

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

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

WELL API NO. 30-015-22101
5. Indicate Type of Lease STATE [] FEE [X]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name OLD INDIAN DRAW UNIT
8. Well Number 21
9. OGRID Number 4323
10. Pool name or Wildcat INDIAN DRAW; DELAWARE
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3094' GR

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)
1. Type of Well: Oil Well [] Gas Well [] Other WATER INJECTION
2. Name of Operator Chevron USA, Inc.
3. Address of Operator 15 Smith Road Midland, TX 79705
4. Well Location Unit Letter O : 330' feet from the South line and 2283' feet from the East line Section 7 Township 22 S Range 28 E NMPM County Eddy
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3094' GR

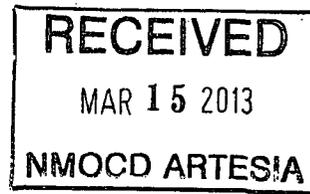
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [] PLUG AND ABANDON [X]
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING [] MULTIPLE COMPL []
DOWNHOLE COMMINGLE []
OTHER: []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPNS. [] P AND A []
CASING/CEMENT JOB [X]
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.

Please find our request to P & A this well, a current well bore diagram, and NMOCD's (CLEZ Pit Permit). This well was approved for P&A on 10/02/2012, with conditions that Chesapeake plug this well by 01/02/2013. We now have a P & A unit available.

Approval Granted providing work is complete by June 18 - 2013



Spud Date: []

Rig Release Date: []

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE [Signature] TITLE Regulatory Specialist II DATE 03/13/2013

Type or print name Bryan Arrant (Agent for Chevron) E-mail address: bryan.arrant@chkc.com PHONE: (405)935-3782

For State Use Only

APPROVED BY: [Signature] TITLE Dist # Supervisor DATE 3/18/13

Conditions of Approval (if any):

SAME Conditions as Orig Approval - SEE Attached COA's

**Old Indian Draw UT # 21
Eddy County NM.**

Procedures:

1. M.I. R.U. N.D. W.H. N.U. B.O.P.
2. Puh. Tbg. and Pkr.
3. Rig up Wireline. Set CIBP. @ 3188'.
4. Rih. Tbg. Circulate hole mud laden fluid cap with 25 sx Cmt.
- #6* → 5. PUH & Pump 100' Cmt Plug from 2,289' – 2,389' (B. Salt @ 2,339')
- #5* → 6. PUH & Pump 100' Cmt Plug from 2,379' – 2,479' (Delaware @ 2,429')
7. Puh. to 1600' Spot 25 sx. Cmt.WOC & Tag Top of Salt @ 393'
8. Puh. to 443' spot 55 sx.WOC & Tag.
9. Perf. at 60' circulate 20 sx. To surface.
10. R.D.M.O.

Reverse # 5 & 6 Procedures

Current Wellbore Schematic

WELL (PN): OLD INDIAN DRAW UT 21(CVX) (890927)
FIELD OFFICE: CON - CONCHO RESOURCES
FIELD: INDIAN DRAW DELAWARE
STATE / COUNTY: NEW MEXICO / EDDY
LOCATION: SEC 7-22S-28E, 330 FSL & 2283 FEL
ROUTE: HOB-NM-ROUTE 18- FERLIN/DAVID
ELEVATION: GL: 3,094.0 KB: 3,105.0 KB Height: 11.0
DEPTHS: TD: 3,450.0



API #: 3001522101
Serial #:
SPUD DATE: 5/20/1977
RIG RELEASE:
FIRST SALES:

Original Hole: 3/13/2013 3:35:33 PM		Surface Casing; Set @ 393.0 ftKB ; Original Hole									
Vertical schematic (actual)	Zones	Set Tension (kips)		Mud Weight		Cut Pull Date		Depth Cut Pull (ftKB)			
		Item Des	OD (in)	ID (in)	Drift (in)	Wt (lb/ft)	Grade	Top Thread	Top (ftKB)	Btm (ftKB)	Len (ft)
		Casing Joints	8 5/8	8.097	7.972	24.00	K-55	8-RD	11.0	392.0	381.00
		Float Shoe	8 5/8						392.0	393.0	1.00
		Production Casing; Set @ 3,450.0 ftKB ; Original Hole									
		Set Tension (kips)		Mud Weight		Cut Pull Date		Depth Cut Pull (ftKB)			
		Item Des	OD (in)	ID (in)	Drift (in)	Wt (lb/ft)	Grade	Top Thread	Top (ftKB)	Btm (ftKB)	Len (ft)
		Casing Joints	5 1/2	5.012	4.825	14.00	K-55	ST&C	11.0	3,449.0	3,438.00
		Float Shoe	5 1/2						3,449.0	3,450.0	1.00
		Description: Surface Casing Cement 11.0-393.0 Top of Cement (ftKB): 11.0 Top Measurement Method:									
		Fluid	Pump Start Date	Amount (sacks)	Class	Dens (lb/gal)	Vol Pumped (bbl)	Yield (ft ³ /sack)			
			5/20/1977	300							
		Description: Production Casing Cement 11.0-3,450.0 Top of Cement (ftKB): 11.0 Top Measurement Method:									
		Fluid	Pump Start Date	Amount (sacks)	Class	Dens (lb/gal)	Vol Pumped (bbl)	Yield (ft ³ /sack)			
		Lead	5/28/1977	500							
		Tail	5/28/1977	100	C						
		Perforations									
		Date	Zone	Top (ftKB)	Btm (ftKB)	Shot Dens (shots/ft)	Current Status				
		3/2/1984		3,238.0	3,258.0	4.0					
		6/6/1977		3,289.0	3,309.0	2.0					
		Stimulations & Treatments									
		<Zone/Formation?>, <Stage Number?>, Acidizing, 11/1/2007									
		Min Top Dep...	Max Btm De...	Total Clean...	Avg Treat Pr...	Q Treat Avg...	Post ISIP (psi)	Comment			
		3,238.0	3,309.0	35.71							
		<Zone/Formation?>, <Stage Number?>, Acidizing, 8/25/1988									
		Min Top Dep...	Max Btm De...	Total Clean...	Avg Treat Pr...	Q Treat Avg...	Post ISIP (psi)	Comment			
		3,238.0	3,309.0	71.43							
		<Zone/Formation?>, <Stage Number?>, Acidizing, 10/6/1986									
		Min Top Dep...	Max Btm De...	Total Clean...	Avg Treat Pr...	Q Treat Avg...	Post ISIP (psi)	Comment			
		3,238.0	3,309.0	35.71							
		<Zone/Formation?>, <Stage Number?>, Sand Frac, 1/28/1985									
		Min Top Dep...	Max Btm De...	Total Clean...	Avg Treat Pr...	Q Treat Avg...	Post ISIP (psi)	Comment			
		3,241.0	3,306.0	119.05							
		Sand Size	Type	Amount	Conc (lb/gal)						
			Brown Sand	13,000.0							
		<Zone/Formation?>, <Stage Number?>, Acidizing, 10/31/1984									
		Min Top Dep...	Max Btm De...	Total Clean...	Avg Treat Pr...	Q Treat Avg...	Post ISIP (psi)	Comment			
		3,241.0	3,306.0	16.67							
		<Zone/Formation?>, <Stage Number?>, Sand Frac, 10/31/1984									
		Min Top Dep...	Max Btm De...	Total Clean...	Avg Treat Pr...	Q Treat Avg...	Post ISIP (psi)	Comment			
		3,241.0	3,306.0	238.10							
		Sand Size	Type	Amount	Conc (lb/gal)						
		12/20	Brown Sand	41,000.0							

8 5/8 in; 24.00 lb/ft;
 K-55; 393.0 ftKB
 8 5/8" 24# K-55 8
 Rd Surf Csg
 Cmt w/ 300 sx. Circ

Acidizing; 3,238.0-
 3,258.0 ftKB;
 3/2/1984
 Acidizing; 3,238.0-
 3,309.0 ftKB;
 11/1/2007
 Acidizing; 3,241.0-
 3,306.0 ftKB;
 10/31/1984
 Acidizing; 3,238.0-
 3,309.0 ftKB;
 8/25/1988
 Acidizing; 3,238.0-
 3,309.0 ftKB;
 10/6/1986
 Sand Frac; 3,241.0-
 3,306.0 ftKB;
 10/31/1984
 Sand Frac; 3,241.0-
 3,306.0 ftKB;
 1/28/1985
 Acidizing; 3,289.0-
 3,309.0 ftKB;
 6/6/1977

Plug Back Total
 Depth; 3,409.0 ftKB
 5 1/2 in; 14.00 lb/ft;
 K-55; 3,450.0 ftKB
 5 1/2" 14# & 15.5#
 ST&C K-55 Prod
 Csg
 Cmt w/ 600 sx. Circ
 w/ 50 sx

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: Chevron

Well Name & Number: Old Indian Draw Unit #21

API #: 30-015-22101

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. 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 place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perms, before any plugs can be set, by whatever means possible.
8. **Cement Retainers may not be used.**

9. Squeeze pressures are not to exceed 500 PSI, unless approval is given by NMOCD.
10. Plugs may be combined after consulting with and getting approval from NMOCD.
11. Minimum WOC time for tag plugs will be 4 Hrs.

DATE: March 18 -2013

APPROVED BY: *SR Wade*

GUIDELINES FOR PLUGGING AND ABANDONMENT

DISTRICT II / ARTESIA

- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sacks of gel per 100 bbls of water.
- A cement plug is required to be set 50' below and 50' above all casing shoes and casing stub plugs. These plugs must be tagged.
- A CIBP with 35' of cement on top may be set in lieu of 100' cement plug.
- A plug as indicated above must be placed within 100' of top perforation. This plug must be tagged.
- Plugs set below and above salt zones must be tagged.
- No more than 2000' is to be allowed between cement plugs in open hole and no more than 3000' in cased hole.
- DV tools are required to have a 100' cement plug set 50' above and below the tool and must be tagged.

- Formations to be isolated with plugs placed at the top of each formation are:
 - Fusselman
 - Devonian
 - Morrow
 - Wolfcamp
 - Bone Spring
 - Delaware
 - Any Salt Section (Plug at top and bottom)
 - Abo
 - Glorieta
 - Yates (this plus is usually at base of salt section)

- If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths or casing must be perforated and cement squeezed behind casing at the formation depths.
- 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 common to the section penetrated and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible (50' below and 50' above).