

Office
 District I – (575) 393-6161
 1625 N. French Dr., Hobbs, NM 88240
 District II – (575) 748-1283
 811 S. First St., Artesia, NM 88210
 District III – (505) 334-6178
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV – (505) 476-3460
 1220 S. St. Francis Dr., Santa Fe, NM
 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised July 18, 2013

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

| | |
|---|-----------|
| WELL API NO. 30-025-03894 | |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> | |
| 6. State Oil & Gas Lease No. | |
| 7. Lease Name or Unit Agreement Name West Lovington Unit | |
| 8. Well Number | 29 |
| 9. OGRID Number | |
| 10. Pool name or Wildcat W. Lovington Upper San Andres | |
| 4. Well Location Unit Letter P : 660 feet from the SOUTH line and 660 feet from the EAST line Section 6 Township 17S Range 36E NMPM County LEA | |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3914' G.L. | |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ **PLUG AND ABANDON** ☒
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐
 CLOSED-LOOP SYSTEM ☐
 OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐
 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.

Well Abandonment Details:

1. Notify OCD 24 hrs prior to MIRU
2. POH with packer, set CIBP at 4610', test csing. RIH with tbg & tag.
3. Displace hole with MLF. Spot 35 sacks Class C cement from 4610' to 4350'.
4. Spot 30 sacks Class C cement from 3900' to 3700'.
5. Perf at 3075'. Squeeze 91 sacks Class C cement from 3075' to 2575'. WOC & tag.
6. Perf at 2100'. Squeeze 75 sacks Class C cement from 2100' to 1840'. WOC & tag.
7. Perf at 265' and circulate cement to surface on all strings. WOC & verify cmt @ surface.

Spud Date:

4" diameter 4' tall Above Ground Marker

Rig Release Date:

**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 Hayes Thibodeaux TITLE Engineer DATE 1/12/2022

Type or print name Hayes Thibodeaux E-mail address: Hayes.thibodeaux@chevron.com PHONE: 281-726-9683

For State Use Only

APPROVED BY: Kerry Fortner TITLE Compliance Officer A DATE 2/3/22

Conditions of Approval (if any)

575-263-6633

Lovington Well P&A Short Procedure for wells with a packer.**All cement plugs are based on 1.18 yield for Class H and 1.32 yield for Class C**

1. Install casing Riser on intermediate and surface casing.
 - a. Follow the MCBU Ground Disturbance OE Standard before starting any excavations (One Call, Dig Plan)
 - b. Paint the casing valves as follow

Production: Blue

Intermediate: White

Surface: Yellow
2. Call and notify NMOCD 24 hrs. before operations begin.
3. MIRU pulling unit.
 - a. intrinsically safe fans and H2S scavenger required due to known H2S in the field.
4. Check well pressures, kill well as necessary following The Chevron Initial Well Kill Operating Guidelines.
 - a. Bubble test should be at least 30 minutes and follow the bubble test SOP. On all casing annuli, if bubble test fails Chevron intends to cut and pull casing or eliminate SCP with another means after the well is plugged to a certain point agreed upon by the NMOCD and Chevron.
 - b. Bubble tests should occur each morning, critical times are prior to pumping upper hydrocarbon plug or pumping cement to surface.
 - c. Perform a final bubble test after cement has hardened at surface.
5. N/U BOPE using rubber coated hangers provided by Chevron, and pressure test to 250 psi low and 1,000 psi or MASP (per Chevron operating guidelines) for 5 minutes each.
 - a. Contact engineer if unable to release packer, do not shear or unset Packer without the BOP N/U first to mitigate any risks of well control events.
6. Fill casing above packer and attempt to pressure test casing/tubing to at least 1,000 psi for 15 minutes or the highest pressure expected while plugging the well.
 - a. If test passes, utilize tubing for work string.
 - b. If test fails, pick up a work string provided by Chevron.
7. If tubing pressure tested, stand back pipe. If it failed, lay down and prepare to run a work string.
 - a. If packer will not release contact engineer about other means to pull and lay down packer. (come off the ON/OFF Tool or Cut tubing above packer)
 - b. If tubing or packer is stuck contact Engineer for plan forward.
 - c. If tubing collars are dragging out of the hole, SWA and contact engineer, potential casing damage.
8. MIRU wireline and lubricator.
9. Pressure test lubricator to 500 psi or MASP (whichever is larger) for 10 minutes.
 - a. If MASP is greater than 1,000 psi, contact the engineer to discuss running grease injection.
10. Run and set CIBP per approved C-103
 - a. Skip gauge run if Packer pulled freely past setting depth.

11. Fill well with fresh water and pressure test casing to 1,000 psi for 15 minutes.
 - a. Contact the engineer if pressure test fails, record pressure test results.
12. TIH and tag CIBP.
13. Spot MLF, subtracting cement volumes. Do not place MLF until casing pressure tests or above first Perf and Squeezes. If casing pressure test failed in step 13., Chevron requires all casing holes/damage to be covered with cement.
14. Spot minimum 25 sx or 150' of cement, whichever is larger, on top of CIBP (Perfs).
 - a. Discuss with NMOCD on waiving WOC and tag if casing passed a pressure test.
15. Spot or P&S (as required) to isolate San Andres, Grayburg.
16. Spot or P&S (as required) to isolate Yates.
 - a. If P&S, must squeeze at least 500' above Yates for Chevron Barrier Standard. Required to pressure test to 1,000 psi for 15 minutes.
17. Perform 30-minute bubble test on surface and production casings. Record results to meet the barrier standard intent. If bubble test fails, implement contingency P&S or cut/pull production casing. If casing cut/pulled, set CIBP above casing stub and spot minimum 100' of cement. Proceed with C-103.
18. Spot or P&S (as required) to isolate Salt, Rustler.
19. Spot or P&S (as required) Class "C" cement from 50' below the surface shoe to surface.
20. While RDMO, perform 30-minute bubble test on surface and production casings. Record results to meet the barrier standard intent.
21. Cut all casings & anchors & remove 3' below grade. Verify cement to surface & weld on dry hole marker (4" diameter, 4' tall). Clean location.

Note: All cement plugs class "C" (<7,500') or "H" (>7,500') with closed loop system used, and MLF spotted between plugs.

Current Wellbore Diagram

Created: 04/24/19 By: _____
 Updated: _____ By: _____
 Lease: West Lovington Unit
 Field: West Lovington Unit
 Surf. Loc.: 660 FSL & 660 FEL
 Bot. Loc.: _____
 County: Lea St.: NM
 Status: _____

Well #: 29 St. Lse: _____
 API: 30-025-03894
 Unit Ltr.: P Section: 6
 TSHP/Rng: 17S-36E
 Unit Ltr.: _____ Section: _____
 TSHP/Rng: _____
 Directions: Lovington, NM
 Chevno: FA5041

Surface Casing

Size: 13-3/8"
 Wt., Grd.: 48#
 Depth: 215'
 Sxs Cmt: 200
 Circulate: Yes
 TOC: Surface
 Hole Size: 17-1/4"

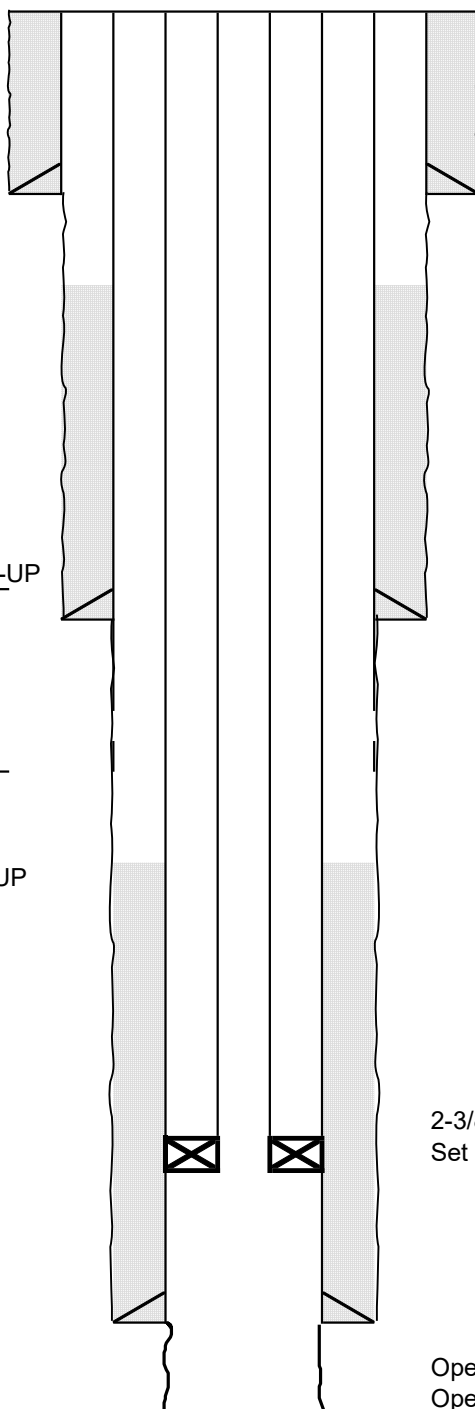
KB: _____
 DF: _____
 GL: 3,914
 Ini. Spud: 02/21/45
 Ini. Comp.: 04/05/45

Intermediate Casing

Size: 8-5/8"
 Wt., Grd.: 28#
 Depth: 2006'
 Sxs Cmt: 200
 Circulate: _____
 TOC: 1172 100% FILL-UP
 Hole Size: 11"

Production Casing

Size: 5-1/2"
 Wt., Grd.: 14#
 Depth: 4720'
 Sxs Cmt: 200
 Circulate: _____
 TOC: 3683 50% FILL-UP
 Hole Size: 7"



2-3/8" IPC Inj Tbg
 Set PKR @ 4610'

Open Hole Size: 4-3/4"
 Open Hole: 4720' - 5155'

Proposed Wellbore Diagram

Created: 04/24/19 By: _____
 Updated: _____ By: _____
 Lease: West Lovington Unit
 Field: West Lovington Unit
 Surf. Loc.: 660 FSL & 660 FEL
 Bot. Loc.: _____
 County: Lea St.: NM
 Status: _____

Well #: 29 St. Lse: _____
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 Wt., Grd.: 28#
 Depth: 2006'
 Sxs Cmt: 200
 Circulate: _____
 TOC: 1172 100% FILL-UP
 Hole Size: 11"

Perf at 265'
 Circulate cement to surface
 on all strings. WOC, verify
 cement @ surface.

Perf at 2100'
 Cmt from 2100' to 1840'
 Squeeze 75 sacks Class C cement
 WOC & Tag

Production Casing

Size: 5-1/2"
 Wt., Grd.: 14#
 Depth: 4720'
 Sxs Cmt: 200
 Circulate: _____
 TOC: 3683 50% FILL-UP
 Hole Size: 7"

Perf at 3075'
 Squeeze 91 sacks Class C cement
 from 3075' to 2575
 WOC & Tag

Spot 30 sacks Class C cement from 3900' to

Displace Hole with MLF
 Spot 35 sacks Class C cement from 4610' -
 CIBP at 4610' & test

Open Hole Size: 4-3/4"
 Open Hole: 4720' - 5155'

**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, WOC 4 hours and tag, this plug will be 50' 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, WOC and tagged. These plugs will be set 50' below formation bottom to 50' above formation top inside the casing.

DRY HOLE MARKER REQUIREMENTS

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 least ¼" 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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14. Spot minimum 25 sx or 150' of cement, whichever is larger, on top of CIBP (Perfs).
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18. Spot or P&S (as required) to isolate Salt, Rustler.
19. Spot or P&S (as required) Class "C" cement from 50' below the surface shoe to surface.
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Note: All cement plugs class "C" (<7,500') or "H" (>7,500') with closed loop system used, and MLF spotted between plugs.

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 API: 30-025-03894
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 TSHP/Rng: 17S-36E
 Unit Ltr.: _____ Section: _____
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 Chevno: FA5041

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 TOC: Surface
 Hole Size: 17-1/4"

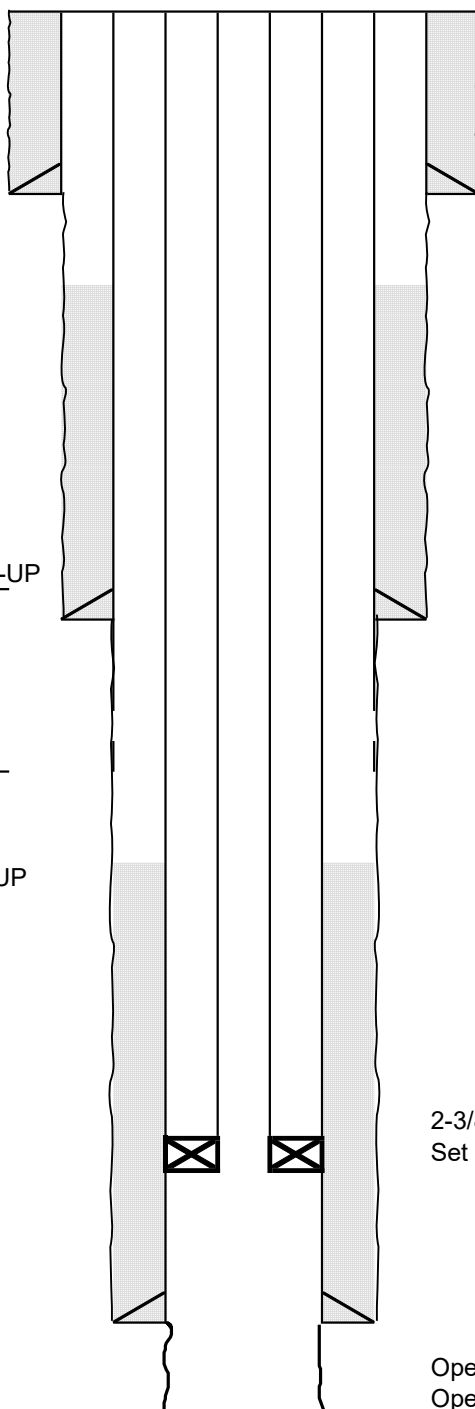
KB: _____
 DF: _____
 GL: 3,914
 Ini. Spud: 02/21/45
 Ini. Comp.: 04/05/45

Intermediate Casing

Size: 8-5/8"
 Wt., Grd.: 28#
 Depth: 2006'
 Sxs Cmt: 200
 Circulate: _____
 TOC: 1172 100% FILL-UP
 Hole Size: 11"

Production Casing

Size: 5-1/2"
 Wt., Grd.: 14#
 Depth: 4720'
 Sxs Cmt: 200
 Circulate: _____
 TOC: 3683 50% FILL-UP
 Hole Size: 7"



2-3/8" IPC Inj Tbg
 Set PKR @ 4610'

Open Hole Size: 4-3/4"
 Open Hole: 4720' - 5155'

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Size: 8-5/8"
 Wt., Grd.: 28#
 Depth: 2006'
 Sxs Cmt: 200
 Circulate: _____
 TOC: 1172 100% FILL-UP
 Hole Size: 11"

Perf at 265'
 Circulate cement to surface
 on all strings. WOC, verify
 cement @ surface.

Perf at 2100'
 Cmt from 2100' to 1840'
 Squeeze 75 sacks Class C cement
 WOC & Tag

Production Casing

Size: 5-1/2"
 Wt., Grd.: 14#
 Depth: 4720'
 Sxs Cmt: 200
 Circulate: _____
 TOC: 3683 50% FILL-UP
 Hole Size: 7"

Perf at 3075'
 Squeeze 91 sacks Class C cement
 from 3075' to 2575
 WOC & Tag

Spot 30 sacks Class C cement from 3900' to

Displace Hole with MLF
 Spot 35 sacks Class C cement from 4610' -
 CIBP at 4610' & test

Open Hole Size: 4-3/4"
 Open Hole: 4720' - 5155'

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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

Action 72073

CONDITIONS

| | |
|--|---|
| Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706 | OGRID: 4323 |
| | Action Number: 72073 |
| | Action Type: [C-103] NOI Plug & Abandon (C-103F) |

CONDITIONS

| Created By | Condition | Condition Date |
|------------|-------------------------------------|----------------|
| kfortner | See attached conditions of approval | 2/3/2022 |