

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

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Revised August 1, 2011

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. 30-025-04152
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		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 6301 DEAUVILLE BLVD., MIDLAND, TX 79706		7. Lease Name or Unit Agreement Name New Mexico E State NCT-1
4. Well Location Unit Letter <u>N</u> : <u>660</u> feet from the <u>South</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>01</u> Township <u>20S</u> Range <u>36E</u> NMPM County <u>Lea</u>		8. Well Number: <u>2</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3560' GL		9. OGRID Number 022351
		10. Pool name or Wildcat ELMONT, YATES, 7 RIVERS, QN

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ **PLUG AND ABANDON** ☒
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: ☐OTHER: TEMPORARILY ABANDON ☒

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.

4" diameter 4' tall Above Ground Marker

See attached procedure for detailed abandonment plans

SEE ATTACHED CONDITIONS OF APPROVAL

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

SIGNATURE Hayes Thibodeaux TITLE Well Abandonment Engineer DATE 6/15/2021Type or print name Hayes Thibodeaux PHONE: 432-687-7786**For State Use Only**APPROVED BY: Kerry Fortner TITLE Compliance Officer A DATE 7/20/21

Conditions of Approval (if any):

6/15/2021

New Mexico E State NCT-1

Revision #: 1

30-025-04152

Procedure - Rig Only

- 1 Contact NMOCD at least 24 hrs prior to performing any work
- 2 MIRU pulling service rig
- 3 Check pressure on all casing strings. Verify no pressure and observe well for 15 minutes to verify no flow. Kill well with brine or mud as necessary.
 - 1 Bubble test all annuli for 30 minutes each and capture results in WellView under daily pressures tab.
- 4 N/U stump-tested BOPE.
 - 1 5k 7-1/16" Class II BOP and pressure test 250 psi low and 1000 psi, MASP, or max anticipated pressure (whichever is larger) high for 5 min each.
- 5 TOH with tubing string
 - 1 Last known tubing dimensions are 2-7/8" set a 3058' (11/15/1991)
- 6 MIRU wireline and lubricator. Run gauge ring to planned set depth for CIBP at 3050'.
- 7 POOH with gauge ring run. RIH with CIBP and set at 3050'. POOH with W/L.
- 8 TIH with pressure tested workstring and tag mechanical barrier
- 9 Pressure test CIBP, casing to 500 psi for 15 minutes
- 10 Proceed to pump cement per the cementing table below. Additional notes/considerations:
 - 1 Original TOC in production casing annulus = 2530' via CBL **P&S 50 sx Class C 2640 CSG shoe**
 - 2 7-5/8" primary cement job was remediated by squeezing 100 sacks cmt from 993' to surface. If experiencing a failed bubble test on 7-5/8" x 10-3/4" annulus, narrow focus on this interval to address w/ perf & squeezes
 - 3 WOC, tag, pressure test Yates formation plug. Conduct bubble test for 30 minutes and document results. If bubble test fails in 5-1/2" annulus after Yates plug, discuss contingency with engineer to squeeze an additional cement plug between Yates and Salt Top (refer to wellbore schematic).
- 11 Discuss with engineer any changes to proposed plan forward during execution

		Plug				Notes
Summary Table	Base	Top	Volume	Perf & Squeeze		
Formation 1	3050	2950	25 sx 13	NO	Class C	P&S 50 sx Class C 2640 CSG shoe
Formation 2	2387	2195	41	YES	Class C	
Formation 3	1081	964	22	YES	Class C	
Formation 4	302	0	54	YES	Class C	
Total Sacks	130					
Total Perf & Squeeze		3				
Total Spot		1				

FIELD: Monument
 LEASE/UNIT: New Mexico E State NCT-1
 WELL NO.: 2
 COUNTY: Lea ST: New Mexico
 LOCATION: 660' FSL & 1980' FWL, Section 1, Township 20S, Range 36E

API NO.: 30-025-04152
 CHEVNO: FA5297
 PROD FORMATION: Queen
 STATUS: SI Gas Well

Spud Date: 12/12/1935
 TD Date: 2/13/1936
 Comp Date: 2/19/1936

TOC @ 993' (calc)
 Sqz'd w/ 100sx to
 surf (1979)

15-1/2" 70# csg @ 252'
 250sx cmt (surface)
 18-5/8" hole

GL:
 KB:
 DF: 3570'

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

10-3/4" 45.5# csg @ 1014'
 600sx cmt (surface)
 13-1/4" hole

7-5/8" 26.4# csg @ 2593'
 250sx cmt (TOC @ 993' by calc)
 Sqz 100sx cmt to surface (1979)
 18-3/4" hole

TOC @ 2530' by CBL

2-7/8" tbg @ 3058'

Eumont Yates 7 Rivers Perfs (3/1978):
 3095-3400'

CIBP @ 3679' w/ 35' cmt cap (TOC @ 3644')
 Monument Grayburg San Andres Perfs (9/1971):
 3699-3785'

Cmt Ret @ 3790'
 Sqz'd OH w/100sx 'C' cmt

5-1/2" 20# csg @ 3804'
 30sx cmt (TOC @ 2530' by CBL)
 6-5/8" hole

3892' TD

OH f/ 3804-3892'

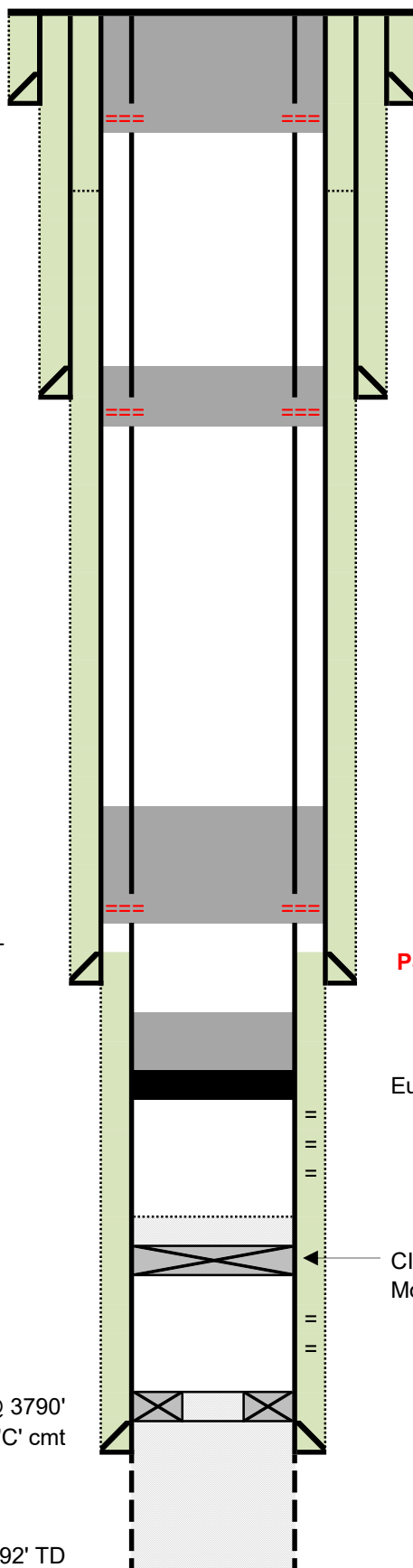
mkhs 5/20/21

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15-1/2" 70# csg @ 252'
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Isolate 15-1/2" shoe, FW
 at 100'
 Perforate at 302'
 Cmt from 302' to surface

10-3/4" 45.5# csg @ 1014'
 600sx cmt (surface)
 13-1/4" hole

Isolate Salt top, 10-3/4" shoe
 Perforate at 1081'
 Cmt from 1081' to 964'

7-5/8" 26.4# csg @ 2593'
 250sx cmt (TOC @ 993' by calc)
 Sqz 100sx cmt to surface (1979)
 18-3/4" hole

Isolate Yates formation, salt bottom
 Perforate at 2387'
 Cmt from 2387' to 2195'
 WOC, tag, pressure test

P&S 50 sx Class C 2640 CSG shoe

Barrier #1: Isolate production interval
 CIBP at 3050'. Cmt from 3050' to 2950'.

Eumont Yates 7 Rivers Perfs (3/1978):
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GL:
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**H2S
 >100
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TOC @ 2530' by CBL

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3892' TD

mkhs 5/20/21

**CONDITIONS OF APPROVAL
FOR PLUGGING AND ABANDONMENT
OCD - Southern District**

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 I (Hobbs) at (575)-263-6633 at least 24 hours before beginning work. After MIRU rig will remain on well until it is plugged to surface. OCD is to be notified before rig down.

Company representative will be on location during plugging procedures.

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. Insure all bradenheads have been exposed, identified and valves are operational prior to rig up.
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 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.
7. Squeeze pressures are not to exceed 500 psi, unless approval is given by NMOCD.
8. Produced water will not be used during any part of the plugging operation.
9. Mud laden fluids must be placed between all cement plugs mixed at 25 sacks per 100 bbls of water.
10. 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.
11. Class 'C' cement will be used above 7500 feet.
12. Class 'H' cement will be used below 7500 feet.
13. 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
14. 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, woe 4 hours and tag, this plug will be SO' 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, woe and tagged. These plugs will be set SO' below formation bottom to 50' above formation top inside the casing.

DRY HOLE MARKER REQ.UIRMENTS

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 1/4" 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)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION

6/15/2021

New Mexico E State NCT-1

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mkhs 5/20/21

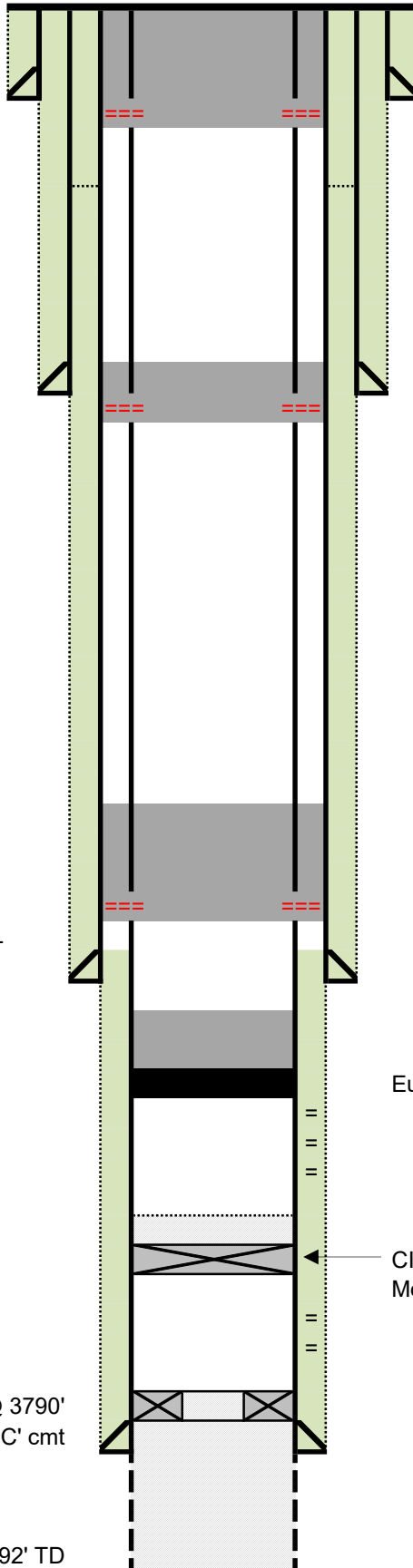
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mkhs 5/20/21

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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 32081

CONDITIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 32081
	Action Type: [C-103] NOI Plug & Abandon (C-103F)

CONDITIONS

Created By	Condition	Condition Date
kfortner	See attached conditions of approval Note changes to procedure	7/20/2021