

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

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.)		WELL API NO. 30-015-27008 30-015-27008
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator CHEVRON USA INC		6. State Oil & Gas Lease No.
3. Address of Operator 15 SMITH RD MIDLAND TX 79705		7. Lease Name or Unit Agreement Name USA CACTUS 16 STATE
4. Well Location Unit Letter C : 330 feet from the NORTH line and 2310 feet from the WEST line Section 16 Township 24S Range 31E NMPM County: EDDY		8. Well Number #1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3492'		9. OGRID Number 4323
10. Pool name or Wildcat BRUSHY CANYON		

RECEIVED
 MAR 19 2015
 NMOCD

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>	REASON FOR NOTICE: E-PERMITTING <SWD -- INJECTION> CONVERSION _____ RBDMS _____ RETURN TO _____ TA _____ INT to PA _____ P&A NR _____ P&A R _____ OTHER: <input type="checkbox"/>
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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.

TD: 8450, PB: 5915' CIBP@5950' W/35' CMT ON TOP, 13-3/8" #54 SET @ 626' TOC @ SURFACE
 8-5/8" 24#/#32 SET @ 4250' TOC @ SURFACE, 5-1/2" 15.5#/#17# SET @ 8450' TOC @ 4000' CALC.

- CALL NMOCD 24 HRS. PRIOR TO MOVING IN RIG.
- TAG TOC @ 5915'. SPOT 255X5 CMT @ 5915'
- PERF & SQZ 5-1/2" CSG W/60 SXS OF CLASS "C" CMT FROM 4300 - 4100'. WOC&TAG. (SHOE)
- PERF & SQZ 5-1/2" CSG W/60 SXS OF CLASS "C" CMT FROM 3855' - 3655'. WOC&TAG. (B.SALT)
- PERF & SQZ 5-1/2" CSG W/60 SXS OF CLASS "C" CMT FROM 2810 - 2610'. WOC&TAG. (T.SALT)
- PERF CSG @ 520' AND ATTEMPT TO CIRC. A 520' CMT PLUG I/O 5-1/2" CSG. W/160 SXS OF CLASS "C" CMT ALL CSG & ANCHORS TO BE CUT & REMOVED 3' BELOW GRADE, CLOSED LOOP SYSTEM WILL BE UTILIZED.

Spud Date: _____
 Approved for plugging of well bore only.
 Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under _____
 I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Rig Release Date: _____
 SIGNATURE M. Lee Reark TITLE Project Manager DATE 03/09/2015
 Type or print name M. Lee Reark E-mail address: lreark@chevron.com PHONE: (432) 687-7279

For State Use Only
 APPROVED BY: R Wade TITLE DIST PLS supervisor DATE 3/18/2015
 Conditions of Approval (if any): see Attached COAs **CONDITIONS OF APPROVAL ATTACHED**

Approved for plugging of well bore only.
 Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Form # www.emnrd.state.nm.us/oed.

Approval Granted providing work is Completed by 3/18/2016

Cactus 16 State No. 1
CURRENT

Created: 12/23/14 By: PTB
 Updated: _____ By: _____
 Lease: Cactus 16 State
 Field: Brushy Canyon
 Surf. Loc.: 330' FNL & 2310' FWL
 Bot. Loc.: _____
 County: Eddy St.: NM
 Status: TA'd Producer

Well #: 1 St. Lse: _____
 API: 30-015-27008
 Unit Ltr.: C Section: 16
 TSHP/Rng: 24S / 31E
 Unit Ltr.: _____ Section: _____
 TSHP/Rng: _____
 Directions: _____
 CHEVNO: QU2588
 OGRID: 4323

Surface Casing

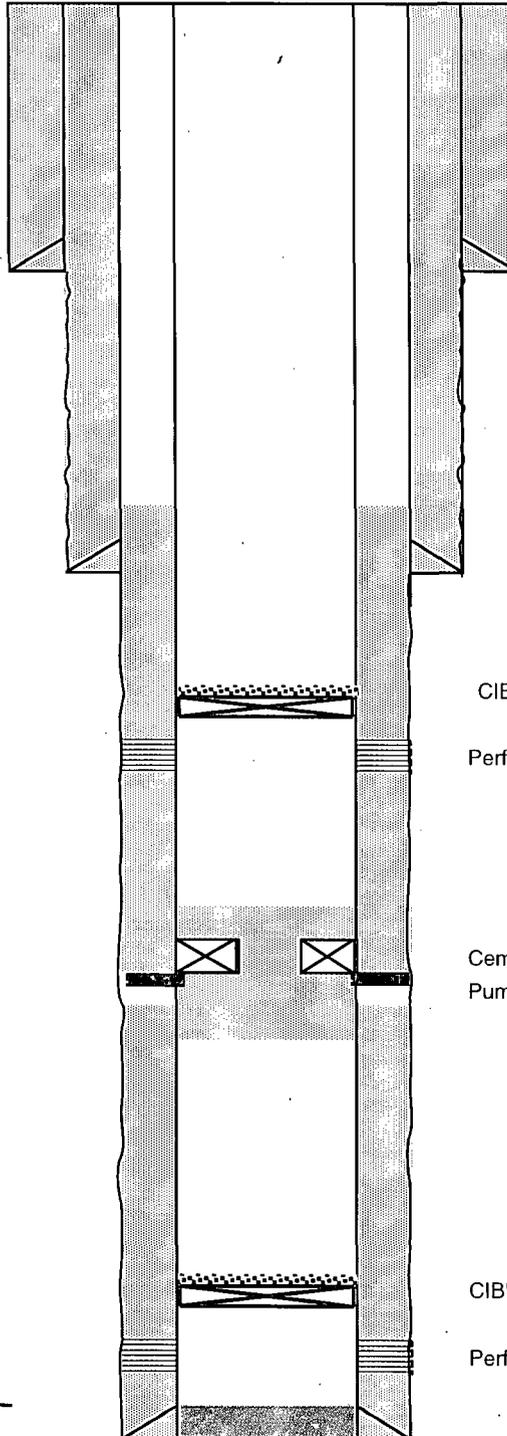
Size: 13-3/8"
 Wt., Grd.: 54#
 Depth: 626'
 Cmt: 470 sx
 Circulate: Yes
 TOC: Surface
 Hole Size: 17-1/2"

Intermediate Casing

Size: 8-5/8"
 Wt., Grd.: 24 & 32
 Depth: 4250'
 Cmt: 1450 sx
 Circulate: Yes
 TOC: Surface
 Hole Size: 12-1/4"

Production Casing

Size: 5-1/2"
 Wt., Grd.: 15.5 & 17
 Depth: 8450'
 Cmt: 250 sx
 Circulate: No
 TOC: 6820' - CBL
 Hole Size: 7-7/8"



KB: 3,507
 DF: _____
 GL: 3,492
 Ini. Spud: 06/17/92
 Ini. Comp.: 07/17/92

Est. TOC @ 4000'

CIBP @ 5950' capped w/ 35' cmt

Perfs: 6015'-6020'

Cement Retainer @ 6490'

Pump 900 sx thru sqz hole @ 6600'

CIBP @ 7950' w/ 35' cmt

Perfs 8,053' - 8,089'

PBTD: 6,273'
 TD: 8,450'

Cactus 16 State No. 1
PROPOSED

Created: 12/23/14 By: PTB
 Updated: _____ By: _____
 Lease: Cactus 16 State
 Field: Brushy Canyon
 Surf. Loc.: 330' FNL & 2310' FWL
 Bot. Loc.: _____
 County: Eddy St.: NM
 Status: TA'd Producer

Well #: 1 St. Lse: _____
 API: 30-015-27008
 Unit Ltr.: C Section: 16
 TSHP/Rng: 24S / 31E
 Unit Ltr.: _____ Section: _____
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 Directions: _____
 CHEVNO: QU2588
 OGRID: 4323

Surface Casing

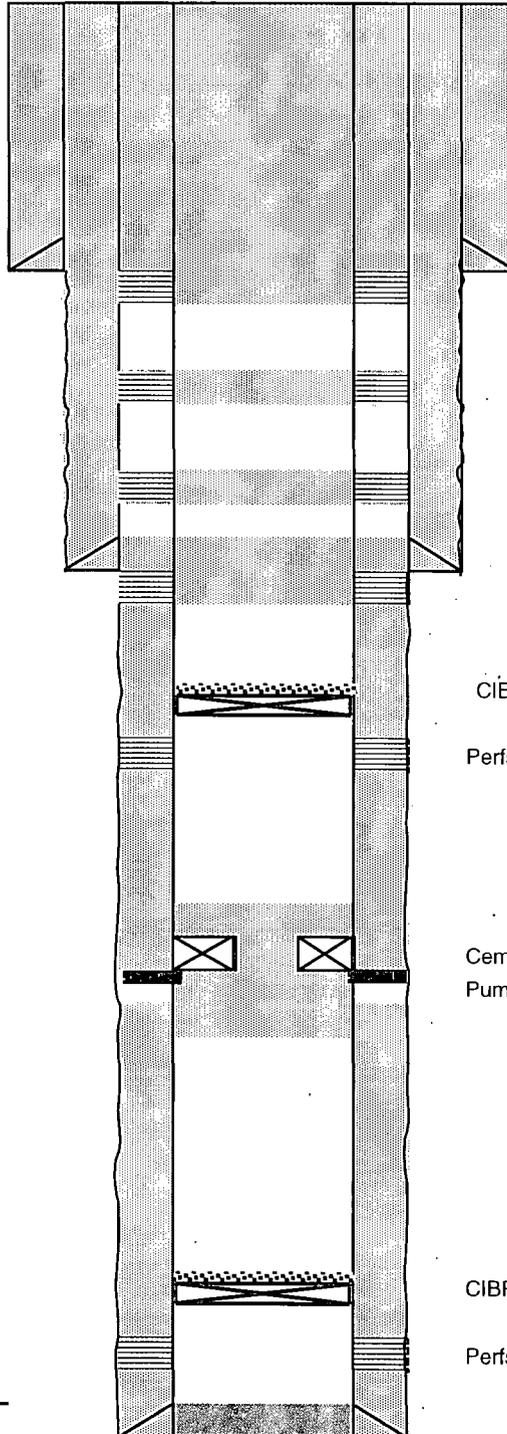
Size: 13-3/8"
 Wt., Grd.: 54#
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KB: 3,507
 DF: _____
 GL: 3,492
 Ini. Spud: 06/17/92
 Ini. Comp.: 07/17/92

Perf @ 520' and sqz 160sx

Perf @ 2810' and sqz 60sx

Perf @ 3855' and sqz 60sx

Perf @ 4300' and sqz 60sx

Est. TOC @ 4000'

CIBP @ 5950' capped w/ 35' cmt

Perfs: 6015'-6020'

Cement Retainer @ 6490'

Pump 900 sx thru sqz hole @ 6600'

CIBP @ 7950' w/ 35' cmt

Perfs 8,053' - 8,089'

PBTD: 6,273'
 TD: 8,450'

NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: Chevron

Well Name & Number: USA Cactus 16 State #1

API #: 30-015-27008

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. 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 place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perms, before any plugs can be set, by whatever means possible.
8. **Cement Retainers may not be used.**
9. **Squeeze pressures are not to exceed 500 PSI, unless approval is given by NMOCD.**
10. **Plugs may be combined after consulting with and getting approval from NMOCD.**
11. **Minimum WOC time for tag plugs will be 4 Hrs.**

DATE: 3/18/15

APPROVED BY: AKD

GUIDELINES FOR PLUGGING AND ABANDONMENT

DISTRICT II / ARTESIA

- All cement plugs will be a minimum of 100' in length or a minimum of 25 sacks of cement, whichever is greater.
- Mud laden fluids must be placed between all cement plugs.
- Mud laden fluids must be mixed at 25 sacks of gel per 100 bbls of water.
- A cement plug is required to be set 50' below and 50' above all casing shoes and casing stub plugs. These plugs must be tagged.
- A CIBP with 35' of cement on top may be set in lieu of 100' cement plug.
- A plug as indicated above must be placed within 100' of top perforation. This plug must be tagged.
- Plugs set below and above salt zones must be tagged.
- No more than 2000' is to be allowed between cement plugs in open hole and no more than 3000' in cased hole.
- DV tools are required to have a 100' cement plug set 50' above and below the tool and must be tagged.

- Formations to be isolated with plugs placed at the top of each formation are:
 - Fusselman
 - Devonian
 - Morrow
 - Wolfcamp
 - Bone Spring
 - Delaware
 - Any Salt Section (Plug at top and bottom)
 - Abo
 - Glorieta
 - Yates (this plus is usually at base of salt section)

- If cement does not exist behind casing strings at recommended formation depths, the casing must be cut and pulled with plugs set at these depths or casing must be perforated and cement squeezed behind casing at the formation depths.
- 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 common to the section penetrated and in suitable proportions, but not more than a 3% calcium chloride by weight of cement will be considered the desired mixture whenever possible (50' below and 50' above).