

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. 30-015-26544
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 Markham
8. Well Number: 1
9. OGRID Number 4323
10. Pool name or Wildcat Loving, Brushy Canyon, East

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 checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	RECEIVED
2. Name of Operator Chevron USA, Inc.	
3. Address of Operator 6301 Deauville Blvd., Midland, TX 79706	APR 30 2018
4. Well Location Unit Letter C : 330 feet from the NORTH line and 2250' WEST line Section 22 Township 23S Range 28E, NMPM, County Eddy	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3015' 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"/>		OTHER: <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. 8 5/8" 24# @ 530': TOC @ surface; 5 1/2" 15.5# @ 6341': TOC @ surface

Chevron USA INC respectfully requests to abandon this well as follows:

Not to be plugged 24 hrs before MIRU

1. MIRU, pull rods, N/U BOPE, pull tubing
2. Set CIBP @ 6050', circulate well w/ 9.5 ppg gel KCl water, and pressure test casing t/ 500 psi for 10 min.
3. Spot 25 sx CL "C" cement plug f/ 6050' t/ 5825'. WOC @ tag
4. Spot 25 sx CL "C" cement plug f/ 4058' t/ 3830' (DV Tool). - WOC + Tag
5. Spot 25 sx CL "C" cement plug f/ 2643' t/ 2415' (Delaware, B Salt).
6. Spot 65 sx CL "C" cement plug f/ 580' t/ surface (Shoe, T Salt, Fresh Water). - Perf @ 580'
7. Verify top of cement at surface on all casing strings

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 04/30/2018

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 5-2-18
Conditions of Approval (if any):

* See Attached COA's Must be Plugged by 5-2-19

Markham 1
Current Wellbore Diagram

Created: 01/28/18 By: RJ DeBruin
 Updated: By:
 Updated: By:
 Lease: Markham
 Field: East Loving - Delaware
 Surf. Loc.: 330' FNL & 2.250' FWL
 Bot. Loc.:
 County: Eddy St.: NM
 Status: Inactive Oil Well

Well #: 1 St. Lee Private
 API: 30-015-26544
 Surface: TSHP/Rng 23S / 28E
 Unit Ltr.: C Section 22
 Bottom Hole: TSHP/Rng
 Unit Ltr.: Section
 COST CTR: UCUS14900
 CHEVNO: OU9972

Surface Casing

Size: 8-5/8"
 Wt., Grd.: 24#, J-55
 Depth: 530'
 Sxs Cmt: 420
 Circulate: No
 TOC: Surface*
 Hole Size: 12-1/4"

*Note: Topped up 8-5/8" x 12-1/4" annulus w/ 8 yds redmix cement

Formation Tops

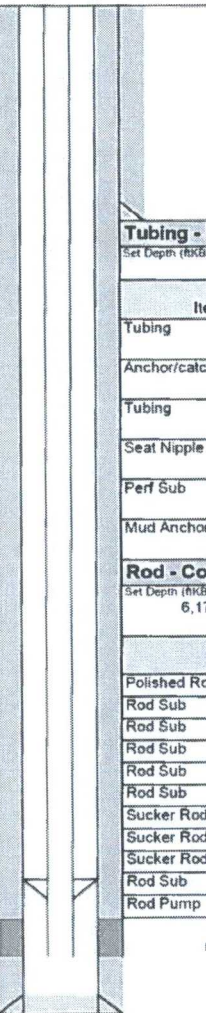
T. Salt @ 340'
 B. Salt @ 2593'
 Delaware @ 2593'
 Bone Springs @ 6232'

DV Tool @ 4,008'

Production Casing

Size: 5-1/2"
 Wt., Grd.: 15.5#, J-55
 Depth: 8,341'
 Sxs Cmt: 1,782
 Circulate: Yes, 40 sxs
 TOC: Surface
 Hole Size: 7-7/8"

KB 3,030'
 DF
 GL 3,015.5'
 Ini. Spud 12/10/90
 Ini. Comp. 01/05/91



Tubing - Production Run Date: 4/15/2005

Set Depth (ftKB)		Wellbore Original Hole				
		6,235.0				
Item Des	OD (in)	ID (in)	Wt (lb/ft)	Grade	Top Thread	Top (ftKB) Btm (ftKB)
Tubing	2 7/8					14.5 6,002.0
Anchor/catcher	2 7/8					6,002.0 6,005.0
Tubing	2 7/8					6,005.0 6,172.0
Seat Nipple	2 7/8					6,172.0 6,173.0
Perf Sub	2 7/8					6,173.0 6,177.0
Mud Anchor	2 7/8					6,177.0 6,235.0

Rod - Conventional Run Date: 4/15/2005

Set Depth (ftKB)		In Tubing String		Wellbore Original Hole		
		6,173.0	Tubing - Production set at 6,235.0ftKB on 4/15/2005 12:00 AM			
Item Des	OD (in)	Grade	Len (ft)	Jts	Top (ftKB)	Btm (ftKB)
Polished Rod	1 1/4		22.00		9.0	31.0
Rod Sub	7/8		4.00		31.0	35.0
Rod Sub	1		4.00		35.0	39.0
Rod Sub	1		4.00		39.0	43.0
Rod Sub	1		6.00		43.0	49.0
Rod Sub	1		6.00		49.0	55.0
Sucker Rod	1		350.00	14	55.0	405.0
Sucker Rod	7/8		2,075.00	71	405.0	2,480.0
Sucker Rod	3/4		3,675.00	147	2,480.0	6,155.0
Rod Sub	3/4		2.00		6,155.0	6,157.0
Rod Pump	1 1/4		16.00		6,157.0	6,173.0

Perfs 6 105' - 6 206' (1 SPF)
 Brushy Canyon

PBTD 8,312'
 TD 6,349'

Markham 1
Proposed Wellbore Diagram

Created: 01/28/18 By: RJ DeBruin
 Updated: By:
 Updated: By:
 Lease: Markham
 Field: East Loving - Delaware
 Surf. Loc.: 330' FNL & 2,250' FWL
 Bot. Loc.:
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Well #: 1 St. Lse: Private
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 Surface: TSHP/Rng 23S / 28E
 Unit Ltr.: C Section: 22
 Bottom Hole: TSHP/Rng
 Unit Ltr.: Section:
 COST CTR: UCUS14900
 CHEVNO: OU9972

Surface Casing

Size: 8-5/8"
 Wt., Grd.: 24#, J-55
 Depth: 530'
 Sxs Cmt: 420
 Circulate: No
 TOC: Surface*
 Hole Size: 12-1/4"

*Note: Topped up 8-5/8" x 12-1/4" annulus w/ 8 yds redmix cement.

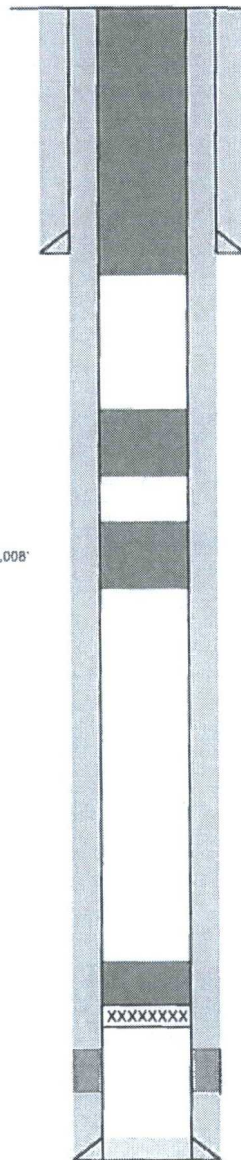
Formation Tops

T. Salt @ 340'
 B. Salt @ 2593'
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 Bone Springs @ 6232'

DV Tool @ 4,008'

Production Casing

Size: 5-1/2"
 Wt., Grd.: 15.5#, J-55
 Depth: 6,341'
 Sxs Cmt: 1,782
 Circulate: Yes, 40 sxs
 TOC: Surface
 Hole Size: 7-7/8"



KB: 3,030'
 DF:
 GL: 3,015.5'
 Ini. Spud: 12/10/90
 Ini. Comp.: 01/05/91

Spot 65 sx CL C cmt f/ 580' V surface (Shoe, T. Salt, Fresh Water)

Spot 25 sx CL C cmt f/ 2643' V 2415' (Delaware, B Salt)

Spot 25 sx CL C cmt f/ 4058' V 3830' (DV Tool)

Spot 25 sx CL C cmt f/ 6050' V 5825'
 Set CIBP @ 6050'

Perfs: 6,105' - 6,206' (1 SPF)
 Brushy Canyon

PBTD: 6,312'
 TD: 6,349'

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)