

Well Name: BENSON SHUGART	Well Location: T18S / R30E / SEC 25 / NESE /	County or Parish/State: EDDY / NM
Well Number: 25	Type of Well: OIL WELL	Allottee or Tribe Name:
Lease Number: NMNM01375A	Unit or CA Name: BENSON SHUGART WATERFLOOD	Unit or CA Number: NMNM88499X
US Well Number: 3001504542	Well Status: Producing Oil Well	Operator: CHEVRON USA INCORPORATED

Accepted for record – NMOCD gc2/21/2023

Notice of Intent

Sundry ID: 2711669

Type of Submission: Notice of Intent

Type of Action: Plug and Abandonment

Date Sundry Submitted: 01/19/2023

Time Sundry Submitted: 12:44

Date proposed operation will begin: 02/13/2023

Procedure Description:

Surface Disturbance

Is any additional surface disturbance proposed?: No

NOI Attachments

Conditions of Approval

Specialist Review

BENSON_SHUGART_25__2711669__COA_AND_PROCEDURE_20230207101041.pdf

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Operator: CHEVRON USA INCORPORATED

Operator

I certify that the foregoing is true and correct. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. Electronic submission of Sundry Notices through this system satisfies regulations requiring a

Operator Electronic Signature: MARK TORRES

Signed on: JAN 19, 2023 12:44 PM

Name: CHEVRON USA INCORPORATED

Title: Well Abandonment Engineer

Street Address: 6301 DEAUVILLE BLVD

City: MIDLAND

State: TX

Phone: (989) 264-2525

Email address: MARKTORRES@CHEVRON.COM

Field

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:

BLM Point of Contact

BLM POC Name: KEITH P IMMATTY

BLM POC Title: ENGINEER

BLM POC Phone: 5759884722

BLM POC Email Address: KIMMATTY@BLM.GOV

Disposition: Approved

Disposition Date: 02/07/2023

Signature: KEITH IMMATTY

Benson Shugart Water Flood Unit 25**API:** 30-015-04542**Fresh Water Depth:** 200'**Potash Area:** No**Notes:**

- The subject well was shut-in 9/1/20 and last tested 5/7/2020 (0.3 bo, 0 mcf, 0.1 bw). The well is on the NMOCD ACOI list and has a 6/26/23 RTP or P&A deadline. Due to economics, a return to an active status cannot be justified, therefore the decision has been made to P&A the subject well.
- Reference [Onshore Operating Guidelines](#) and Business Partner SOPs for detailed guidance.
- Contact engineer for additional well history if needed.
- WSR to assess crew competency and utilize SWA and contact Superintendent with any concerns.

Rig Work

1. Prior to rig arrival, verify well prep and confirm if any special or welded flanges are present that will require further intervention.
2. Contact BLM at least 24 hours prior to performing any work.
 - a. Place job number in WellView, note the time you contacted the TRRC and the engineer's name.
3. MIRU pulling unit.
 - a. Intrinsically safe fans and H2S scavenger required due to unknown quantities of H2S in the field.
4. Verify pressures and kill well as per [Chevron Global Well Control Document](#).
 - a. Bubble test intermediate and surface casings for 30 minutes each and share results in WellView under daily pressure.
 - b. Attempt to pressure test tubing to utilize as work string.
5. Install hydraulic rod BOP and function test.
6. Pull and lay down rods.
 - a. If paraffin is encountered or rods are stuck contact engineer.
 - b. Stop work and contact Superintendent if stripping operations are required.
7. N/U BOPE using rubber coated hangers provided by Chevron, and pressure test, 250 psi low and MASP + 500 psi high (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.
8. TOH w/ production string. If TAC removed from wellbore, will serve as gauge ring run for CIBP.
 - a. Stop work and contact Superintendent if tubing is pulling wet.
9. If unable to pull TAC or alternatively want to leave TAC in place:
 - a. Plan to set CITP adjacent to TAC or set in profile plug per tubing tally
 - b. Jet cut tubing above CITP
10. MIRU wireline unit.
11. R/U 5K lubricator system w/ pack-off and pressure test t/ 1,000 psi f/ 10 min.
 - a. Consider grease injection if MASP + 500 psi is above 1,000 psi.

12. M/U and set CIBP in 5-1/2" prod csg at +/- 2,413' (100' above top perf).
13. RDMO wireline unit.
14. Fill well with fresh water and pressure test casing to 500 psi to confirm CIBP as barrier.
 - a. 5% bleed off allotted. **30mins**
 - b. Contact the engineer if pressure test fails, document test results.
 - c. Verify max test pressure does not exceed casing burst strength.
15. TIH w/ work string, tag CIBP
16. Attempt to break circulation, verify lifting pressures.
17. Spot **70** sx Class H Cement from 2,413' – 1,**755**' (Perfs, Yates, **BOS**).
 - a. **WOC, Tag.** Plug must be at or above **1,755**'.
18. WOC
19. Tag TOC and pressure test casing to 1,500 psi for 15 minutes.
 - a. **Do not exceed burst pressure of casing.**
20. Spot MLF to appropriate depth to ensure it is spaced out between plugs.
 - a. Do not pump MLF past the first perforation because it will be pumped away during the P&S procedure. Also, if the casing failed a pressure test, do not spot MLF until it tests properly.
21. Perforate at **878**' and squeeze/circulate **60** sx Class C from **878**' – **625**' (Salt Top / Rustler).
22. WOC.
23. Tag TOC and pressure test casing
 - a. Pressure test casing to 1,500 psi or MASP + 500 psi (whichever is larger) for 15 minutes.
24. Conduct bubble test for 30 minutes on all casing annuli.
 - a. If bubble test fails, contact engineer to discuss running a CBL to confirm cement quality behind pipe and/or adjusting forward plan for a perforate and squeeze contingency, cement plug or identify any opportunity to cut & pull casing, or R/D and monitor well.
 - b. Ultimate goal is to address failed test prior to fresh water depths
 - c. Confirm forward plan with engineer and request forward plan approval from TRRC
25. If bubble test passes, proceed to isolate fresh water to surface.
 - a. Notify BLM of any proposed changes to cement volumes
26. **Remove production casing at 625'. Perf and sqz 340sx against surface casing. Verify cement to surface in annulus (180sx) and inside casing(160sx)**
 - a. **SOPA: Top of salt plug to surface with cement in all annuli**
- ~~27. Perforate above tag depth (+/- 350') and circulate approx. 82 sx Class C cement to surface filling production casing and annulus to surface.~~
28. Verify cement to surface.
29. RDMO

KEITH

IMMATTY

Digitally signed by
KEITH IMMATTYDate: 2023.02.07
10:09:55 -07'00'

CURRENT WELLBORE DIAGRAM

BENSON SHUGART WATERFLOOD UNIT #25

Shugart (Yates) Field

Eddy County, New Mexico

1650 FSL & 990 FEL, Sec-25, T-18S, R-30E

API# 30-015-04542

Spud Date: 2/4/62

Completion Date: 2/22/62

Base of Fresh Water: 200'

GL Elevation: 3560'

KB Elevation: 3570'

H2S Concentration >100 PPM? NO
NORM Present in Area? YES

Surface Casing

Size: 8 5/8"
Wt., Grd.: 24#
Depth: 800'
Sxs Cmt: 50 sx
Circulate: Unknown
TOC: Unknown
Hole Size: 12"

Production Casing

Size: 5 1/2"
Wt., Grd.: 15.5#
Depth: 2,547'
Sxs Cmt: 100 sx
Circulate: Unknown
TOC: 1,750' est
Hole Size: 8"

est. TOC @ 1,750'

Formation	TOP (MD)
Rustler	498'
Salt Top	828'
Salt Bottom	1,824'
Yates	2,120'

PBTD @ 2530'
TD @ 2547'

Tubing Strings									
Tubing Description		Planned Run?			Set Depth (MD) (ftKB)			Set Depth (TVD) (ftKB)	
Tubing - Production		N			2,443.0				
Run Date		Run Job			Pull Date			Pull Job	
11/16/2001		Complete, 2/23/1962 00:00							
Jts	Item Des	OD (in)	ID (in)	Wt (lb/ft)	Grade	Top Thread	Len (ft)	Top (ftKB)	Btm (ftKB)
	Tubing	2 3/8					2,432.0	10.0	2,442.0
	Seat Nipple	2 3/8					1.00	2,442.0	2,443.0
Rod Strings									
Rod Description		Planned Run?			Set Depth (ftKB)			Set Depth (TVD) (ftKB)	
Rod - Conventional		N			2,443.0				
Run Date		Run Job			Pull Date			Pull Job	
11/16/2001		Complete, 2/23/1962 00:00							
Rod Components									
Jts	Item Des	OD (in)	Grade	Model	Len (ft)	Top (ftKB)	Btm (ftKB)		
97	Polished Rod	1 1/2			26.00	5.0	31.0		
	Sucker Rod	5/8			2,400.00	31.0	2,431.0		
	Rod Pump	1 1/2			12.00	2,431.0	2,443.0		

2-3/8" tubing to 2442'
Seating Nipple @ 2442-2443'

97 jts 5/8" rods @ 2431'
1-1/2"x12' pmp @ 2431-2443'

Seven Rivers
2513-2523' - Frac w/ 30,000 gals oil & 40,000# 20/40 sand.

PROPOSED WELLBORE DIAGRAM

BENSON SHUGART WATERFLOOD UNIT #25

Shugart (Yates) Field

Eddy County, New Mexico

1650 FSL & 990 FEL, Sec-25, T-18S, R-30E

API# 30-015-04542

Spud Date: 2/4/62

Completion Date: 2/22/62

Base of Fresh Water: 200'

GL Elevation: 3560'

KB Elevation: 3570'

H2S Concentration >100 PPM? NO
NORM Present in Area? YES

TOC Surface est.
1.06 yield => 625'

Surface Casing

Size: 8 5/8"
Wt., Grd.: 24#
Depth: 800'
Sxs Cmt: 50 sx
Circulate: Unknown
TOC: Unknown
Hole Size: 12"

Production Casing

Size: 5 1/2"
Wt., Grd.: 15.5#
Depth: 2,547'
Sxs Cmt: 100 sx
Circulate: Unknown
TOC: 1,750' est
Hole Size: 8"

est. TOC @ 1,750'

Formation	TOP (MD)
Rustler	498'
Salt Top	828'
Salt Bottom	1,824'
Yates	2,120'

SOPA: Top of salt plug to surface with cement in all annuli

Isolate Fresh Water

Ensure all annuli are passing bubble test

Perf & Circulate +/- 82 sx Class C f/ tag depth to surface

Remove production casing at 625'. Perf and sqz 340sx against surface casing. Verify cement to surface in annulus (180sx) and inside casing(160sx)

Isolate Salt Top/Rustler

Perf & Squeeze or Perf & Circulate 117 sx Class C f/ 850' - 350'

60sx

878' to 625'

Isolate Perfs/Yates

Set CIBP at +/- 2,413'

70sx. Leak test

Spot 54 sx Class C f/ 2,413' - 1,943'

Min. 2,020'

1755'. WOC and
tag

1755'

Including base of salt

Seven Rivers

2513-2523' - Frac w/ 30,000 gals oil & 40,000# 20/40 sand.

PBTD @ 2530'
TD @ 2547'

Sundry ID 2711669

Plug Type	Top	Bottom	Length	Tag	Sacks	Notes
Surface Plug	0.00	625.00	625.00	Verify circulated to surface	340.00	Perf and sqz. Verify to surface in annulus and casing
Remove production casing at 625'						
Shoe Plug	625.00	878.00	253.00	WOC and Tag	60.00	Same as below plug
Top of Salt @ 828	625.00	878.00	253.00	WOC and Tag	60.00	Perf and sqz. SOPA. TOS plug to surface
Base of Salt @ 1824	1755.76	1874.00	118.24	WOC and Tag	70.00	Covered by below plug
Yates @ 2120	2048.80	2170.00	121.20	WOC and Tag	70.00	Covered by below plug
CIBP Plug	2378.00	2413.00	35.00	Verify CIBP depth	70.00	Leak test 500psi, 30mins

No more than 2000' is to be allowed between plugs in open hole, and no more than 3000' between plugs in cased hole.

Class H >7500'

Class C <7500'

Fluid used to mix the cement in R111P shall be saturated with the salts common to the section penetrated, and in suitable proportions, but not more than 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible.

Critical, High Cave Karst: Cave Karst depth to surface

R111P: Solid plug in all annuli - 50' from bottom of salt to surface.

Class C: 1.32 ft³/sx

Class H: 1.06 ft³/sx

Onshore Order 2.III.G Drilling Abandonment Requirements: "All formations bearing usable-quality water, oil, gas, or geothermal resources, and/or a prospectively valuable deposit of minerals shall be protected.

Cave Karst/Potash Cement	Secretary KARST DEPTH/TOS to surface	500.00
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Shoe @ 800.00

Shoe @ 2547.00

Perforatons Top @ 2513.00

Perforations

Bottom @ 2523.00

CIBP @ 2413.00

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Permanent Abandonment of Federal Wells
Conditions of Approval (LPC Habitat)**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety (90)** days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-689-5981.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.** Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.

Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:

From March 1st through June 15th annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



In Reply Refer To: 1310

Reclamation Objectives and Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo “interim” reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo “final” reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any/all contaminants, scrap/trash, equipment, pipelines and powerlines **(Contact service companies, allowing plenty of time to have the risers and power lines and poles removed prior to reclamation, don't wait till the last day and try to get them to remove infrastructure)**. Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip (across the slope and seed as specified in the original APD COA. **This will apply to well pads, facilities, and access roads.** Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you

have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Petroleum Engineering Tech/Environmental Protection Specialist
575-234-5909 (Office), 575-361-2648 (Cell)

Arthur Arias
Environmental Protection Specialist
575-234-6230

Crisha Morgan
Environmental Protection Specialist
575-234-5987

Jose Martinez-Colon
Environmental Protection Specialist
575-234-5951

Mark Mattozzi
Environmental Protection Specialist
575-234-5713

Robert Duenas
Environmental Protection Specialist
575-234-2229

Trishia Bad Bear, Hobbs Field Station
Natural Resource Specialist
575-393-3612

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 186050

CONDITIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 186050
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
gcordero	None	2/21/2023