orm 3160-5 Lugust 2007) UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals				FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No. NMNM98122 6. If Indian, Allottee or Tribe Name			
SUBMIT IN TRIPLICATE - Other instructions on reverse side.					7. If Unit or CA/Agreement, Name and/or No.		
I. Type of Well Gas Well Other					8. Well Name and No. SKELLY UNIT 934		
2. Name of Operator Contact: DENISE PINKERTON CHEVRON U.S.A. INC. E-Mail: leakejd@chevron.com					9. API Well No. 30-015-31976		
3a. Address 15 SMITH ROAD MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 432-687-7375			10. Field and Pool, or Exploratory FREN PADDOCK			
4. Location of Well (Footage, Sec., Sec 21 T17S R31E Mer NM		11. County or Parish, and S EDDY COUNTY, NN			<u>n in 1997 - 198</u>		
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA							
TYPE OF SUBMISSION	TYPE OF ACTION						
Notice of Intent Accessed for record Mater Shut-Off Production (Start/Resume) Water Shut-Off Water Shut-Off Alter Casing Fracture Treat Reclamation Well Integrity Occupation of the involved operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) CHEVRON U.S.A. INC. INTENDS TO PLUG & ABANDON THE SUBJECT WELL. PLEASE FIND ATTACHED, THE INTENTED PROCEDURE, WELLBORE DIAGRAMS, & C-144 CLOSED LOOP INFORMATION FOR THE NMOCD. RECEIVED MAY 0 8 2013 MOCD ARTESIA							
14. Thereby certify that the foregoing is true and correct. Electronic Submission #205649 verified by the BLM Well Information System							
Name(Printed/Typed) DENISE	., sent to the Carlsbad JOHNNY DICKERSON on 05/01/2013 () Title REGULATORY SPECIALIST						
Signature (Electronic Submission) Date 04/29/2013							
	THIS SPACE FO	DR FEDERA	L OR STATE	OFFICE U	SE		
Approved By Conditions of approval, if any, are attached. Approval of this notice does not warrant of certify that the applicant holds legal or equitable title to those rights in the subject lease			Tille Assoc Fr		D	ate 5/2/13	
certify that the applicant holds legal or e which would entitle the applicant to con Title 18 U.S.C. Section 1001 and Title 4 States any false, fictitious or frauduler	duct operations thereon. 13 U.S.C. Section 1212, make it a	crime for any pe		l willfully to m	ake to any department or	agency of	the United

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** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

P&A Procedure

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- 1. MIRU workover rig. Insure well is stable. Bleed off well pressure. Kill well with field water or 8.4 ppg 2% KCL fresh water if needed.
- ND 2-1/16" valve. NU adapter. NU stump tested 7-1/16" 5M BOP. BOP needs to be stump tested by Service company to 250/3000 psi prior to NU. Note: Only one mechanical barrier prior to ND Tree – RBP at 2590'.
- 3. RIH with retrieving tool on 2-7/8" workstring. Wash off sand from top of RBP. Latch RBP at 2590', unseat and POOH, lay down RBP.
- 4. RIH with packer on 2-7/8" workstring. Set packer at 2590' where the RBP was set and had good MIT test. Pressure test backside to 550 psi.
- 5. Pump down tubing and get injection rate and pressure. Notify James Amos with BLM at 575-234-5909 the result.
- 6. After confirming with BLM that we can squeeze cement down tubing and packer. RU cementing company equipment. Test surface lines to 3000 psi. Be prepared to monitor 2-7/8" x 5 ½" annulus during operations. Pump 5 bbls of fresh water, 10 bbls of Super flush spacer. Mix and Pump 426 sacks (101 bbls) of Class "C" cement @ 14.8 ppg (Yield = 1.33 cu ft/sx). Get cement samples. Displace cement with ~20 bbls of fresh water. Hesitate last 6 bbls of displacement until reaching squeeze off pressure of 500 psi. Shut-in the well. RD surface lines. WOC. Leave SITP on tubing overnight. Calculated TOC will be at 2790'.
- 7. Check well pressures and bleed off. Shut-in the well and monitor for 30 minutes. Report results to Office.
- 8. Unseat the packer. POOH and lay down the packer.
- 9. TIH with open ended 2-7/8" work string and tag top of cement.
- 10. Spot 9.0 ppg gelled mud from 2700' 2790'.
- 11. POOH with 2-7/8" work string to 2700'.
- 12. RU cementing company equipment. Test surface lines to 3000 psi. Pump 5 bbls of fresh water. Mix and Pump 13 sacks (130' or 3 bbls) of Class "C" cement @ 14.8 ppg (Yield = 1.33 cu ft/sx). Get cement samples. Displace cement with 5 bbls of fresh water and 9.8 bbls of field produced water. Shut down pump. Slowly POOH to 2470'. Reverse circulate 1 1/2

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capacity of tubing (21 bbls). WOC. TIH with 2-7/8" work string and tag top of cement. TOC should be at 2570'.

- 13. Spot 9.0 ppg gelled mud from 1679' 2570'.
- 14. POOH with 2-7/8" work string to 1679'.

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- 15. RU cementing company equipment. Test surface lines to 3000 psi. Pump 2 bbls of fresh water. Mix and Pump 17 sacks (173' or 4 bbls) of Class "C" cement @ 14.8 ppg (Yield = 1.33 cu ft/sx). Get cement samples. Displace cement with 8.6 bbls of fresh water. Shut down pump. Slowly POOH to 1400'. Reverse circulate 1 ½ capacity of tubing (12 bbls). WOC. TIH with 2-7/8" work string and tag top of cement. TOC should be at 1506'.
- 16. Spot 9.0 ppg gelled mud from 1075' 1506'.
- 17. POOH with 2-7/8" work string to 1075'.
- 18. RU cementing company equipment. Test surface lines to 3000 psi. Pump 2 bbls of fresh water. Mix and Pump 10 sacks (100' or 2.3 bbls) of Class "C" cement @ 14.8 ppg (Yield = 1.33 cu ft/sx). Get cement samples. Displace cement with 5.6 bbls of fresh water. Shut down pump. Slowly POOH to 875'. Reverse circulate 1 ½ capacity of tubing (8 bbls). WOC. TIH with 2-7/8" work string and tag top of cement. TOC should be at 975'.
- 19. Spot 9.0 ppg gelled mud from 526' 975'.
- 20. POOH with 2-7/8" work string to 526'.
- 21. RU cementing company equipment. Test surface lines to 3000 psi. Pump 2 bbls of fresh water. Mix and Pump 10 sacks (100' or 2.3 bbls) of Class "C" cement @ 14.8 ppg (Yield = 1.33 cu ft/sx). Get cement samples. Displace cement with 2.4 bbls of fresh water. Shut down pump. Slowly POOH to 300'. Reverse circulate 1 ½ capacity of tubing (3 bbls). WOC. TIH with 2-7/8" work string and tag top of cement. TOC should be at 426'.
- 22. Spot 9.0 ppg gelled mud from 60' 526'.
- 23. POOH with 2-7/8" work string to 60'.
- 24. RU cementing company equipment. Test surface lines to 1000 psi. Spot 60' of cement to surface with 6 sacks (1.4 bbl) Class C cement @ 14.8 ppg (Yield = 1.33 cu ft/sx).
- 25. POOH. Flush tubing & BOP with water. RD surface lines.
- 26. ND BOP. Clean around wellhead & RDMO Workover rig.

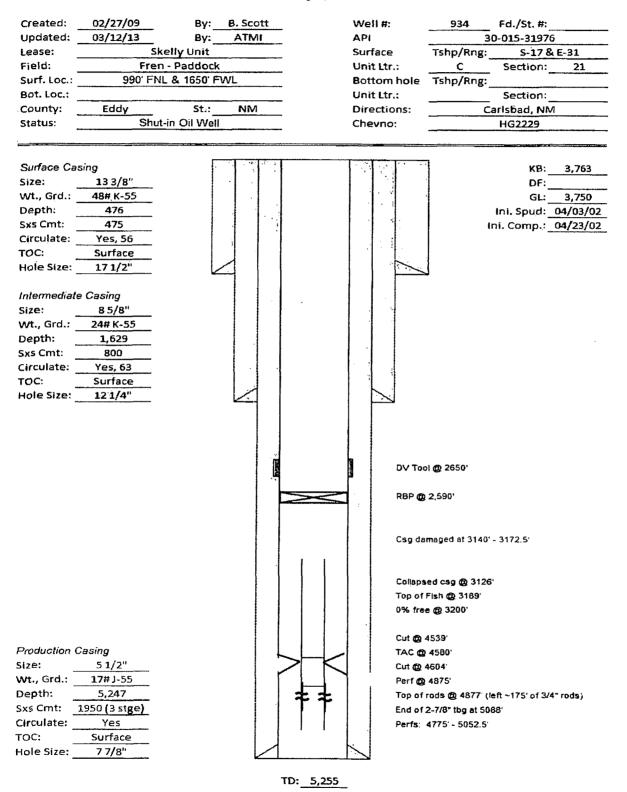
- 27. Cut wellhead off and all casings minimum 3' BGL. Top off well w/ additional cement if necessary.
- 28. Install dry hole marker per regulatory requirements and reclaim location. Note: All casings shall be cut off at the base of the cellar or 3 feet below final restored GL (whichever is deeper). The wellbore shall then be covered with a metal plate at least ¼" thick and welded in place, or a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement as specified by the authorized regulatory officer.
- 29. Send in all detailed reports and information as required to submit Final P&A plugging report to the NM BLM.

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WBD – Current

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Skelly Unit #934

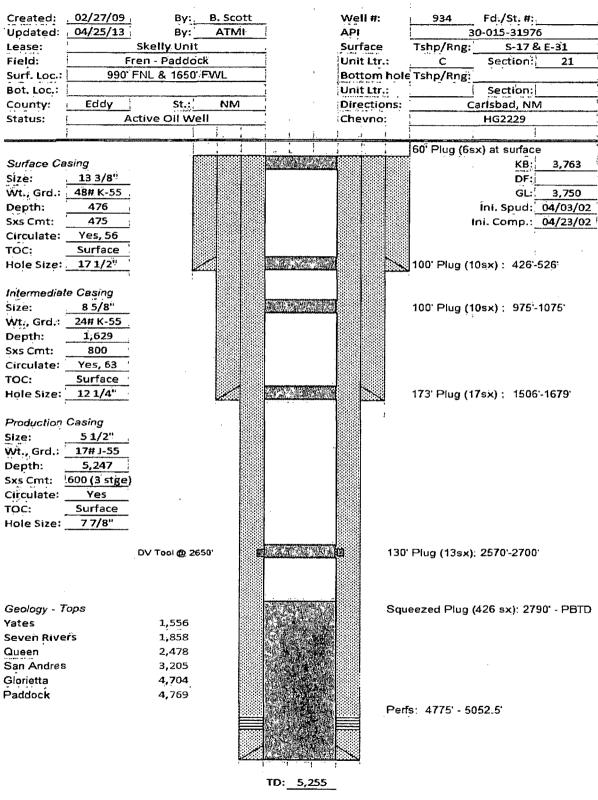


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WBD - Proposed

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