Submit 3 Copies To Appropriate District State of New Mexico Form C-103 Office May 27, 2004 gy, Minerals and Natural Resources District I WELL API NO. 1625 N. French Dr., Hobbs, NM 88240 District II 30-045-08706 OIL CONSERVATION DIVISION 1301 W. Grand Ave., Artesia, NM 88210 5. Indicate Type of Lease 1220 South St. Francis Dr. District III STATE | FEE 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505 6. State Oil & Gas Lease No. District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 SUNDRY NOTICES AND REPORTS ON WELLS 7. Lease Name or Unit Agreement Name (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 Shiotani (302863 Property Code) PROPOSALS.) 8. Well Number 2 1. Type of Well: Oil Well Gas Well Other 9. OGRID Number 2. Name of Operator Chevron Midcontinent, L.P. (241333) 241333 3. Address of Operator 10. Pool name or Wildcat 15 Smith Road Midland, Texas 79705 (c/o Alan W. Bohling, Rm 4205) Basin Fruitland Coal (71629) 4. Well Location Unit Letter K 1585 feet from the South line and 1680 feet from the West line Section Township 29-N Range 12-W NMPM San Juan County 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 5401' GR Pit or Below-grade Tank Application 🛛 or Closure 🔲 (See Concurrently Filed Workover Pit Request) Pit type Workover ___Depth to Groundwater < 100'_Distance from nearest fresh water well_> 100'__ Distance from nearest surface water_< 200'__ Pit Liner Thickness: Below-Grade Tank: Volume bbls; Construction Material Lined Earthen 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK PLUG AND ABANDON \boxtimes REMEDIAL WORK ALTERING CASING □ **TEMPORARILY ABANDON** П **CHANGE PLANS** COMMENCE DRILLING OPNS.□ P AND A **PULL OR ALTER CASING** MULTIPLE COMPL RCVD MAR2'07 \Box CASING/CEMENT JOB OIL CONS. DIV. OTHER: OTHER: DIST. 3 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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion. Chevron Midcontinent, L.P. respectfully submits for your approval of this Sundry request to permanently Plug & Abandon this wellbore per the following proposed procedure: PLUG AND ABANDONMENT PROCEDURE NOTE: ALL CEMENT VOLUMES USE 100% EXCESS OUTSIDE PIPE AND 50' EXCESS INSIDE PIPE. THE STABILIZING WELLBORE FLUID WILL BE 8.34 PPG, SUFFICIENT TO BALANCE ALL EXPOSED FORMATION PRESSURES. 1. Install and test rig anchors. Prepare return pit. Comply w/ all regulatory agencies and Chevron HES Regulations. 2. Be sure to have a pit permit prior to digging return pit for cementing. 3. MIRU WO Rig. Conduct safety meeting w/ all personnel on location. NU relief line. Blow down well and kill w/ water if POOH with rods and rotor. Lay down same and send to appropriate vendors for inspection for possible re-use. 5. ND wellhead, NU BOP's. Run flowback lines to pit as needed. NOTIFY AZTEC OCD 24 LVS (See Attached Continuation Page 2) IN TIME TO WITNESS CEN I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or belowgrade tank has been/will be constructed or closed according to NMOCD guidelines _, a general permit _ or an (attached) alternative OCD-approved plan _. SIGNATURE / Clark Bolling TITLE: Regulatory Agent DATE: 02/28/2007 Type or print name: __Alan W. Bohling __E-mail address: __ABohling@chevron.com _____ Telephone No.: __432-687-7158 __

TITLE XEPUTY OIL & GAS INSPECTOR, DIST. 63

DATE MAR 0 2 2007

APPROVED BY: $\sqrt{}$ Conditions of Approval (if any):

For State Use Only

Shiotani #2 (API # 30-045-08706) 1585' FSL & 1680' FWL UL K, SEC 6, T-29-N, R-12-W BASIN FRUITLAND COAL (71629) San Juan County, NM

6. POOH w/ 1378' of 2-3/8" tubing. LD stator. Use tubing as workstring until completed with job and then send to Tuboscope at end of well.

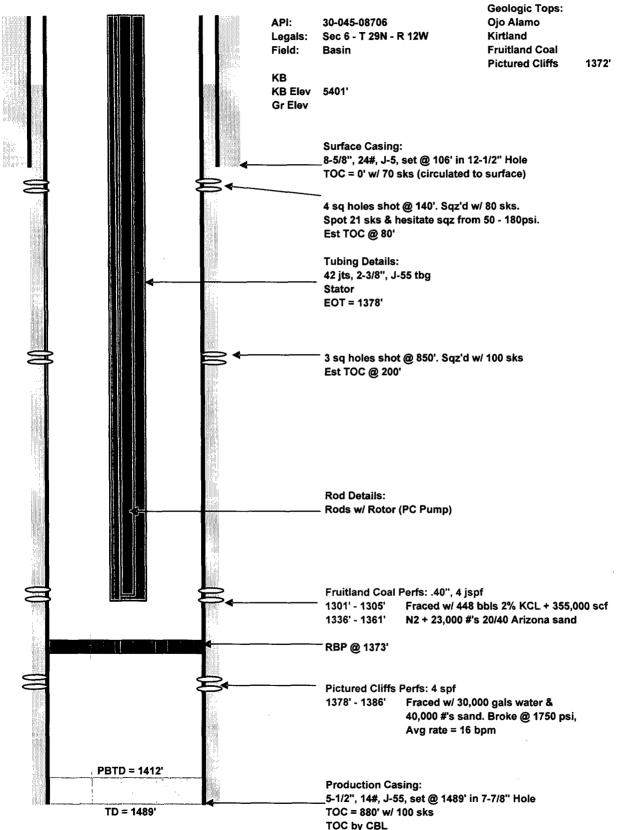
Tubing Details:

42 jts, 2-3/8", J-55 tbg Stator EOT = 1378

- 7. RIH with 4-3/4" bit, bit sub and 5-1/2" watermelon mill on 2-3/8" workstring and tag RBP @ 1373'. Work up and down from 1200' to 1300'.
- 8. Circulate hole clean. Depth of tagging RBP is needed for 1st plug calculation.
- 9. POOH with bit, bit sub and mill. LD bit, bit sub and mill.
- Pt C5G 500PS; 10. RU SLB wireline services. RIH with cement retainer. Set retainer @ ~ 1280'.
- 11. Load well with water. Hold safety meeting prior to running logs and discuss and mitigate any hazards associated with this operation.
- 12. PU gauge ring. RIH w/ gauge ring and CBL. Log from +/-1250' to surface.
- 13. Send CBL to Houston ASAP to determine TOC and verify data is good. -> Copy CBL To OCD.
- 14. PU Stinger. RIH with workstring. Sting into cement retainer.
- 15. RU Cement Company. All cement plugs to be 15.6 ppg, 1.18 yield.
- 16. Hold safety meeting with cementing company and discuss any hazards associated with pumping
- 17. Plug #1: 1280' 1373'. Perform an injectivity test. Pump 40 sks below the retainer. Calculation based on RBP - retainer for inside csg (w/ 100% excess) behind pipe to fill perforated area.
 - i. 28 sks into formation & 11 sks to fill pipe under the retainer
- 18. Plug #2 will depend on TOC from CBL: Sting out. Reverse circulate cement out of tubing. Spot cement balanced plug above retainer from 1280' to +/-100.
- 19. POOH with workstring.
- 20. If CBL shows there is +/-80' or more of 5-1/2" casing free, complete the following. Otherwise skip to next step.
 - a. ND BOP. PU Casing Spear.
 - b. Spear in. Pull casing and back out 1 or 2 its of 5-1/2" casing (depending on TOC from CBL). Attempt to pull casing. POOH.
 - NOTE: If we can not pull casing, will attempt to cement the 5-1/2" x 8-5/8" annulus to surface.
 - c. PU 7-7/8" bit and Scrapper. RIH to +/- 90. POOH.
 - d. RU SLB wirelines services.
 - e. RIH w/ 8-5/8" retainer. Set retainer @ +/-90".
 - PU Stinger. RIH with workstring & sting into cement retainer. Pump cement to fill any empty casing & annulus below retainer.
- 21. If CBL shows less than 80' of 5-1/2" casing free, RU SLB wirelines services. RIH w/5-1/2" CIBP & set CIBP @ +/-90'.
- 22. Plug #3 will consist on dumping cement on top of CIBP or retainer (+/-90' to surface).
- 23. ND BOP and RD W/O rig. Dig cellar and cut off wellhead.
- 24. Top of casing strings as needed.
- 25. Move off location.
- 26. Cut off anchors and install P&A marker.



Shiotani #2 San Juan County, New Mexico Current Well Schematic as of 2-19-2007



Prepared by: Date:

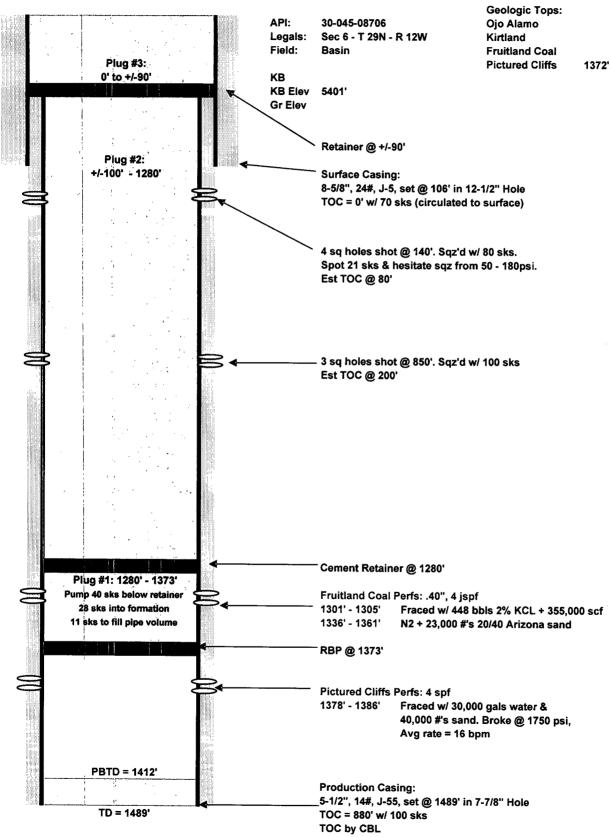
James Carpenter 2/19/2007

Revised by: Date:



Shiotani #2 San Juan County, New Mexico

Proposed Option 1 Well Schematic as of 2-19-2007



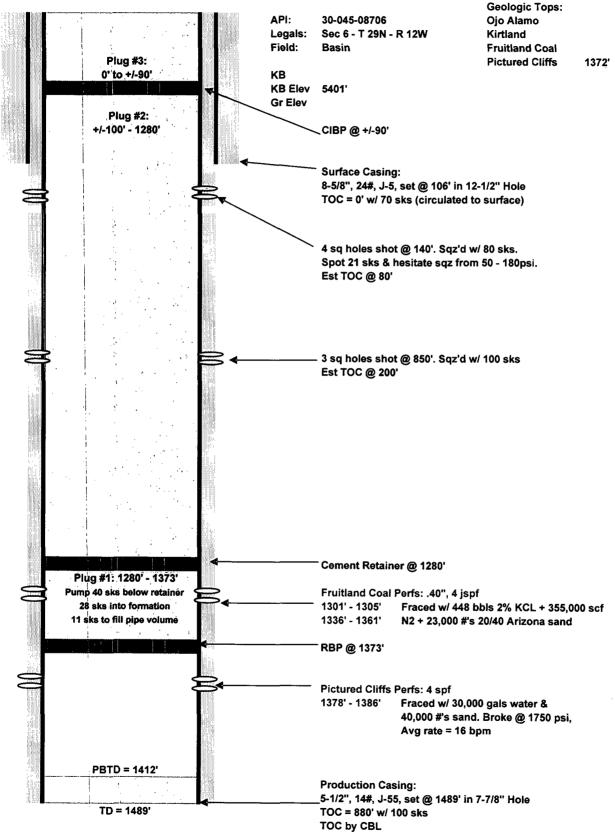
Prepared by: Date: James Carpenter 2/19/2007

Revised by: Date:



Shiotani #2 San Juan County, New Mexico

Proposed Option 2 Well Schematic as of 2-19-2007



Prepared by: Date:

James Carpenter 2/19/2007

Revised by: Date: