

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. 30-025-31544
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 78
9. OGRID Number 241333
10. Pool name or Wildcat Lovington Grayburg-San Andres

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Chevron Midcontinent, L.P.	
3. Address of Operator 6301 Deauville Blvd Midland, Texas 79706	
4. Well Location Unit Letter <u>F</u> : <u>2575</u> feet from the <u>North</u> line and <u>2630</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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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 29 sacks Class C cement from 4571' to 4286'.
 - Spot 26 sacks Class C cement from 3948' to 3698'.
 - Spot 21 sacks Class C cement from 2151' to 1944'.
 - Spot 26 sacks Class C cement from 1370' to 1120'.
 - If bubble test is failing, perforate & squeeze 59 sacks Class C cement from 250' to 0'.
- If bubble test is passing, plan to spot 26 sacks Class C cement to surface from 250' 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 #78

API: 30-025-31544

Note:

- Shut-in Oil well w/ rods & tubing, PERFORATIONS from 4678' to 5128'

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 29 sacks Class C cement from 4571' to 4286'.
13. Spot 26 sacks Class C cement from 3948' to 3698'.
14. Spot 21 sacks Class C cement from 2151' to 1944'.
15. Spot 26 sacks Class C cement from 1370' to 1120'.
16. 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
17. 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.
18. If bubble test failed, discuss contingency perforation/squeeze depth or option to cut/pull casing
19. If bubble test passed, Spot 26 sacks Class C cement from 250' to 0'.
20. Confirm cement returns at surface
21. Rig down move off location

WELLBORE DIAGRAM **LSAU 78**

Created: 08/08/16 By: RRW
 Updated: _____ By: _____
 Lease: Lovington San Andres Unit
 Field: Lovington Grayburg San Andres
 Surf. Loc.: 2575' FNL 2630' FWL
 Bot. Loc.: _____
 County: Lea St.: NM
 Status: Producing Well

Well #: 78 St. Lse: _____
 API: 30-025-31544
 Unit Ltr.: F Section: 36
 TSHP/Rng: 16S 36E
 Pool Code: _____ OGRID: _____
 Directions: Lovington, NM
 Chevno: QU2933

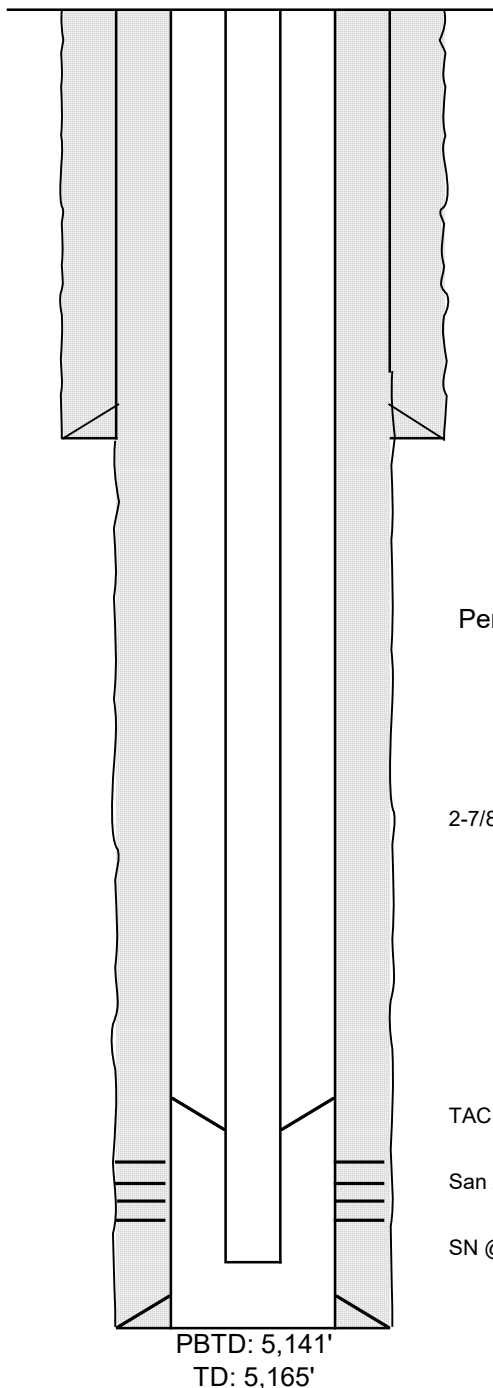
Surface Casing

Size: 8 5/8"
 Wt., Grd.: 24#
 Depth: 1320'
 Sxs Cmt: 500
 Circulate: yes
 TOC: surface
 Hole Size: 12-1/4"

KB: _____
 DF: _____
 GL: 3,833
 Ini. Spud: 06/26/92
 Ini. Comp.: 07/29/92

Production Casing

Size: 5 1/2"
 Wt., Grd.: 15.5#
 Depth: 5165'
 Sxs Cmt: 950
 Circulate: Yes
 TOC: Surface
 Hole Size: 7 7/8"



Tubing Details		
2-7/8" Tbg	4571	4571
TAC	2.9	4573.9
2-7/8" Tbg	462	5035.9
SN	31.31	5067.21
Perforated Sub		
Mud Anchor		
Bull Plug		

2-7/8" tbg

Rod Details (# Rods)	
1" FG	65
7/8"	96
1" Steel	5
7/8" (2) 2' sub	
2-1/2" x 1-3/4" x 20 x 24 Pump	
1-1/4" Gas Anchor	

TAC @ 4,571'

San Andres Perfs: 4678'-5128'

SN @ 5,064', EOT @ 5,708'

PBTD: 5,141'
 TD: 5,165'

Proposed WELLBORE DIAGRAM LSAU 78

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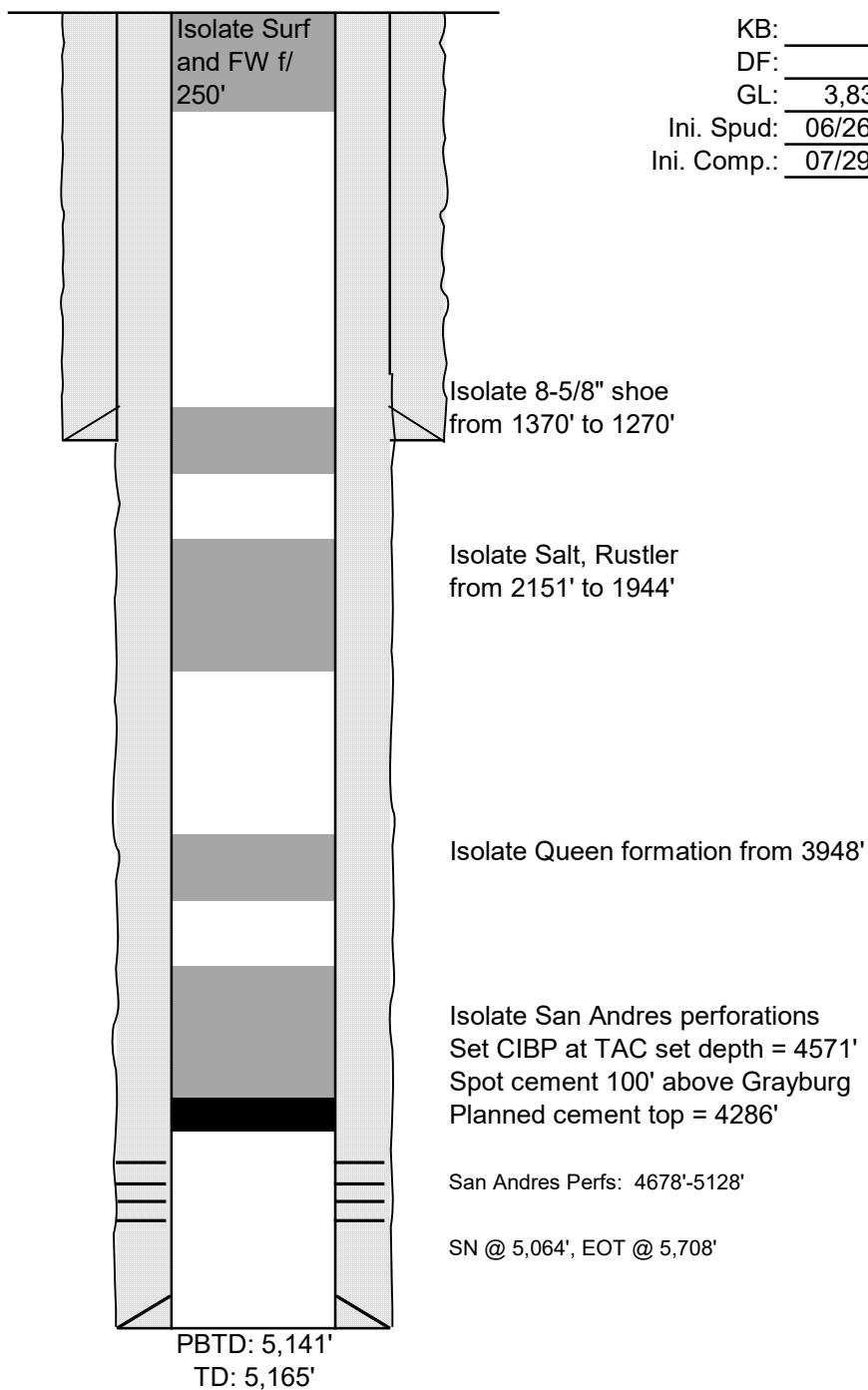
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Production Casing

Size: 5 1/2"
 Wt., Grd.: 15.5#
 Depth: 5165'
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 Circulate: Yes
 TOC: Surface
 Hole Size: 7 7/8"



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District III
1000 Rio Brazos Rd., Aztec, NM 87410
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District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

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Oil Conservation Division
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Santa Fe, NM 87505

COMMENTS

Action 132404

COMMENTS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 132404
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

COMMENTS

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

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CONDITIONS

Action 132404

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Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 132404
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

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