

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. 30-025-31026
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 Lovington San Andres Unit
8. Well Number 63
9. OGRID Number 241333
10. Pool name or Wildcat Lovington Grayburg-San Andres
4. Well Location Unit Letter <u>M</u> : <u>100</u> feet from the <u>South</u> line and <u>115</u> feet from the <u>West</u> line Section <u>36</u> Township <u>16 S</u> Range <u>36E</u> NMPM County <u>Lea</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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.

- Spot 32 sacks Class C cement from 4575' to 4265'. (san andres perforations)
- Spot 26 sacks Class C cement from 3935' to 3685'. (queen)
- Spot 26 sacks Class C cement from 3135' to 2885'.
- If bubble test is failing, perforate & squeeze 97 sacks Class C cement from 415' to 0'. If bubble test is passing, plan to spot 43 sacks Class C cement to surface from 415' to 0'. Records show sufficient cement was pumped to bring top to surface.

4" DIA 4' tall above ground marker

See attached conditions of approval

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 Hayes Thibodeaux TITLE Engineer DATE 8/9/2022

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 8/10/22
 Conditions of Approval:

**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

Plugging Plan – Lovington San Andres Unit #63

API: 30-025-31026

Note:

- Shut-in Oil well w/ rods & tubing, PERFORATIONS from 4675' to 5064'

Proposed procedure – Lay down rig + CTU

1. Move in Axis 34 Lay Down rig package
2. N/U BOPE and pressure test same to 250 psi low for 5 minutes / 2500 psi high for 10 minutes.
3. Pull rods & tubing.
4. Gauge ring run will be required unless the TAC is removed from the wellbore.
5. RIH with CIBP and set at proposed depth in C-103 (4500')
6. Pressure test mech. barrier + casing to 500 psi for 15 minutes. Document results in WellView.
7. Conduct bubble tests on all annuli. If bubble test fails, communicate to coiled tubing WSR for planning purposes.
8. Rig down Axis 34 lay down rig.

Proposed procedure - Coiled Tubing Unit

9. R/U coiled tubing P&A package
10. N/U BOPE and pressure test same to 250 psi low for 5 minutes / 2500 psi high for 10 minutes.
11. RIH with coiled tubing to tag existing mechanical barrier in wellbore
12. Spot 32 sacks Class C cement from 4575' to 4265'.
13. Spot 26 sacks Class C cement from 3935' to 3685'.
14. Spot 26 sacks Class C cement from 2135' to 1885'.
15. Conduct bubble test on 5-1/2" x 8-5/8"
 - a. If any bubble test fails, consider running CBL to confirm TOC (*reportedly* at surface) and identify additional depths to perf/squeeze OR cut/pull casing
16. If bubble test fails, consider transitioning directly to casing cutting & pulling. Discuss forward plan with NMOCD engineer for approval.
 - a. Cut casing will require a stub plug 50' inside of cut casing extending 50' above the cut portion at a minimum. WOC, tag, pressure test barrier. Proceed with approved C-103 if passing bubble test is achieved.
17. If bubble test failed, perforate & squeeze 97 sacks Class C cement from 415' to 0'.
18. If bubble test passed, Spot 43 sacks Class C cement from 415' to 0'.
19. Confirm cement returns at surface
20. Rig down move off location

Current Wellbore Diagram

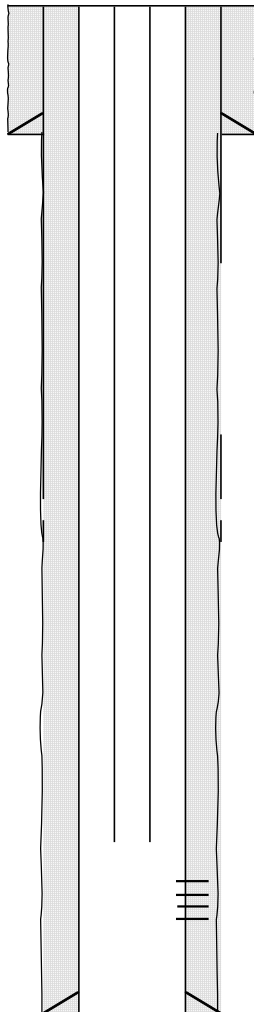
Created: 04/24/19	By: _____	Well #: 63	St. Lse: _____
Updated: _____	By: _____	API 30-025-31026	
Lease: Lovington San Andres Unit		Unit Ltr.: M	Section: 36
Field: Lovington		TSHR/Rng: 16S-36E	
Surf. Loc.: 100 FSL & 115 FWL		Unit Ltr.: _____	Section: _____
Bot. Loc.: _____		TSHR/Rng: _____	
County: Lea	St.: NM	Directions: Lovington, NM	
Status: _____		Chevno: OM2002	

Surface Casing

Size: 8-5/8"
 Wt., Grd.: 24#, J-55
 Depth: 365'
 Sxs Cmt: 275
 Circulate: Yes
 TOC: Surface
 Hole Size: 12-1/4"

Production Casing

Size: 5-1/2"
 Wt., Grd.: 15.5#, J-55
 Depth: 5120'
 Sxs Cmt: 1379
 Circulate: Yes
 TOC: Surface
 Hole Size: 7-7/8"



KB: _____
 DF: _____
 GL: 3,840
 Ini. Spud: 01/02/91
 Ini. Comp.: 03/30/91

Perfs: 4675' - 5064'

PBTD(est.): _____
 TD: 5,120

Tubing String	Tubing - OD 2.875	J-55 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2.347 Drift	147	4521.07	16.00	4537.07
Tubing String	Tubing Anchor/Catcher	Tubing Anchor/Catcher 2.875	1	2.80	4537.07	4539.87
Tubing String	Tubing - OD 2.875	J-55 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2.347 Drift	12	422.00	4539.87	4961.87
Tubing String	Tubing - OD 2.875	J-55 2.875 OD/ 6.50# T&C External Upset 2.441 ID 2.347 Drift - Internal Plastic Ctg-TK-99	1	31.73	4961.87	4993.60
Tubing String	Seat Nipple / Shoe	Seat Nipple/Shoe - Stainless 316 (2.875) Mechanical Type - N/A	1	0.85	4993.60	4994.45
Tubing String	Dip Tube	Dip Tube 2.000 Sch40 2.875 OD-Bare	1	17.00	4993.45	5010.45
Rod String	Polished Rod	1.250 (1 1/4 in.) C x 24 - w/Polished Rod Liner	1	26.00	16.00	42.00
Rod String	Rod (Sub)	0.980 (1 in.) Fiberglass x 3 Rod Sub - N/A	1	3.00	42.00	45.00
Rod String	Rod	0.990 (1 in.) FG x 37.5 Rod	64	2400.00	45.00	2445.00
Rod String	Rod	0.875 (7/8 in.) C x 25 Rod - N/A (WCN-30)	95	2375.00	2445.00	4820.00
Rod String	Rod (Sinker Bar)	1.500 (1 1/2 in.) C x 25 Sinker Bar - N/A	5	125.00	4820.00	4945.00
Rod String	Rod (Sub)	0.750 (3/4 in.) D x 4 Rod Sub - Rod Guides-Molded (3 per rod)	1	4.00	4945.00	4949.00
Rod String	Shear Tool/Coupling	Shear Tool (0.750) 26,000# - Bare	1	1.00	4949.00	4950.00
Rod String	Rod (Sub)	0.750 (3/4 in.) D x 4 Rod Sub - Rod Guides-Molded (3 per rod)	1	4.00	4950.00	4954.00
Rod String	Rod Pump (Insert) (NON-SERIALIZED)	Rod Pump (Insert) (NON-SERIALIZED) - 25-175-RHBM-24-5 (Bore = 1.75)	1	24.00	4954.00	4978.00

Proposed Wellbore Diagram

Created: 04/24/19 By: _____
 Updated: _____ By: _____
 Lease: Lovington San Andres Unit
 Field: Lovington
 Surf. Loc.: 100 FSL & 115 FWL
 Bot. Loc.: _____
 County: Lea St.: NM
 Status: _____

Well #: 63 St. Lse: _____
 API: 30-025-31026
 Unit Ltr.: M Section: 36
 TSHP/Rng: 16S-36E
 Unit Ltr.: _____ Section: _____
 TSHP/Rng: _____
 Directions: Lovington, NM
 Chevno: OM2002

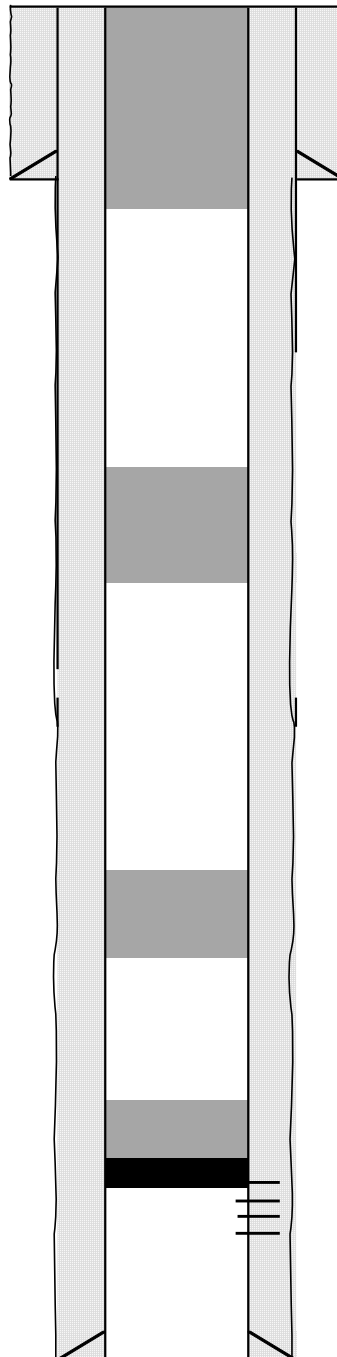
Surface Casing

Size: 8-5/8"
 Wt., Grd.: 24#, J-55
 Depth: 365'
 Sxs Cmt: 275
 Circulate: Yes
 TOC: Surface
 Hole Size: 12-1/4"

Production Casing

Size: 5-1/2"
 Wt., Grd.: 15.5#, J-55
 Depth: 5120'
 Sxs Cmt: 1379
 Circulate: Yes
 TOC: Surface
 Hole Size: 7-7/8"

KB: _____
 DF: _____
 GL: 3,840
 Ini. Spud: 01/02/91
 Ini. Comp.: 03/30/91



Isolate 8-5/8" shoe, FW, surface f/ 415'

Isolate Salt, Rustler from 2135'
250' of Class C cement

Isolate Queen from 3935'
250' of Class C cement

Isolate San Andres
Isolate perforations with CIBP at 4575'
Cmt from 4575' to 100' above Grayburg
Perfs: 4675' - 5064'

PBTD(est.): _____
 TD: 5,120

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District IV
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Phone:(505) 476-3470 Fax:(505) 476-3462

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Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

COMMENTS

Action 132389

COMMENTS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 132389
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

COMMENTS

Created By	Comment	Comment Date
plmartinez	DATA ENTRY PM	8/10/2022

District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
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CONDITIONS

Created By	Condition	Condition Date
kfortner	See attached COA	8/10/2022