

Submit 1 Copy To Appropriate District 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 August 1, 2011

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

WELL API NO.
 30-015-20567

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
 Benson Shugart Waterflood Unit

8. Well Number: 4

9. OGRID Number
 4323

10. Pool name or Wildcat
 Shugart, Yates-7RS-QU-Grayburg

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

2. Name of Operator
 Chevron USA INC

3. Address of Operator
 6301 DEAUVILLE BLVD., MIDLAND, TX 79706 **NM OIL CONSERVATION ARTESIA DISTRICT**

4. Well Location
 Unit Letter O : 810 feet from the South line and 1,700 feet from the East line
 Section 26 Township 18S Range 30E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3,478' GL, 3,488' KB

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

SUBSEQUENT REPORT OF:
 REMEDIAL WORK ALTERING CASING
 COMMENCE DRILLING OPNS. P AND A
 CASING/CEMENT JOB

OTHER: OTHER: TEMPORARILY ABANDON

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. 8-5/8" 24# @ 715' TOC Surface, 5-1/2" 15.5# @ 3,592' TOC Unknown, Perforations 3,191'-3,195', 3,296'-3,304', 3,392'-3,401', 3,469'-3,475'.

Chevron USA INC respectfully request to re-abandon this well as follows:

1. Call and notify NMOCD 24 hrs before operations begin.
2. MIRU pulling unit, pulling rods and tubing.
3. Set CIBP @ 3,150', spot MLF, test csg, spot 40 sx CL "C" cmt f/ 3,150' t/ 2,755', WOC & tag ~~only if casing does not test~~ (Perfs, Queen).
4. R/U wireline and run CBL to find TOC, share results w/ engineer and NMOCD.
5. Spot or P&S at the Yates f/ 1,767' t/ 1,917' depending on CBL results, volumes will be discussed with NMOCD prior to pumping cement.
6. Spot or P&S at the B.Salt f/ 1,518 t/ 1,668' depending on CBL results, volumes will be discussed with NMOCD prior to pumping cement.
7. Spot or P&S at the surface shoe f/ Surface t/ 765' ^{Perf} depending on CBL results, volumes will be discussed with NMOCD prior to pumping cement.
8. Cut all casings & anchors & remove 3' below grade. Verify cement to surface on all casing strings & weld on dry hole marker. Clean location.

Note: All cement plugs class "C" with closed loop system used.

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

SIGNATURE [Signature] TITLE Well Abandonment Engineer, Attorney-in-Fact DATE 3/12/18

Type or print name Howie Lucas E-mail address: howie.lucas@chevron.com PHONE: (832)-588-4044

For State Use Only
 APPROVED BY: [Signature] TITLE Staff Mgr DATE 3-13-18

Conditions of Approval (if any):

* See Attached COAs Must be Plugged by 3-13.

LAT: 32.71329 LONG: -103.93912

FIELD: SHUGART

COUNTY: EDDY

STATE: NM

DESCRIPTION OF WORK: 0

0

GL (ft): 3,478 KB (ft): 3,488 = 10 ft AGL SPUD: 1/28/72 AGE (yrs): 45.8

TUBING DETAIL AS OF 2/10/2015

98 JTS (3,111') 2-3/8" 4.7# J55 8rd EUE
TAC @ 3,121'
11 JTS (347') 2-3/8" 4.7# J55 8rd EUE
SN @ 3,472' (CUP)
1 JT (4') 2-3/8" PERF SUB
1 JT (32') 2-3/8" 4.7# ?? 8rd EUE

8 5/8" 24# 32# @ 715'
CMT CIRC (11" HOLE)

TOC Unknown

ROD DETAIL AS OF 2/10/2015

2' (1) 3/4" D ROD SUB
3,425' (137) 3/4" D ROD SUB
1' (1) 1" D ROD SUB
6' (1) 1.5" GAS ANCHOR
2-3/8" X 1.5" X ?? PUMP

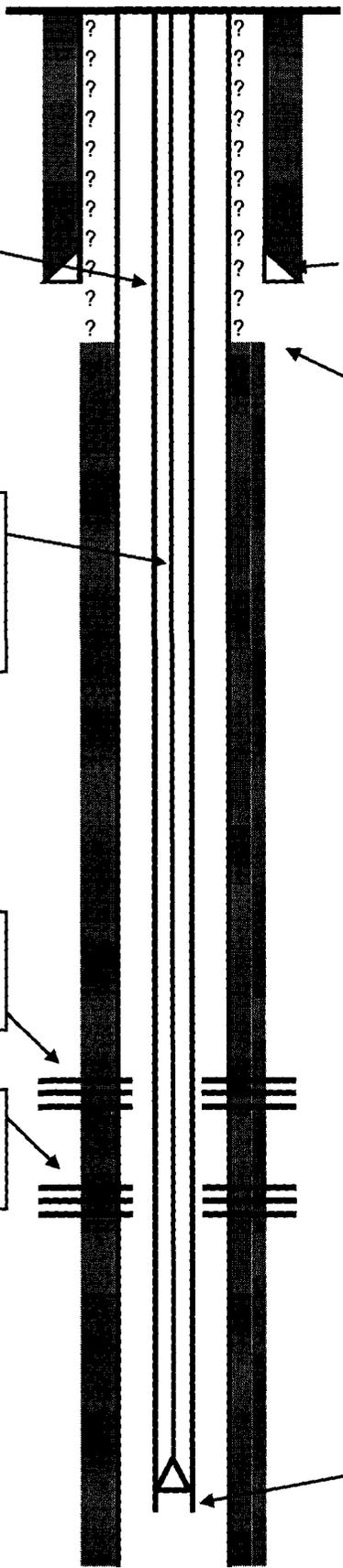
PENROSE PERF DETAIL

3,191'-3,195'
3,296'-3,304'
1 SPF

GRAYBURG PERF DETAIL

3,392'-3,401'
3,469'-3,475'
1 SPF

EOT @ 3,508'



LAT: 32.71329 LONG: -103.93912

FIELD: SHUGART

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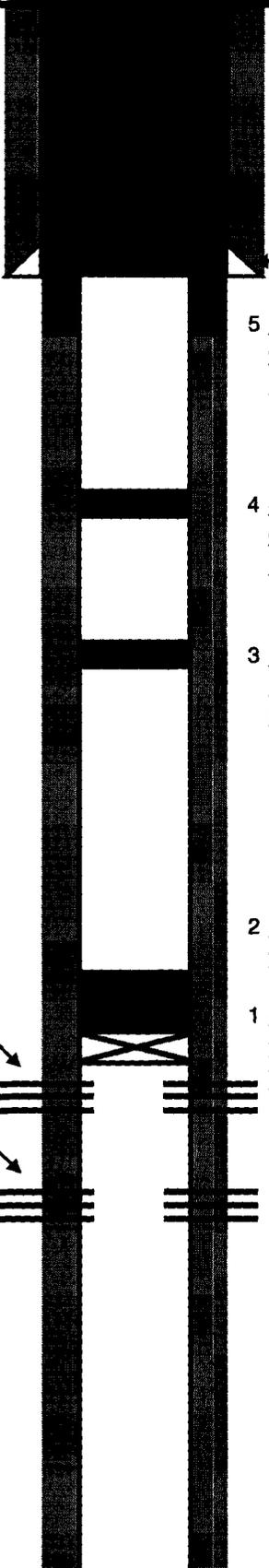
DESCRIPTION OF WORK: 0

0

GL (ft): 3,478 KB (ft): 3,488 = 10 ft AGL SPUD: 1/28/72 AGE (yrs): 45.8

Verify Cement to Surface

NAME	MEAS. DEPTH
Rustler	413'
Salt	687'
Base of Salt	1618'
Yates	1867'
Queen	2896'
Penrose	3117'
Grayburg	3320'



8 5/8" 24# 32# @ 715'
CMT CIRC (11" HOLE)

5 Spot or P&S Shoe f/ Surface t/ 765' depending on CBL results, volumes will be discussed with NMOCD prior to pumping cement

4 Spot or P&S B.Salt f/ 1,518' t/ 1,668' depending on CBL results, volumes will be discussed with NMOCD prior to pumping cement

3 Spot or P&S Yates f/ 1,767' t/ 1,917' depending on CBL results, volumes will be discussed with NMOCD prior to pumping cement

2 R/U wireline and run CBL to find TOC, share results w/ engineer and NMOCD

1 Pull rods and tubing, set CIBP @ 3,150', spot MLF, test csg, spot 40 sx CL "C" cmt f/ 3,150' t/ 2,755', WOC & tag only if csg did not test (Perfs. Queen)

PENROSE PERF DETAIL
 3,191'-3,195'
 3,296'-3,304'
 1 SPF

GRAYBURG PERF DETAIL
 3,392'-3,401'
 3,469'-3,475'
 1 SPF

CONDITIONS FOR PLUGGING AND ABANDONMENT

District II / Artesia N.M.

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.**

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.
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 the well is not plugged within 1
7. 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.
8. **Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.**
9. Produced water **will not** be used during any part of the plugging operation.
10. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
11. 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.
12. **Class 'C' cement will be used above 7500 feet.**
13. **Class 'H' cement will be used below 7500 feet.**
14. **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**
15. **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.
20. **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)