Office	State of New Mexico	Form <i>E</i> -103 of
<u>District I</u> – (575) 393-6161	Energy, Minerals and Natural Resources	Revised July 18, 2013
1625 N. French Dr., Hobbs, NM 88240 District II – (575) 748-1283		WELL API NO. 30-015-27449
811 S. First St., Artesia, NM 88210	OIL CONSERVATION DIVISION	5. Indicate Type of Lease
<u>District III</u> – (505) 334-6178 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Francis Dr.	STATE FEE
<u>District IV</u> – (505) 476-3460 1220 S. St. Francis Dr., Santa Fe, NM	Santa Fe, NM 87505	6. State Oil & Gas Lease No.
87505 SUNDRY NOTICES A	AND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPOSALS T DIFFERENT RESERVOIR. USE "APPLICATION	O DRILL OR TO DEEPEN OR PLUG BACK TO A	Malaga C
PROPOSALS.) 1. Type of Well: Oil Well Gas V	Vell Other	8. Well Number 003
2. Name of Operator CHEVRON U.S.A INC.		9. OGRID Number 4323
3. Address of Operator		10. Pool name or Wildcat
6301 Deauville BLVD, Midland	TX 79706	Culebra bluff, bone spring, south; Culebra bluff, atoka, south (gas)
4. Well Location Unit Letter N: 990	feet from the SOUTH line and 19	980feet from the WESTline
Section 36	Township 23s Range 28e	NMPM County EDDY
11.	Elevation (Show whether DR, RKB, RT, GR, etc.	c.)
12. Check Appro	priate Box to Indicate Nature of Notice	, Report or Other Data
NOTICE OF INTEN	TION TO:	BSEQUENT REPORT OF:
	IG AND ABANDON ☑ REMEDIAL WOR	
		RILLING OPNS. P AND A
	LTIPLE COMPL CASING/CEMEN	NT JOB
DOWNHOLE COMMINGLE		Notify OCD 24 hrs. prior to any work
CLOSED-LOOP SYSTEM OTHER:	□ OTHER:	done
		nd give pertinent dates, including estimated date
	SEE RULE 19.15.7.14 NMAC. For Multiple Co	ompletions: Attach wellbore diagram of
proposed completion or recomple	Must Run CBL to determine TOO	C & bonding
Pull rode and tubing		
Pull rods and tubing Set CIBP at 6606'. Pressure	test	
	ent from 6606' to 6456'. Isolate bone	e springs.
Perforate & squeeze 142 sa	cks Class C cement from 2750' to 2	250'. Isolate csg shoe, Delaware, Salt
	verify integrity and position of barrier	
Perforate & squeeze 43 sac	ks Class C cement from 672' to 522'	'. Isolate casing shoe.
•	ks Class C cement from 200' to 0'. Is	
(2	25 sx cmt @ 6425' - 6275' - WOC & tag -	T. BS - See CBL
Spud Date:	Rig Release Date:	
Space Date.	Itig Release Date.	
****SEE ATTACHED COA	A's**** MUST BE F	PLUGGED BY 9/13/2023
I hereby certify that the information above	is true and complete to the best of my knowled	ge and belief.
SIGNATURE Hayes Thibodeau Type or print name Hayes Thibodeau	Leaux TITLE Engineer	9/12/2022
T Haves Thihodea	UX E-mail address: Hayes.Thibodeau	ux@chevron.com PHONE: 9/12/2022
For State Use Only	E-mail address:	PHUNE: OF TETEOEE
101 banc osc omy	_	
	TITLE Staff W	Manager DATE 9/13/22
Conditions of Approval (if any):	ω	U

MALAGA 'C' 003

API: 30-015-27449

All cement plugs are based on 1.18 yield for Class H and 1.32 yield for Class C

- 1. Call and notify NMOCD 24 hrs. before operations begin.
- 2. MIRU pulling unit.
 - a. Intrinsically safe fans and H2S scavenger ARE NOT required no known H2S in the field per information provided by production team.
- 3. 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 Zonite, 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.
- 4. Attempt to pressure test 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.
- 5. Install hydraulic rod BOP and function test.
- 6. Pull and lay down rods.
 - a. If paraffin is encountered or rods are stuck contact engineer.
 - b. Plan to run hot water (> 125 dg F) down annulus and down tubing to loosen paraffin
- 7. N/U BOPE using rubber coated hangers provided by Chevron, and pressure test, 250 psi low and 1,000 psi or MASP (per Chevron operating guidelines) for 5 minutes each.
 - a. On a chart, no bleed off allotted.
 - b. Contact engineer if unable to unset TAC, do not shear TAC without the BOP N/U first to mitigate any risks of well control events.
- 8. If tubing pressure tested, stand back pipe. If it failed, lay down and prepare to run a work string.
- 9. MIRU wireline and lubricator.
- 10. 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.
- 11. Run and set CIBP within 100' of top perforation or as per approved permit.
 - a. Skip gauge run if TAC pulled freely past setting depth.
- 12. Fill well with fresh water and pressure test casing to 500 psi for 15 minutes if no P&S required or 1,000 psi for 15 minutes if P&S required.
 - a. 5% bleed off allotted.
 - b. Contact the engineer if pressure test fails, document test results.
- 13. Perform 30-minute bubble test on all strings. Record results to meet the barrier standard intent.

 #f bubble test fails, plan to run CBL to determine TOC in annulus (calculated to be at surface).
- 14. TIH and tag CIBP.

and Bonding

- 15. 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 prior job steps, Chevron requires all casing holes/damage to be covered with cement.
- 16. Spot 25 sacks Class C cement from 6606' to 6456'.
- 25 sx cmt @ 6425' 6275' WOC & tag T. BS See CBL
- 17. Perforate & squeeze 142 sacks Class C cement from 2750' to 2250'. WOC, tag, pressure test to confirm placement and integrity of barrier at shallowest hydrocarbon zone.
- 18. Perforate & squeeze 43 sacks Class C cement from 672' to 522'. Isolate surface shoe.
- 19. Conduct 30 min bubble test (above shallowest hydrocarbon bearing zone). Proceed to next job steps only after achieving a successful bubble test. If bubble test fails, plan to run CBL to determine next job steps. Proposed forward plan will consist of an additional perf/squeeze, cutting & pulling casing, or some other means agreed upon with the BLM.
- 20. Perforate & squeeze 57 sacks Class C cement from 200' to 0'. Surface isolation.
- 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.

CONDITIONS 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 II at (575)-748-1283 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.

- 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 (Page 3 & 4), 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 REQUIRMENTS

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

R-111-P Area

T 18S - R 30E

Sec 10 Unit P. Sec 11 Unit M,N. Sec 13 Unit L,M,N. Sec 14 Unit C -P. Sec 15 Unit A G,H,I,J,K,N,O,P. Sec 22 Unit All except for M. Sec 23, Sec 24 Unit C,D,E,L, Sec 26 Unit A-G, Sec 27 Unit A,B,C

T 19S - R 29E

Sec 11 Unit P. Sec 12 Unit H-P. Sec 13. Sec 14 Unit A,B,F-P. Sec 15 Unit P. Sec 22 Unit A,B,C,F,G,H,I,J K,N,O,P. Sec 23. Sec 24. Sec 25 Unit D. Sec 26 Unit A-F. Sec 27 Unit A,B,C,F,G,H.

T 19S - R 30E

Sec 2 Unit K,L,M,N. Sec 3 Unit I,L,M,N,O,P. Sec 4 Unit C,D,E,F,G,I-P. Sec 5 Unit A,B,C,E-P. Sec 6 Unit I,O,P. Sec 7 – Sec 10. Sec 11 Unit D, G—P. Sec 12 Unit A,B,E-P. Sec 13 Unit A-O. Sec 14-Sec 18. Sec 19 Unit A-L, P. Sec 20 – Sec 23. Sec 24 Unit C,D,E,F,L,M,N. Sec 25 Unit D. Sec 26 Unit A-G, I-P. Sec 27, Sec 28, Sec 29 Unit A,B,C,D,F,G,H,I,J,O,P. Sec 32 Unit A,B,G,H,I,J,N,O,P. Sec 33. Sec 34. Sec 35. Sec 36 Unit D,E,F,I-P.

T 19S - R 31E

Sec 7 Unit C,D,E,F,L. Sec 18 Unit C,D,E,F,G,K,L. Sec 31 Unit M. Sec 34 Unit P. Sec 35 Unit M,N,O. Sec 36 Unit O,P.

T 20S - R 29E

Sec 1 Unit H,I,P. Sec 13 Unit E,L,M,N. Sec 14 Unit B-P. Sec 15 Unit A,H,I,J,N,O,P. Sec 22 Unit A,B,C,F,G,H,I,J,O,P. Sec 23. Sec 24 Unit C,D,E,F,G,J-P. Sec 25 Unit A-O. Sec 26. Sec 27 Unit A,B,G,H,I,J,O,P. Sec 34 Unit A,B,G,H. Sec 35 Unit A-H. Sec 36 Unit B-G.

T 20S - R 30E

Sec 1 – Sec 4. Sec 5 Unit A,B,C,E-P. Sec 6 Unit E,G-P. Sec 7 Unit A-H,I,J,O,P. Sec 8 – 17. Sec 18 Unit A,B,G,H,I,J,O,P. Sec 19 Unit A,B,G,H,I,J,O,P. Sec 30 Unit A-L,N,O,P. Sec 31 Unit A,B,G,H,I,P. Sec 32 – Sec 36.

T 20S - R 31E

Sec 1 Unit A,B,C,E-P. Sec 2. Sec 3 Unit A,B,G,H,I,J,O,P. Sec 6 Unit D,E,F,J-P. Sec 7. Sec 8 Unit E-P. Sec 9 Unit E,F,J-P. Sec 10 Unit A,B,G-P. Sec 11 – Sec 36.

T 21S - R 29E

Sec 1 – Sec 3. Sec 4 Unit L1 – L16,I,J,K,O,P. Sec 5 Unit L1. Sec 10 Unit A,B,H,P. Sec 11 – Sec 14. Sec 15 Unit A,H,I. Sec 23 Unit A,B. Sec 24 Unit A,B,C,D,F,G,H,I,J,O,P. Sec 25 Unit A,O,P. Sec 35 Unit G,H,I,J,K,N,O,P. Sec 36 A,B,C,F – P.

T 21S - R 30E

Sec 1 – Sec 36

T 21S - R 31E

Sec 1 – Sec 36

T 22S - R 28E

Sec 36 Unit A,H,I,P.

T 22S - R 29E

Sec 1. Sec2. Sec 3 Unit I,J,N,O,P. Sec 9 Unit G – P. Sec 10 – Sec 16. Sec 19 Unit H,I,J. Sec 20 – Sec 28. Sec 29 Unit A,B,C,D,G,H,I,J,O,P. Sec 30 Unit A. Section 31 Unit C – P. Sec 32 – Sec 36

T 22S - R 30E

Sec 1 – Sec 36

T 22S - R 31E

Sec 1 – Sec 11. Sec 12 Unit B,C,D,E,F,L. Sec 13 Unit E,F,K,L,M,N. Sec 14 – Sec 23. Sec 24 Unit C,D,E,F,K,L,M,N. Sec 25 Unit A,B,C,D. Sec 26 Unit A,BC,D,G,H. Sec 27 – Sec 34.

T 23S - R 28E

Sec 1 Unit A

T 23S - R 29E

Sec 1 – Sec 5. Sec 6 Unit A – I, N,O,P. Sec 7 Unit A,B,C,G,H,I,P. Sec 8 Unit A – L, N,O,P. Sec 9 – Sec 16. Sec 17 Unit A,B,G,H,I,P. Sec 21 – Sec 23. Sec 24 Unit A – N. Sec 25 Unit D,E,L. Sec 26. Sec 27. Sec 28 Unit A – J, N,O,P. Sec 33 Unit A,B,C. Sec 34 Unit A,B,C,D,F,G,H. Sec 35. Sec 36 Unit B,C,D,E,F,G,K,L.

T 23S - R 30E

Sec 1 – Sec 18. Sec 19 Unit A – I,N,O,P. Sec 20, Sec 21. Sec 22 Unit A – N, P. Sec 23, Sec 24, Sec 25. Sec 26 Unit A,B,F-P. Sec 27 Unit C,D,E,I,N,O,P. Sec 28 Unit A – H, K,L,M,N. Sec 29 Unit A – J, O,P. Sec 30 Unit A,B. Sec 32 A,B. Sec 33 Unit C,D,H,I,O,P. Sec 34, Sec 35, Sec 36.

T 23S - R 31E

Sec 2 Unit D,E,J,O. Sec 3 – Sec 7. Sec 8 Unit A – G, K – N. Sec 9 Unit A,B,C,D. Sec 10 Unit D,P. Sec 11 Unit G,H,I,J,M,N,O,P. Sec 12 Unit E,L,K,M,N. Sec 13 Unit C,D,E,F,G,J,K,L,M,N,O. Sec 14. Sec 15 Unit A,B,E – P. Sec 16 Unit I, K – P. Sec 17 Unit B,C,D,E, I – P. Sec 18 – Sec 23. Sec 24 Unit B – G, K,L,M,N. Sec 25 Unit B – G, J,K,L. Sec 26 – Sec 34. Sec 35 Unit C,D,E.

T 24S – R 29E

Sec 2 Unit A, B, C, D. Sec 3 Unit A

T 24S - R 30E

Sec 1 Unit A – H, J – N. Sec 2, Sec 3. Sec 4 Unit A,B,F – K, M,N,O,P. Sec 9 Unit A – L. Sec 10 Unit A – L, O,P. Sec 11. Sec 12 Unit D,E,L. Sec 14 Unit B – G. Sec 15 Unit A,B,G,H.

T 24S - R 31E

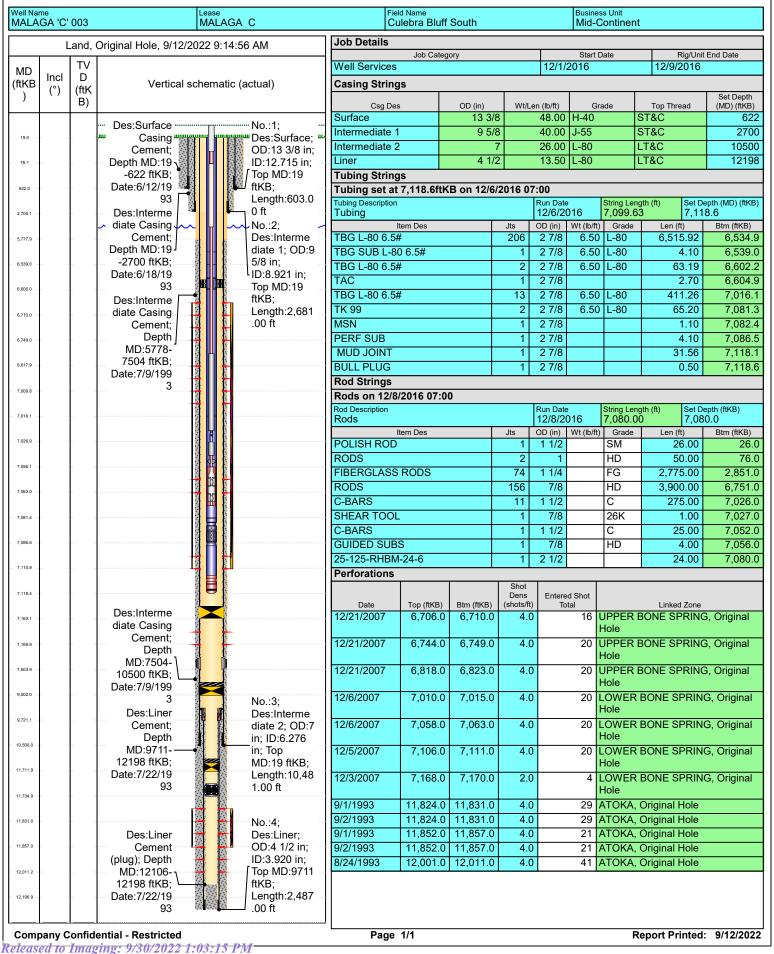
Sec 3 Unit B – G, J – O. Sec 4. Sec 5 Unit A – L, P. Sec 6 Unit A – L. Sec 9 Unit A – J, O,P. Sec 10 Unit B – G, K – N. Sec 35 Unit E – P. Sec 36 Unit E,K,L,M,N.

T 25S - R 31E

Sec 1 Unit C,D,E,F. Sec 2 Unit A – H.



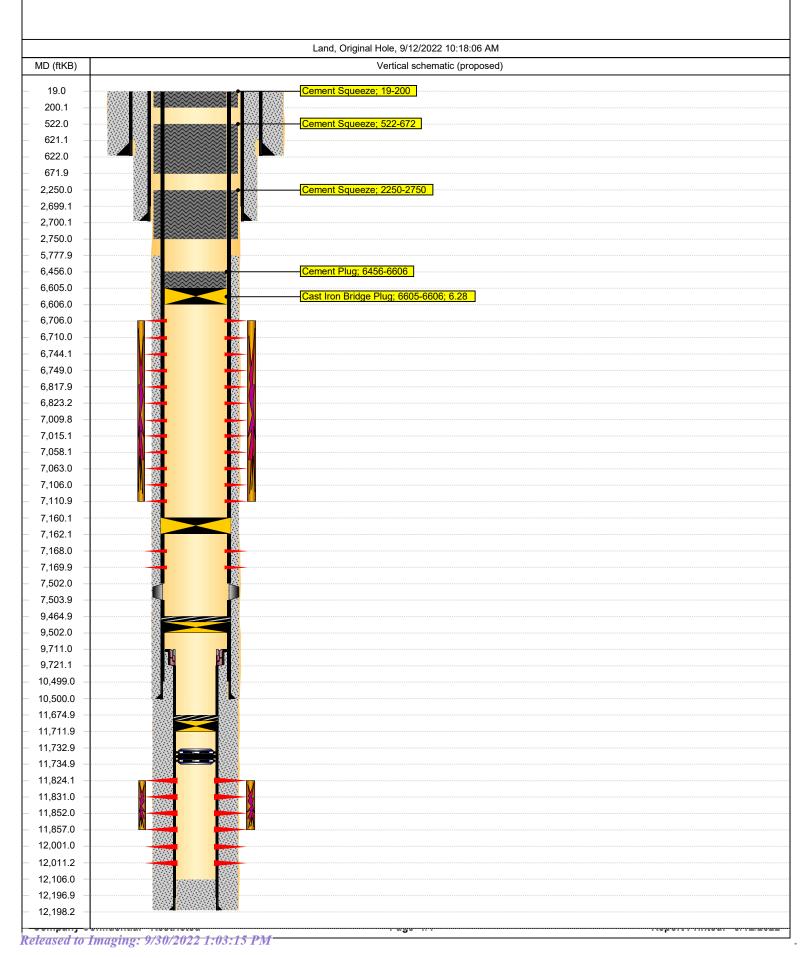
Wellbore Schematic



Chevron

Proposed P&A WBD

Well Name: MALAGA 'C' 003



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

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 142319

CONDITIONS

Operator:	OGRID:
CHEVRON U S A INC	4323
6301 Deauville Blvd	Action Number:
Midland, TX 79706	142319
	Action Type:
	[C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
gcordero	None	9/13/2022