

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. 30-025-31574
5. Indicate Type of Lease STATE [] FEE []
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Lovington Paddock Unit
8. Well Number 148
9. OGRID Number 241333
10. Pool name or Wildcat [40660] LOVINGTON;PADDOCK
11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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 [X] Gas Well [] Other []
2. Name of Operator CHEVRON MIDCONTINENT, L.P.
3. Address of Operator 6301 Deauville BLVD, Midland TX 79706
4. Well Location Unit Letter L : 1480 feet from the SOUTH line and 900 feet from the WEST line
Section 6 Township 17S Range 37E NMPM County
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 [X]
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.

Pull rods and tubing
Set CIBP at 6100'. Pressure test same.
Spot 26 sacks Class C cement from 6100' to 5850'.
Spot 31 sacks Class C cement from 4660' to 4360'.
Spot 26 sacks Class C cement from 3919' to 3669'.
Spot 26 sacks Class C cement from 3307' to 3057'.
Spot 26 sacks Class C cement from 2076' to 1820'.
Spot 26 sacks Class C cement from 1355' to 1105'.
Proceed to final cement plug only after achieving successful bubble test on all strings.
If test fails, plan to perforate at 650' and attempt to circulate. If able to circulate, plan to cut & pull. If unable to circulate, plan to run CBL to determine TOC and develop forward plan with NMOCD.
Spot 26 sacks Class C cement from 250' to 0'.

Spud Date: []

Rig Release Date: SEE ATTACHED CONDITIONS OF APPROVAL

4" diameter 4' tall Above Ground Marker

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 12/19/2022

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 12/20/22

Conditions of Approval (if any) 575-263-6633

**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 REQ.UIRMENTS

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

Lovington Paddock Unit 148

API: 30-025-31574

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

1. Install casing Riser on intermediate and surface casing.
 - a. Follow the MCBU Ground Disturbance OE Standard before starting any excavations (One Call, Dig Plan)
 - b. Paint the casing valves as follow

Production: Blue

Intermediate: White

Surface: Yellow
2. Call and notify NMOCD 24 hrs. before operations begin.
3. MIRU pulling unit.
 - a. Intrinsically safe fans and H2S scavenger required due to known H2S in the field.
4. 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.
5. 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.
6. Install hydraulic rod BOP and function test.
7. Pull and lay down rods.
 - a. If paraffin is encountered or rods are stuck contact engineer.
 - b. If a stripping job is required, conduct forward planning session with engineer and superintendent to ensure all safeguards are in place.
 - c. If cutting rods is required, contact superintendent prior to any cuts to discuss intrinsically safe tool selection, safeguards, etc. Tools can include hack saw, hydraulic sheers, cold cutter.
8. 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.
9. If tubing pressure tested, stand back pipe. If it failed, lay down and prepare to run a work string.

10. MIRU wireline and lubricator.
11. 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.
12. Run and set CIBP within 100' of top perforation or as per approved C-103.
 - a. Skip gauge run if TAC pulled freely past setting depth.
13. 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.
14. Perform 30-minute bubble test on surface and production casings. Record results to meet the barrier standard intent. Adjust forward plan as necessary to address SCP.
15. TIH and tag CIBP.
16. 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 step 13., Chevron requires all casing holes/damage to be covered with cement.
17. Spot 26 sacks Class C cement from 6100' to 5850'. Producing zone.
18. Spot 31 sacks Class C cement from 4660' to 4360'. San Andres, Grayburg.
19. Spot 26 sacks Class C cement from 3919' to 3669'. Queen
20. Spot 26 sacks Class C cement from 3307' to 3057'. Seven Rivers
21. Spot 26 sacks Class C cement from 2076' to 1820'. Salt, Rustler
22. Spot 26 sacks Class C cement from 1355' to 1105'. 8-5/8" shoe
23. Conduct 30 min bubble test. If bubble test is failing:
 - a. Perforate at 650'. If outer string is leaking aim for 350' below the surface shoe, whichever is deeper. Adjust depth as necessary on a well by well basis. Factor in bubble test failure rate, etc. into the decision.
 - b. If well circulates, document well as casing cut/pull candidate in Projected Operations in WellView
 - c. If casing is cut & pulled, spot stub plug from 50' inside of the stub to minimum 100' above the stub. WOC, tag, pressure test. Obtain approval for this cement plug from NMOCD.
 - d. If well does not circulate, plan to spot 25 sacks Class C from of cement from 850' to 600' and R/D.
 - i. Projected operations if well does not circulate: plan to run CBL (offline)
24. Proceed to next job steps only after achieving a successful bubble test on all strings
25. Spot 26 sacks Class C cement from 250' to 0'. (assumes 5-1/2" production casing. Values will need to be updated if 5-1/2" casing was cut & pulled from wellbore).
26. While RDMO, perform 30-minute bubble test on surface and production casings. Record results to meet the barrier standard intent.
27. 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.

Wellbore Diagram

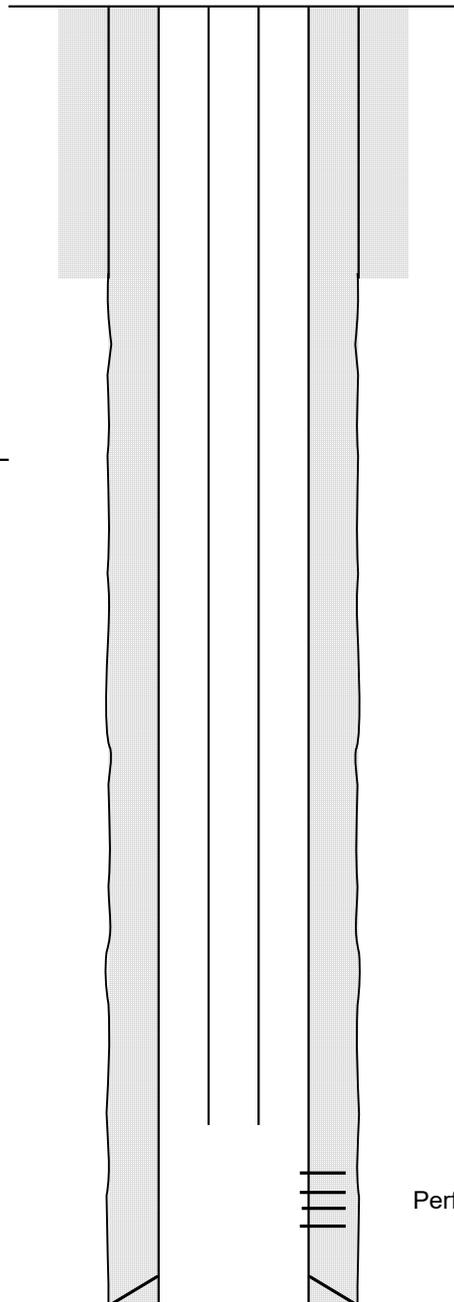
Created:	<u>04/23/19</u>	By:	<u> </u>	Well #:	<u>148</u>	St. Lse:	<u> </u>
Updated:	<u> </u>	By:	<u> </u>	API	<u>30-025-31574</u>		
Lease:	<u> </u>			Unit Ltr.:	<u>L</u>	Section:	<u>6</u>
Field:	<u> </u>			TSHP/Rng:	<u> </u>		<u>17S-37E</u>
Surf. Loc.:	<u> </u>			Unit Ltr.:	<u> </u>	Section:	<u> </u>
Bot. Loc.:	<u> </u>			TSHP/Rng:	<u> </u>		
County:	<u> </u>	St.:	<u> </u>	Directions:	<u> </u>		<u> </u>
Status:	<u> </u>			Chevno:	<u> </u>		<u> </u>

Surface Casing
 Size: 8-5/8"
 Wt., Grd.: 24#
 Depth: 1305'
 Sxs Cmt: 500
 Circulate: Yes
 TOC: Surface
 Hole Size: 12-1/4"

KB:
 DF:
 GL: 3,807
 Ini. Spud: 06/27/92
 Ini. Comp.: 07/06/92

Production Casing
 Size: 5-1/2"
 Wt., Grd.: 15.5#
 Depth: 6500'
 Sxs Cmt: 1400
 Circulate: Yes
 TOC: Surface
 Hole Size: 7-7/8"

Formation Name	
Rustler	1920
Salt	2026
Seven Rive	3307
Queen	3919
Grayburg	4460
San Andres	4660
Glorieta	6067
Paddock	6166.74



Perfs: 6161' - 6333'

PBTD(est.):
 TD: 6,500

Proposed Wellbore Diagram

Created:	<u>04/23/19</u>	By:	_____	Well #:	<u>148</u>	St. Lse:	_____
Updated:	_____	By:	_____	API	<u>30-025-31574</u>		
Lease:	<u>Lovington Paddock Unit</u>			Unit Ltr.:	<u>L</u>	Section:	<u>6</u>
Field:	<u>Lovington</u>			TSHR/Rng:	<u>17S-37E</u>		
Surf. Loc.:	<u>1480 FSL & 900 FWL</u>			Unit Ltr.:	_____	Section:	_____
Bot. Loc.:	_____			TSHR/Rng:	_____		
County:	<u>Lea</u>	St.:	<u>NM</u>	Directions:	<u>Lovington, NM</u>		
Status:	_____			Chevno:	<u>QU2973</u>		

Surface Casing

Size: 8-5/8"
 Wt., Grd.: 24#
 Depth: 1305'
 Sxs Cmt: 500
 Circulate: Yes
 TOC: Surface
 Hole Size: 12-1/4"

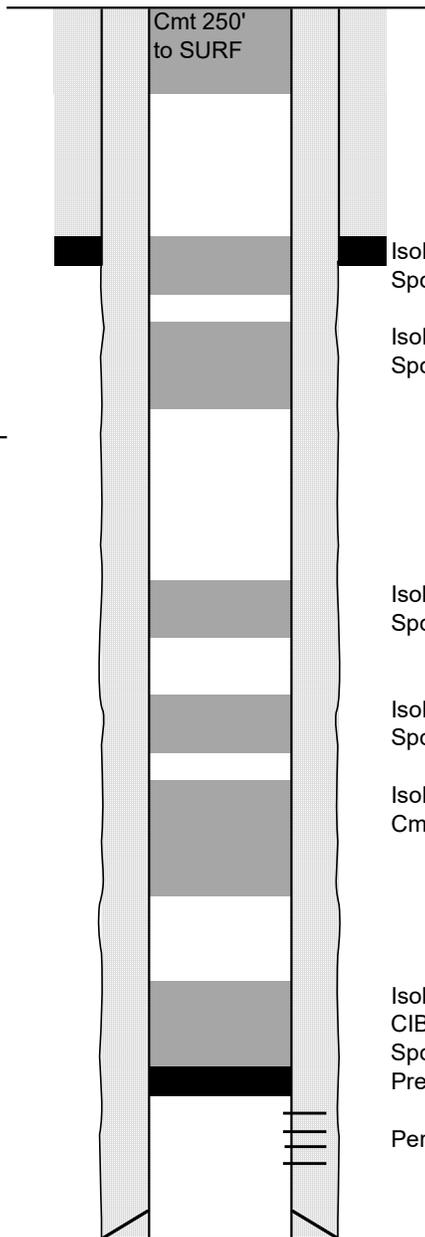
KB: _____
 DF: _____
 GL: 3,807
 Ini. Spud: 06/27/92
 Ini. Comp.: 07/06/92

Production Casing

Size: 5-1/2"
 Wt., Grd.: 15.5#
 Depth: 6500'
 Sxs Cmt: 1400
 Circulate: Yes
 TOC: Surface
 Hole Size: 7-7/8"

Formation Name

Rustler	1920
Salt	2026
Seven Rive	3307
Queen	3919
Grayburg	4460
San Andres	4660
Glorieta	6067
Paddock	6166.74



Isolate 8-5/8" shoe
 Spot 25 sacks Class C from 1355'

Isolate Salt, Rustler
 Spot cmt from 2076' to 1820'

Isolate Seven Rivers
 Spot 25 sacks Class C from 3307'

Isolate queen
 Spot 25 sacks Class C from 3919'

Isolate San Andres, Grayburg
 Cmt from 4660' to 4360'

Isolate producing zone
 CIBP at 6100'
 Spot 25 sacks Class C Cement
 Pressure test barrier

Perfs: 6161' - 6333'

PBTD(est.): _____
 TD: 6,500

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

District IV
 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

COMMENTS

Action 168505

COMMENTS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 168505
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

COMMENTS

Created By	Comment	Comment Date
plmartinez	DATA ENTRY PM.	12/20/2022

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

District IV
 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 168505

CONDITIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 168505
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kfortner	See attached COA	12/20/2022