated with the salts that are common to the section penetrated and in suitable proportions, not more than 3% calcium chloride (by weight of cement) will be considered the desired mixture whenever possible, woe 4 hours and tag, this plug will be SO' below the bottom and 50' above the top of the Formation.

21. If cement does not exist behind casing strings at recommended formation depths, the casing can be cut and pulled with plugs set at recommended depths. If casing is not pulled, perforations will be shot and cement squeezed behind casing, woe and tagged. These plugs will be set SO' below formation bottom to 50' above formation top inside the casing.

DRY HOLE MARKER REQ.UIRMENTS

The operator shall mark the exact location of the plugged and abandoned well with a steel marker not less than four inches in diameter, 3' below ground level with a plate of at least¹/₄" welded to the top of the casing and the dry hole marker welded on the plate with the following information welded on the dry hole marker:

- 1. Operator name
- 2. Lease and Well Number
- 3. API Number
- 4. Unit letter
- 5. Quarter Section (feet from the North, South, East or West)
- 6. Section, Township and Range
- 7. Plugging Date
- 8. County

SPECIAL CASES -----AGRICULTURE OR PRARIE CHICKEN BREEDING AREAS

In these areas, a below ground marker is required with all pertinent information mentioned above on a plate, set 3' below ground level, a picture of the plate will be supplied to NMOCD for record, the exact location of the marker (longitude and latitude by GPS) will be provided to NMOCD (We typically require a current survey to verify the GPS)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION

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WELL HEADER

Date:	02/04/2021	
Well Name:	Well # 3 at Section 16 of the R. E. Cole lease	
Objective:	P&A	
P&A Job Level:	2	
P&A Priority Level:	1	
Current Well Status:	Shut-In	
Failure Date:	3/1/20 (SI Date)	
Well Class:	Injection Well	
Area:	Central Area - Eunice FMT	
Field:	Penrose Skelly Field	
County / State:	Lea / New Mexico	
API #:	30-025-10312	
Chevno:	FB4778	
Operator:	Chevron	
Spud Date:	3/27/1957	
Completion Date:	4/15/1957	
Unusual Jewelry (CRA, fiber-line,		
etc.)		
H2S Concentration >100 PPM?	Yes	
NORM Present in Area?	No	
Governing Authority:	NMOCD	
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District I 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II

811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3470 Fax: (505) 476-3462

State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

CONDITIONS

Operator:	OGRID:
CHEVRON U S A INC	4323
6301 Deauville Blvd	Action Number:
Midland, TX 79706	32564
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kfortner	See attached conditions of approval	6/25/2021

CONDITIONS

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Action 32564