

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

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. 30-015-23202
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		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 15 Smith Road Midland, TX 79705		7. Lease Name or Unit Agreement Name STATE IC
4. Well Location Unit Letter C : 660' feet from the North line and 1980' feet from the West line Section 7 Township 24S Range 25E NMPM County Eddy		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4022' GR		9. OGRID Number 4323
10. Pool name or Wildcat Mosley Canyon; Upper Penn		

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

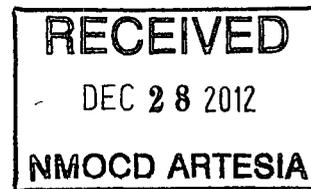
CASING/CEMENT JOB

OTHER:

OTHER:

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.

Please find our intent to plug and abandon this well, along with a current and proposed well bore diagram, and C-144(CLEZ) pit permit.



Notify OCD 24 hrs. prior
To any work done.

Spud Date:

[Empty box for Spud Date]

Rig Release Date:

[Empty box for Rig Release Date]

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

SIGNATURE Bryan Arrant TITLE Regulatory Specialist II DATE 12/19/2012

Type or print name Bryan Arrant (Agent for Chevron) E-mail address: bryan.arrant@chk.com PHONE: (405)935-3782

For State Use Only

APPROVED BY: [Signature] TITLE _____ DATE 1/3/2013

Conditions of Approval (if any):

Approval Granted providing work is complete by 4/3/2013

State 1C # 001
Eddy County NM.

Procedures:

1. M.I. R.U. N.D. W.H. N.U. B.O.P.
2. Pooh. Tbg. and Pkr.
3. Rig up Wireline. Set CIBP. @ 9,194'. Cap w/ 3 sx. cmt.
- * → 4. Rih. Tbg. Circulate hole mud laden fluid
5. Puh. to 7,100' spot 20 sx. Cmt.
6. Puh. to 4,100' spot 20 sx. Cmt.
7. Puh. To 2,652' spot 20 sx. Cmt. - 9 3/8" ass. Shoe WOC TAG
8. Perf. At 405' circulate 125 sx Cmt. To surface. Perf. + Sguz. - TAG.
9. R.D.M.O.

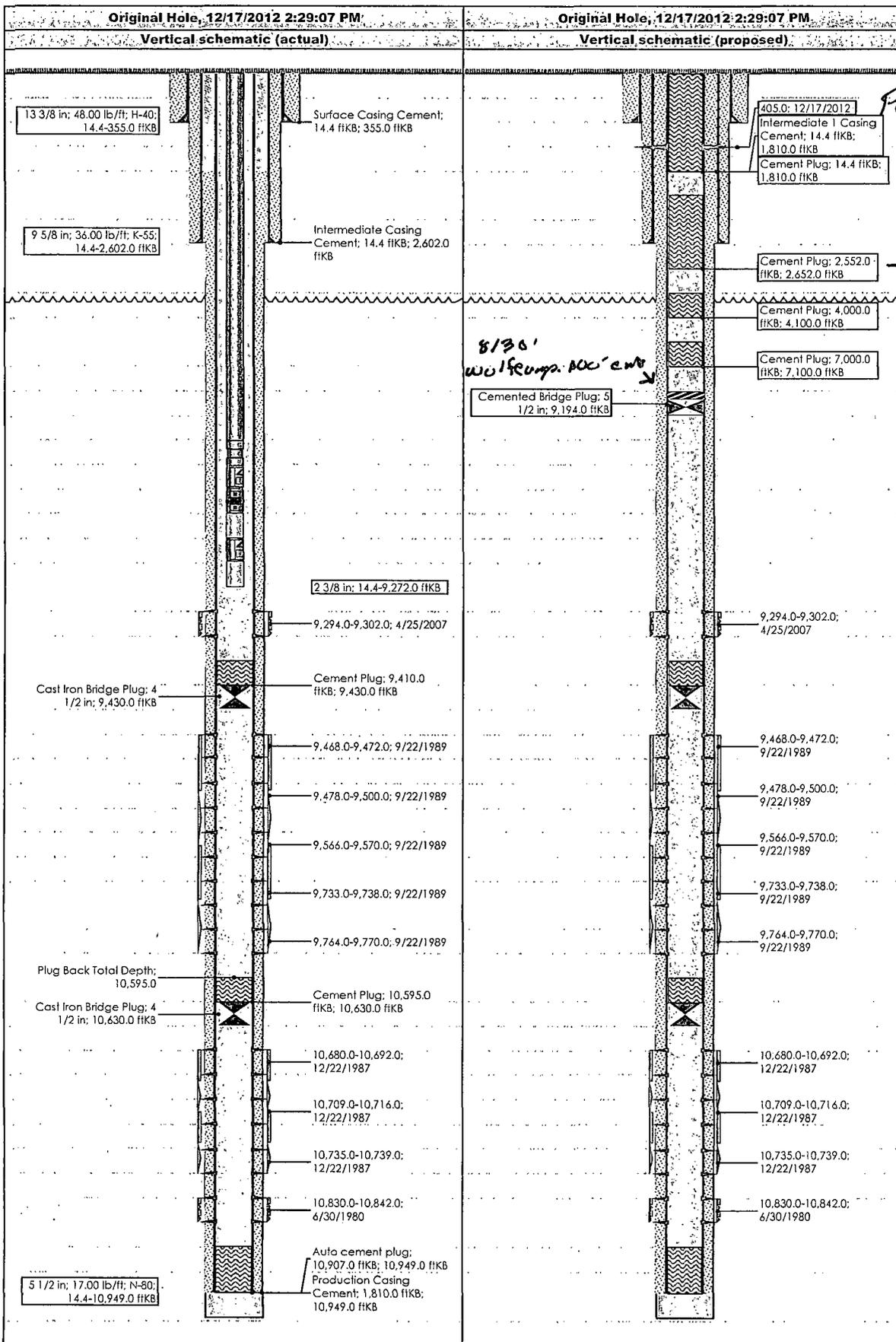
* 4A Wolfcamp @ 9130' 100' cmt plus. WOC TAG.

9294-9302

Current Wellbore Schematic

WELL (PN): STATE IC 1(CVX) (891271)
FIELD OFFICE: HOBBS
FIELD:
STATE / COUNTY: NEW MEXICO / EDDY
LOCATION: SEC 7-24S-25E, 660 FNL & 1980 FWL
ROUTE: HOB-NM-ROUTE 32-RODNEY ACOSTA
ELEVATION: GL: 4,022.2 KB: 4,036.6 KB Height: 14.4
DEPTHS: TD: 10,950.0


API #: 3001523202
Serial #: 25634
SPUD DATE: 4/27/1980
RIG RELEASE: 6/6/1980
1ST SALES GAS: 7/9/1980
1ST SALES OIL:
CURRENT STATUS: T/A



NEW MEXICO OIL CONSERVATION DIVISION
DISTRICT 2 OFFICE
811 S. FIRST STREET
ARTESIA, NM 88210
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: Chevron USA, Inc

Well Name & Number: State 1C #1

API #: 30-015-23202

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. 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 place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged **ONLY**. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perms, before any plugs can be set, by whatever means possible.

8. Cement Retainers may not be used.

9. Squeeze pressures not to exceed 500 psi., unless approval is given by NMOCD Plugging Supervisor.

10. Plugs may be combined after consulting with NMOCD P & A Supervisor.

11. Minimum WOC time for tag plugs will be 4 hrs.

DG

Date: 1/3/2013