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

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised August 1, 2011

WELL API NO.
30-015-22374

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name
Mobil 21 State

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

NM OIL CONSERVATION
ARTESIA DISTRICT
FEB 04 2019
RECEIVED

8. Well Number: 1

2. Name of Operator
Chevron USA INC

9. OGRID Number
4323

3. Address of Operator
6301 DEAUVILLE BLVD., MIDLAND, TX 79706

10. Pool name or Wildcat
South Carlsbad Atoka

4. Well Location
Unit Letter C : 660 feet from the North line and 1,980 feet from the West line
Section 21 Township 23S Range 27E NMPM County Eddy

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3,149' GL, 3,164' DF

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	☒	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
OTHER:	☐			OTHER:			☐

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" @ 375' TOC Surface, 9-5/8" @ 5,624' TOC Surface, 5-1/2" @ 12,300' TOC @ 5,610' (TS), Perfs 11,202'-11,210' & 11,430'-11,440', CIBP @ 11,800', Perfs 11,867'-11,885', CIBP @ 11,910', Perfs 11,920'-11,923', CIBP @ 12,000', Perfs 12,087'-12,097'.**

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

1. Call and notify NMOCD 24 hrs before operations begin. Sustained casing pressure exists on the production and intermediate casing strings.
2. MIRU high pressure low volume pump.
3. Hook up to the production casing and begin squeezing Nano-Sealant with intermediate casing valve open. Continue squeezing until 1,800 psi shut in pressure observed.
4. If no communication occurred to the intermediate casing, hook up to intermediate casing valve and squeeze Nano-Sealant until 1,800 psi shut in pressure observed.
5. Wait 24-48 hours and check pressures.
6. Cut all casings & anchors & remove 3' below grade. Verify cement to surface & weld on dry hole marker. Clean location.

Note: All cement plugs class "C"

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE _____ TITLE Well Abandonment Engineer, Attorney-in-Fact DATE 2/4/19

Type or print name Howie Lucas E-mail address: howie.lucas@chevron.com PHONE: (832)-588-4044

For State Use Only

APPROVED BY: _____ TITLE Staff Mgr DATE 2/6/19
Conditions of Approval (if any):
*See Attached COAs

ENTERED
2-6-19

Proposed WBD - Mobil 21 State No. 1

Created:	08/12/14	By:	PTB		
Updated:		By:			
Lease:	Mobil 21 State			Well #:	1
Field:	South Carlsbad (Atoka)			API	30-015-22374
Surf. Loc.:	660' FNL & 1980' FWL			Unit Ltr.:	C
Bot. Loc.:				TSHP/Rng:	T23S / R27E
County:	Eddy	St.:	NM	Unit Ltr.:	
Status:	Gas Well			TSHP/Rng:	
				Directions:	
				CHEVNO:	EP9380
				OGRID:	4323

St. Lse:
Section: 21
Section: 31

Formation Information

St Code	Formation	Depth
Psal	Salado	450
Pbslt	Base of Salt	1798
Pdel	Delaware	2017
Pbs	Bone Spring	5470
Pbs3sd	3rd Bone Spring Sand	8572
Pwc	Wolfcamp	8819
Ppund	Pennsylvanian	10388
PPst	Strawn	10550
Ppat	Atoka	10876
Ppmorl	Morrow Limestone	11460
Ppmorc	Morrow Clastics	11705

Well shows 1 psi on production and 35 psi on intermediate

Surface Casing

Size:	13-3/8"
Wt., Grd.:	68#
Depth:	375'
Cmt:	250 sx
Circulate:	Yes
TOC:	Surface
Hole Size:	17-1/2"

Intermediate Casing

Size:	9-5/8"
Wt., Grd.:	40# & 36#
Depth:	5,624'
Cmt:	2,600 sx
Circulate:	Yes
TOC:	Surface
Hole Size:	12-1/4"

Production Casing

Size:	5-1/2"
Wt., Grd.:	17# & 20#
Depth:	12,300'
Cmt:	1,600 sx
Circulate:	No
TOC:	5,610' - TS
Hole Size:	8-3/4"

KB: 15'
DF: 3164'
GL: 3149'
Ini. Spud: 12/17/77
Ini. Comp.: 04/15/78

7 Perforated at 1,840' and squeezed 586 sx Class C t/ surface

6 Perforated at 2,500' and squeezed 60 sx Gas Block from 2,500' t/ 2,241'

5 Perforated at 3,662' and squeezed 35 sx Gas Block from 3,662' t/ 3,237'
Csg Lk: 3596'-3662'

4 Perforated at 5,645', not rate, 40 sx Class C from 5,700' t/ 5,304'

DV Tool @ 7821' - 7824'

3 30 sx Class H from 7,875' t/ 7,595'

2 30 sx Class H from 8,876' t/ 8,596'

1 Cut tbg at 11,110', 80 sx Class H from 11,110' t/ 10,393'

Old packer left in the hole

Perfs 11,202-11,210; 11,430'-11,440'
CIBP @ 11,800'
Perfs: 11,887 - 11,885'
CIBP @ 11,910'
Perfs: 11,920-11,923
CIBP @ 12,000'
Perfs 12,087-12,097

PBTD: 11,800'
TD: 12,300'

Proposed WBD - Mobil 21 State No. 1

Created:	08/12/14	By:	PTB		
Updated:		By:			
Lease:	Mobil 21 State				
Field:	South Carlsbad (Atoka)				
Surf. Loc.:	660' FNL & 1980' FWL				
Bot. Loc.:					
County:	Eddy	St.:	NM		
Status:	Gas Well				

Well #:	1	St. Lse:	
API	30-015-22374		
Unit Ltr.:	C	Section:	21
TSHP/Rng:	T23S / R27E		
Unit Ltr.:		Section:	31
TSHP/Rng:			
Directions:			
CHEVNO:	EP9380		
OGRID:	4323		

Formation Information

St Code	Formation	Depth
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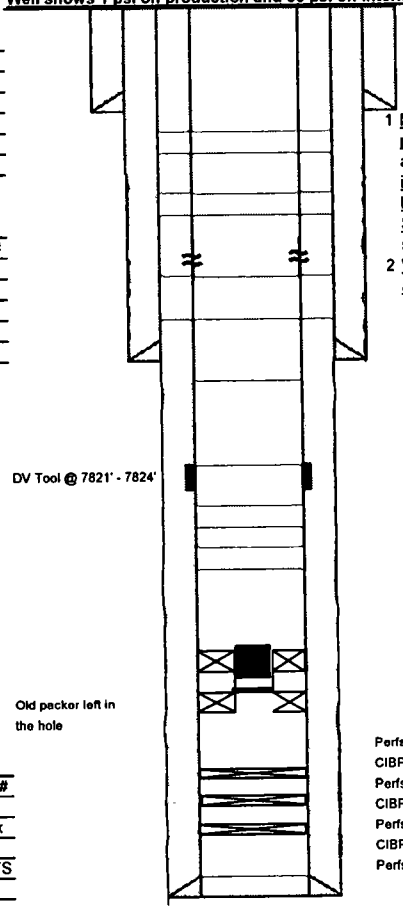

KB:	15'
DF:	3164'
GL:	3149'
Ini. Spud:	12/17/77
Ini. Comp.:	04/15/78

1 MIRU high pressure low volume pump, hook up to production casing and begin squeezing Nano-sealant w/ intermediate valves open, if no communication, hook up to intermediate valves and squeeze Nano-Sealant. Continue squeezing until micro-annulus is squeezed off completely

2 Wait 24-48 hours, check pressures, cut off wellhead and install dry hole marker as per NMOCD requirements

Perfs 11,202-11,210; 11,430'-11,440'
CIBP @ 11,800'
Perfs: 11,867 - 11,885'
CIBP @ 11,910'
Perfs: 11,920-11,923
CIBP @ 12,000'
Perfs 12,087-12,097

PBTD: 11,800'
TD: 12,300'

Schlumberger

D264 Nanosealant

High-injectivity, self-diverting leak repair fluid

APPLICATIONS
- Remediation of sustained casing pressure
- Repair of pinhole leaks in cemented casings

BENEFITS
- Repairs leaks as small as 20 um with injectivity comparable with that of water
- Minimizes operation time and number of squeezes by self diverting to plug multiple gaps or cracks of different widths
- Simplifies operations as a single-component fluid requiring no mixing at surface
- Reduces cleanup time

FEATURES
- Self activation in contact with cement
- Coiled tubing, drillpipe, or surgical placement options
- Ability to withstand high pressure differentials (>1,000 psi/ft [>22.6 MPa/m]) when placed in microleaks
- High drillability

D264 nanosealant is a single-component, self-diverting technology used to repair small cracks and microannuli in a cemented annulus. It is ideal for repairs for which injectivity is too low to pass Portland cement–based systems or microcement systems such as SqueezeCRETE* remedial cementing solution.

Plug more leaks in a single squeeze

The D264 nanosealant begins to set only after contact with set cement and hardens in a matter of hours. This property extends the possible squeeze time and combines with the self-diverting property to enable penetration into more leakage paths—as each leak is sealed, the fluid flows into the next gap.

Another advantage of this setting mechanism is that it can be implemented rapidly without laboratory testing of thickening time or curing time, which are required for well cement or other sealants. It also improves postsqueeze cleanup because of the low risk of setting inside tubulars or surface equipment.

This nanosealant is a single-component system; thus, no mixing or blending is required at surface. Because of its low rheology and nanosized particles, injectivity is similar to that of water and has been demonstrated to penetrate leaks as small as 20 um.

Choose the best placement for each well

The nanosealant can be placed through conventional tubing, coiled tubing, or with a CHDT* cased hole dynamics tester. The CHDT tester is a wireline tool that creates a hole in the casing, injects the sealant, and then plugs the hole with a mechanical metal-to-metal seal that can withstand pressure differentials as high as 10,000 psi [69 MPa].

D264 Nanosealant Specifications	
Placement temperature	Up to 250 degF [120 degC]
Maximum exposure temperature	300 degF [150 degC]

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 REQUIRMENTS

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)