

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

Revised August 1, 2011

RECEIVED

FEB 20 2020

OIL CONSERVATION DIVISION

220 South St. Francis Dr.

Santa Fe, NM 87505

EMNRD-OCD ARTESIA

WELL API NO.

30-015-22721

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Carrasco Com

8. Well Number: 001

9. OGRID Number

4323

10. Pool name or Wildcat

Loving; Morrow, North (Gas)

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 ☐ Gas Well ☒

2. Name of Operator

Chevron USA Inc.

3. Address of Operator

6301 DEAUVILLE BLVD., MIDLAND, TX 79706

4. Well Location

Unit Letter F : 1980 feet from the North line and 1980 feet from the West line
Section 14 Township 23S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3,001' GL, KB 3,026'

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. 16" @ 475' TOC Surface, 10-3/4" @ 3,130' TOC Surface. 7-5/8" @ 10,660' TOC 2,630' via temp survey, 4-1/2" liner 10,075'-13,100' TOC at 10,075'. Perforations: 12,876'-12,931', CIBP at 12,600', Perforations: 12,502'-12,514'.

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

1. Call and notify NMOCD 24 hrs before operations begin.
2. R/U wireline, pressure test lubricator to 500 psi for 10 minutes.
3. Run collar log to verify number of joints in the well as well as packer depth.
4. Attempt to set CITP above packer, if unable, cut above packer.
 - a. Prior to running cutter, pressure test casing t/ 1,000 psi for 15 minutes. If CITP setting procedure is successful, pressure test tubing t/ 1,000 psi for 15 minutes as well.
5. MIRU pulling unit.
6. Check well pressures, kill well as necessary, perform bubble test on surface casing annuli, if bubble test fails Chevron intends to Zonite or cut and pull casing after the well after it is plugged to a certain point agreed upon by the NMOCD and Chevron.
7. N/U BOP and pressure test as per SOP.
 - a. 250 psi low for 5 minutes, and MASP or 1,500 psi for 5 minutes (whichever is higher).
8. If CITP setting procedure was successful and casing passed a pressure test, spot 30 sx CL "H" cement f/ packer depth (suspected at 12,450') t/ 12,006', WOC & tag. If the CITP setting procedure was unsuccessful and open to perfs, then spot Jet Seal (25 ppb), wait 30 min., spot 50 sx CL "H" cement f/ packer depth (suspected at 12,450') t/ 11,711', WOC & tag.
 - a. Must tag above 12,126'.
 - b. Consider running friction reducer and or retarder if 2-7/8" tubing is present due to tight clearances in liner.
 - c. Spot MLF only after the casing passes a pressure test. Do not place MLF above P&S due to pumping it away.
9. Spot 25 sx CL "H" cement f/ 11,680' t/ 11,311' (Atoka, Strawn).
 - a. TOC must be at 11,373' or shallower.

Attempt to pull PKR

Must be within 100' of Perfs

10. Spot 25 sx CL "H" cement f/ 10,125' t/ 9,957' (Liner top).
 - a. TOC must be at 10,025' or shallower.
 11. Spot 25 sx CL "H" cement f/ 9,590' t/ 9,472' (Wolfcamp).
 - a. TOC must be at 9,490' or shallower.
 12. Spot 25 sx CL "C" cement f/ 6,251' t/ 6,126' (Bone Spring).
 - a. TOC must be at 6,151' or shallower.
 13. Spot 95 sx CL "C" cement f/ 3,782' t/ 3,309' (Brushy Canyon, Cherry Canyon).
 - a. TOC must be at 3,343' or shallower.
 14. Perforate at 2,580' and squeeze 200 sx CL "C" cement f/ 2,043' t/ 2,580', WOC & tag (Bell Canyon, Lamar LS, B.Salt).
 - a. Must tag TOC at 2,080' or shallower.
 - b. Pressure test casing to 1,000 psi for 15 minutes.
 15. Perforate at 560' and squeeze 210 sx CL "C" cement f/ surface t/ 560'.
 - a. Deepest freshwater zone in the area is ~78'.
 16. Cut all casings & anchors & remove 3' below grade. Verify cement to surface & weld on dry hole marker (4" diameter, 4' tall). Clean location.
- Note: All cement plugs class "C" (<7,500') or "H" (>7,500') with closed loop system used, and MLF spotted between plugs.

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, Attorney in fact DATE 02/17/2020

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

For State Use Only

APPROVED BY: [Signature] TITLE Staff mg- DATE 2/21/20
Conditions of Approval (if any):

*** SEE ATTACHED COA'S - Revised
MUST BE PLUGGED BY
2/21/21

CARRASCO COM 1
Loving North: API #30-015-22721
Eddy County, New Mexico

F-14-23S-28E 1980' FNL, 1980' FWL

CURRENT COMPLETION (Last Updated by Y. Li & RJ DeBruin, 7/18/2019)

KB: 3026'
 GL: 3001'

Spud Date: 12/17/1978
 TD Date: 2/28/1979
 Compl Date: 4/7/1979

16", 65#, H-40, ST&C @ 475' in 20"
 hole (cmt w/ 550 sx Class "C", TOC
 @ surf - circ 35 sx)

10-3/4", 40.5#, K-55,
 ST&C @ 3130' in 14-
 3/4" hole (cmt w/
 2400 sx HCL & 300
 sx Class C, TOC @
 730' (temp survey),
 ran 1" to 714' & cmt
 w/ 450 sx Class C w/
 no cmt to surf, ran 1"
 to 560' & cmt w/ 400
 sx Class C, ran 1" to
 190' cmt w/ 150 sx
 Class C w/ cmt to
 surf)

**NOTE: NO TUBING OR PACKER
 DETAILS AVAILABLE ANYWHERE**

Potentially 12,450'+/-

Wellbore diagram is based on
 most recent information regarding
 wellbore configuration &
 equipment that could be found in
 the Midland Office well files &
 computer / online databases as of
 the update date above.

Formation Top; Depth (MD)	Depth (MD)
T Salt	510 (est.)
B Salt	2400 (est.)
Lamar LS	2620
Bell Canyon	2648
Cherry Canyon	3443
Brushy Canyon	3732
Bone Spring	6201
1st Bone Spring	7270
2nd Bone Spring	8023
3rd Bone Spring	9243
Wolfcamp	9540
Strawn	11423
Atoka	11630
Morrow	12226
Mississippian	12990

** none of these wells
 penetrate Capitan Reef**

** top and base salt
 estimated from offset
 wells - no logs

Top of Liner @ 10,075'

7-5/8", 33.7#, 26.4#, 29.7#,
 S-95, LT&C @ 10,660' in 9-
 1/2" hole (cmt w/ 1900 sx
 TLW & 500 sx Class H,
 TOC @ 2630' (temp survey)

12,502' - 12,514'

Upper Morrow: 2 spf, 10 holes; Acidize w/ 3500 gals 6%
 WIA containing 5000 SCF/bbl N2

CIBP @ 12,600' (no record of cmt)

12,876' - 12,931'

Lower Morrow: 2 spf, 14 hole; Acidize w/ 5000 gal double
 strength WIA acid foamed to 70Q

PBTD = 13,054'
 TD = 13,100'

4-1/2", 14.98#, P-
 110, SFJ Hydril
 liner @ 13,100' in
 6-1/2" hole (cmt w/
 30 sx TLW & 500
 sx Class H, good
 circ during cmt job)

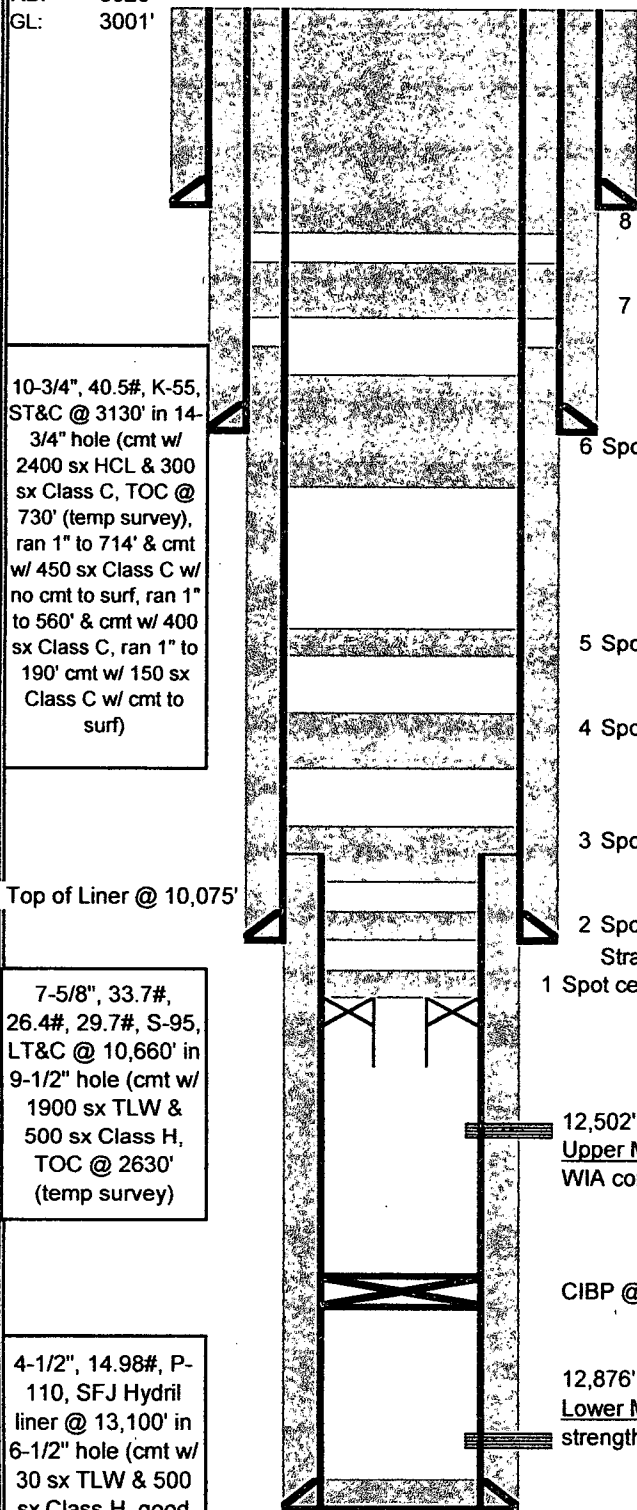
Note: Schematic is not to scale. For display purposes only.

CARRASCO COM 1
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Eddy County, New Mexico
F-14-23S-28E 1980' FNL, 1980' FWL
PROPOSED P&A WELLBORE DIAGRAM

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 20" hole (cmt w/ 550 sx Class "C",
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Top of Liner @ 10,075'

7-5/8", 33.7#,
 26.4#, 29.7#, S-95,
 LT&C @ 10,660' in
 9-1/2" hole (cmt w/
 1900 sx TLW &
 500 sx Class H,
 TOC @ 2630'
 (temp survey)

4-1/2", 14.98#, P-
 110, SFJ Hydril
 liner @ 13,100' in
 6-1/2" hole (cmt w/
 30 sx TLW & 500
 sx Class H, good
 circ during cmt job)

8 P&S across T. Salt to surface

7 P&S above Bell Canyon and bring cement above B. Salt

6 Spot cement across Cherry Canyon, Brushy Canyon, and intern shoe

5 Spot cement across Bone Spring

4 Spot cement across Wolfcamp

3 Spot cement across liner top

2 Spot cement across Atoka &
 Strawn

1 Spot cement across Morrow

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Upper Morrow: 2 spf, 10 holes; Acidize w/ 3500 gals 6%
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Note: Schematic is not to scale. For display purposes only.

CONDITIONS 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 II at (575)-748-1283 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, 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)

SITE REMEDIATION DUE WITHIN ONE YEAR OF WELL PLUGGING COMPLETION