

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

Form C-103
 Revised August 1, 2011

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

WELL API NO. 30-015-41744
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Skeen 2 SWD
8. Well Number: 1
9. OGRID Number 4323
10. Pool name or Wildcat SWD; Brushy Canyon
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3218' GL

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 Gas Well Other SWD

2. Name of Operator **NM OIL CONSERVATION**
Chevron USA, Inc. **ARTESIA DISTRICT**

3. Address of Operator 6301 Deauville Blvd., Midland, TX 79706 **FEB 20 2018**

4. Well Location
Unit Letter M : 400 feet from the SOUTH line and 1200 feet from the WEST line
Section 02 Township 26S Range 27E, NMPM, County Eddy

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"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>	OTHER: TEMPORARILY ABANDON <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. **20" Conductor @ 80': TOC @ surface; 9 5/8" 40# @ 1508': TOC @ surface; 7" 26# @ 6772': TOC @ surface; CIBP @ 4650' w/ 35' cement cap; CIBP @ 2500' w/ 35' cement cap**
 Chevron USA INC respectfully requests to abandon this well as follows:

- MIRU, N/U BOP
- Pressure test casing to 500 psi for 10 minutes
- Run CBL
- TIH w/ tubing, tag TOC @ 2465', circulate 9.5 ppg MLF
- Spot 45 sx CL C cement f/ 2465' t/ 2224' (Perfs, Bell Canyon, Lamar). WOC & tag
- Perf & squeeze 55 sx CL C cement f/ 1558' t/ 1408' (9 5/8" shoe). WOC & tag
- Spot 40 sx CL C cement f/ 551' t/ 351' (Castille - Fresh Water)
- Perf & squeeze 205 sx CL C cement f/ 130' t/ surface (20" shoe)
- Verify top of cement at surface

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 Forms, www.emnrd.state.nm.us/oed.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
 SIGNATURE [Signature] TITLE P&A Engineer DATE 2/20/2018

Type or print name Nick Glann E-mail address: nglann@chevron.com PHONE: 432-687-7786
For State Use Only

APPROVED BY: [Signature] TITLE Staff Mgr DATE 2-20-18
 Conditions of Approval (if any):

* See Attached COA's Must be Plugged by 2-20-19

Skeen 2-26-27 SWD 1-1 Current TA Status

Location:
 400' FSL & 1200' FWL, Sec-2 T-26S, R-27E
Unit Letter:
Field: Brushy Draw
County: Eddy
State: New Mexico
Area: Carlsbad

Well Info:
Spud Date: 1/7/2014
API: 30-015-41744
Cost Center: UC000LYCX
WBS#: UWDDB-S6004-DRL
Ref No: NX4338
Lease: State

Wellbore Diagram

Elevations:
DF:
KB: (31') 3249'
GL: 3218'

Conductor
 Size: 20", 94#, J-55 STC
 Set @: 80'

Surface Casing
 Size: 9 5/8", 40#, HCK-55
 Set @: 1508'
 With: 975 sx
 Hole Size: 12 1/4"
 TOC: Surface
 By: Circulation

This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of the update date below. Verify what is in the hole with the well file in the Eunice Field Office. Discuss w/WED Engineer, WO Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

TA Pressure Test of 7" casing against upper CIBP conducted to 600 psi for 40 minutes 11/14/16

Note: 1 year SI status for SWD status started 10/20/2016 so well must be returned to service before 10/20/2017 or will loose SWD status and will need to re-apply

35' Cmt cap @ 2465'
 T.C.BP @ 2500'

Perfs	Status	
2550-2580; 6 SPF	Open - no flow	Bell Canyon
2632-2688; 6 SPF	Open - no flow	Bell Canyon
2696-2712; 6 SPF	Open - no flow	Bell Canyon
2730-2760; 6 SPF	Open - no flow	Bell Canyon
2856-2890; 6 SPF	Open - no flow	Bell Canyon
3082-3106; 6 SPF	Open - no flow	Bell Canyon
T/Cherry Canyon @ 3206'		
3420-3432; 6 SPF	Open - no flow	Cherry Canyon
3584-3600; 6 SPF	Open - no flow	Cherry Canyon
3622-3628; 6 SPF	Open - no flow	Cherry Canyon
3896-3920; 6 SPF	Open - no flow	Cherry Canyon
4030-4042; 6 SPF	Open - no flow	Cherry Canyon
4084-4104; 6 SPF	Open - no flow	Cherry Canyon
4136-4152; 6 SPF	Open - no flow	Cherry Canyon
4284-4306; 6 SPF	Open - no flow	Cherry Canyon

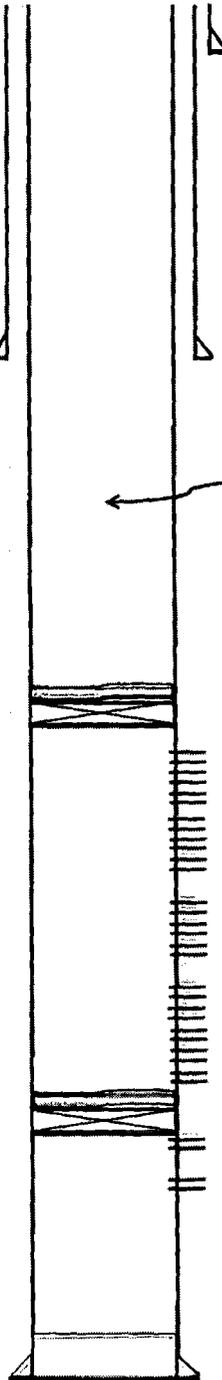
35' Cmt cap to 4615'
 T.CIBP @ 4650'

Perfs	Status	
T/Brushy Canyon @ 4372'		
4706-4716; 6 SPF	Open - 100% flow zone	Brushy Canyon
4932-4936; 6 SPF	Open - no flow	Brushy Canyon

Production Casing
 Size: 7", 26#, C-110 LTC
 Set @: 6772'
 With: 865 sx
 Hole Size: 8 3/4"
 TOC: Surface
 By: Circulation

Created: 16-Nov-16
 By: RBUZ

PBTD: 5120'
 TD: 5206'



Skeen 2-26-27 SWD 1-1 Proposed P&A Status

Location:

400' FSL & 1200' FWL, Sec-2 T-26S, R-27E
Unit Letter:
Field: Brushy Draw
County: Eddy
State: New Mexico
Area: Carlsbad

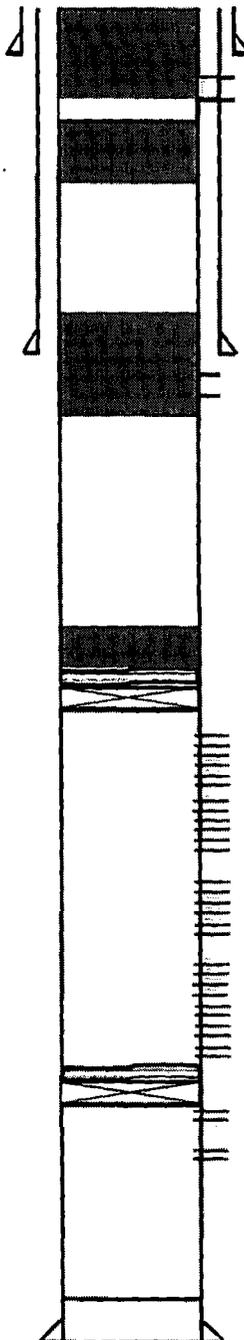
Well Info:

Spud Date: 1/7/2014
API: 30-015-41744
Cost Center: UC000LYCX
WBS#: UWDDB-S6004-DRL
Ref No: NX4338
Lease: State

Elevations:

DF:
KB: (31') 3249'
GL: 3218'

Wellbore Diagram



Sqz 205 sx CI "C" cement from 130' to surface

40 sx CI "C" cement plug from 551' to 351' (Castille - Fresh Water)

Sqz 55 sx CI "C" cement from 1558' to 1408'

Spot additional 45 sx CL "C" cement from -2485 to -2224'
 35 TA cmt cap to 2465
 T.CBP @ 2500'

This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of the update date below. Verify what is in the hole with the well file in the Eunice Field Office. Discuss w/ WEO Engineer, WD Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

35 Cmt cap to 4615
 T.CBP @ 4650

Conductor

Size: 20" 94#, J-55 STC
 Set @: 80'

P&A Squeeze Perfs @ 130' (50' below 20" shoe)

Surface Casing

Size: 9 5/8", 40#, HCK-55
 Set @: 1508'

With: 975 sx
 Hole Size: 12 1/4"
 TOC: Surface
 By: Circulation

P&A Squeeze Perfs @ 1558' (50' below 9 5/8" shoe)

TA Pressure Test of 7" casing against upper CIBP conducted to 600 psi for 40 minutes 11/14/16, Retested successfully 2/ 1/18. Checked conductor x surface and surface x production casings for pressure 2/15/18 and found no trapped pressure

Geologic Formations:

Castille (Fresh Water)	451' MD
Rustler	791' MD
Lamar (Base of salt)	2324' MD
Bell Canyon	2336' MD
Cherry Canyon	3206' MD
Brushy Canyon	4372' MD

Perfs

Status

Perfs	Status	Formation
2550-2580: 6 SPF	Open - no flow	Bell Canyon
2632-2668: 6 SPF	Open - no flow	Bell Canyon
2696-2712: 6 SPF	Open - no flow	Bell Canyon
2730-2760: 6 SPF	Open - no flow	Bell Canyon
2856-2890: 6 SPF	Open - no flow	Bell Canyon
3082-3106: 6 SPF	Open - no flow	Bell Canyon
T/ Cherry Canyon @ 3206'		
3420-3432: 6 SPF	Open - no flow	Cherry Canyon
3584-3600: 6 SPF	Open - no flow	Cherry Canyon
3622-3628: 6 SPF	Open - no flow	Cherry Canyon
3896-3920: 6 SPF	Open - no flow	Cherry Canyon
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4084-4104: 6 SPF	Open - no flow	Cherry Canyon
4136-4152: 6 SPF	Open - no flow	Cherry Canyon
4284-4306: 6 SPF	Open - no flow	Cherry Canyon
T/ Brushy Canyon @ 4372'		
4706-4718: 6 SPF	Open - 100% flow zone	Brushy Canyon
4932-4936: 6 SPF	Open - no flow	Brushy Canyon

Production Casing

Size: 7", 26#, C-110 LTC
 Set @: 6772'
 With: 865 sx
 Hole Size: 8 3/4"
 TOC: Surface
 By: Circulation

Created: 15-Feb-18
 By: RBQZ

PBTD: 5120
 TD: 5206

CONDITIONS FOR PLUGGING AND ABANDONMENT

District II / Artesia N.M.

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 II at (575)-748-1283 at least 24 hours before beginning work.**

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.
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 the well is not plugged within 1
7. 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.
8. **Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.**
9. Produced water **will not** be used during any part of the plugging operation.
10. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
11. 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.
12. **Class 'C' cement will be used above 7500 feet.**
13. **Class 'H' cement will be used below 7500 feet.**
14. **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**
15. **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) Fusselsman
 - 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)