

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. 30-015-22320
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 South Culebra Bluff Unit
8. Well Number: 1
9. OGRID Number 4323
10. Pool name or Wildcat SWD; Atoka

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 type="checkbox"/> Gas Well <input type="checkbox"/> Other: Salt Water Disposal	
2. Name of Operator Chevron USA, Inc.	
3. Address of Operator 6301 Deauville Blvd., Midland, TX 79706	
4. Well Location Unit Letter G : 1980 feet from the NORTH line and 1650' from the EAST line Section 23 Township 23S Range 28E, NMPM, County Eddy	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2995' GL	

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"/>			
OTHER: <input type="checkbox"/>	TEMPORARILY ABANDON <input type="checkbox"/>	OTHER: <input type="checkbox"/>	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. 13 3/8" @ 418': TOC @ surface; 9 5/8" 36 & 40# @ 6355' w/ DV Tool @ 2875': TOC @ surface; 7" 23 & 26# @ 11745': TOC @ 2350' (USIT log)

Chevron USA, Inc respectfully requests to temporarily abandon this well as follows:

1. Cut 3-1/2 TBG above packer. 11570'
2. Set CIBP @ 11690' (above packer) and spot 90 sx CL H cement f/ 11690' t/ 11310' (Open Hole, Atoka, Strawn). WOC & tag
3. Spot 135 sx CL H cement f/ 9608' t/ 9041' (Wolfcamp, 3rd Bone Spring). WOC & tag
4. Set CIBP @ 8820', spot 55 sx CL H cement f/ 8820' t/ 8583', then displace TOC down to 8644', squeezing cement into damage, WOC, tag, pressure test casing to 1000 psi for 30 minutes - charted.
5. Spot 185 sx of Class C CMT from 8093' to 7098' (1st and 2nd Bone Spring)
6. Spot 50 sx of Class C CMT from 6405' to 6136' (Shoe) 6450'
7. Spot 50 sx of Class C CMT from 4784' to 4515' (Brushy Canyon)
8. Spot 50 sx of class C CMT from 3526' to 3257' (Cherry Canyon, Shoe)
9. Perf and squeeze 50 sx of Class C CMT from 2703' to 2481' (Bell Canyon, Lamar) WOC-Tag
10. Perf and squeeze 50 sx of Class C CMT from 2450' to 2228' (Base Salt) WOC-Tag
11. Perf and Circulate Class C CMT from 458' to surface (~110 sx) (Top salt, shoe, WB)

*See Attached COA's must be plugged by 8/20/20

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Ricky Villanueva
8/19/2019
Ricky Villanueva

P&A Engineer/Project Manager

Signed by: Ricky Villanueva

SIGNATURE

For State Use Only

E-mail address: rygg@chevron.com PHONE: 432-687-7786

APPROVED BY: [Signature]
Conditions of Approval (if any):

TITLE: State Mgr DATE: 8/20/19

SCB #1
Eddy County, New Mexico
Loving East - 30-015-22320
1980' FNL & 1650' FEL Sec 23-23S-28E
Proposed Wellbore Diagram

20" conductor @34'

SHL: 1980' FNL & 1650' FEL Sec. 23 23S-28E

Surface Casing

Hole: 17 1/2"
Casing: 13 3/8" @ 418'
CMT: 500 sx
Circulated? Yes
TOC Surface

Perf & circulate Class C CMT to surface (~110 Sx)
(Top Salt, shoe, WB)

GL elev: 2,995.5'
KB elev: 3,017'

Intermediate Casing

Hole: 12 1/4"
Casing: 9 5/8" 36 & 40# @ 6355'
CMT: 2705 sx
Circulated? No
TOC Surface
Top Job: 30 sx
DV Tool: 2875'

Perf and squeeze 50 sx of class C CMT from 2450' to 2228'
(Base Salt) WOC-Tag

Perf and squeeze 50 sx of Class CMT from 2703' to 2481' (Bell Canyon, Lamar)
WOC-Tag

Spot 50 sx of Class C CMT from 3526' to 3257'
(Cherry Canyon, Perfs)

Spot 50 sx of Class C CMT from 4784' to 4515'
(Brushy Canyon)

Spot 50 sx of Class CMT CMT from 6405' to 6136'
(Shoe)

Formation Name	TD, ft
Top Salt	420
Base Salt	2,400
Lamar	2,620
Bell Canyon	2,653
Cherry Canyon	3,479
Brushy Canyon	4,734
Bone Spring Lime	6,262
1st Bone Spring	7,287
2nd Bone Spring	8,043
3rd Bone Spring	9,241
Wolfcamp	9,558
Strawn	11,410
Atoka	11,640

Production Casing

Hole: 8 3/4"
Casing: 7" 23 & 26# @ 11745'
CMT: 1605 sx
Circulated? Yes
TOC At least 5500'

7" casing part at conn found @ 3237'. Pulled and replaced w/7", 23#, K-55 7/29/18
Sqz perfs 3475-76' 4 spf, 180° phasing.
Cmt'd w/ 185 sx (79 bbls) 50/50 CI "C" lead & 200 sx (47 bbls) CI "C" tail cmt w/ TOC at ~2350' (8/12/17) from SLB 9/24/17 USIT

2nd Bone Spring Perfs 8744-48', 8756-70, 8785-91' & 8798-8805' 2 spf, 90° phasing.
Fracked 7/2005 - Light yellow oil observed.
Zone squeezed with 100 sx (18.9 bbls) CI "H" Cmt (08/12/17), Re-sqzd with 1.5 bbls Halliburton resin 9/14/17)

11/2/18 - Found 2270 psi on tbg x csg ann. Bled off gas to 1500 psi, then saw light yellow oil. SI.
11/5/18 - 1800 psi on tbg x csg ann
11/6/18 - 1850 psi on ann. RU ann to vac truck.
Blew down ann oil, water then gas blowing @ 1-2 psi. SI @ 20 psi.

All indications that the resin sqz done 9/14/17 has broken down and 2nd BS perfs influxing into annulus by virtue of light yellow oil marker.

This wellbore diagram is based on the most recent information regarding wellbore configuration & equipment that could be found in the Midland Office well files & computer / online databases as of the update date above.

Spot 185 sx of Class H CMT from 8093' to 7098'
(Bone Spring)

3 Spot 55 sx CL H cmt f/ 8820' t/ 8583' and squeeze cement by displacing TOC to 8644'. WOC & tag. Pressure test casing t/ 500 psi for 30 minutes Set CIBP @ 8820'

2 Run packer & verify location casing holes, believed to be in the perfs above in the 2nd Bone Springs. If they are not, then contact Chevron engineer & NMOC to create a plan forward. If they are, then move forward with the plug above.

1 Spot 25 sx CL H cmt f/ 11690' t/ 11590'. WOC & tag Set CIBP @ 11690'

Original well was sidetracked at 11,383' (9/20/1978)
Sidetrack hole TD @ 11,879'
6 1/8" hole: 11,745'-11,879' (134')

Note: This schematic is not to scale. For display purposes only.

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) 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)