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 July 18, 2013

WELL API NO.	**30-015-44089**
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.)

NM OIL CONSERVATION
ARTESIA DISTRICT
MAR 19 2019
RECEIVED

7. Lease Name or Unit Agreement Name	**EL TORO GIGANTE 23**
1. Type of Well: Oil Well ☐ Gas Well ☒ Other	8. Well Number **431H**
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 **PURPLE SAGE;WOLFCAMP (GAS)**

4. Well Location
Unit Letter **M** : **340** feet from the **SOUTH** line and **780** feet from the **WEST** line
Section **14** Township **23S** Range **28E** NMPM County **EDDY**

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)* **2,996' GR**

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	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER: **BRADENHEAD CEMENT JOB**	☒			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.

Chevron USA Inc respectfully submits this request to address the 7-5/8" x 9-5/8" intermediate annulus pressure with a Bradenhead cement job.

Attached you will find a detailed job program and wellbore details.

Spud Date: 5/8/2017 Rig Release Date:

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

SIGNATURE [signature] TITLE Permitting Specialist DATE 3/19/2019

Type or print name Laura Becerra E-mail address: LBecerra@Chevron.com PHONE: (432) 687-7665

For State Use Only

APPROVED BY: [signature] TITLE Staff Mgr. DATE 3/19/19

Conditions of Approval (if any):

Chevron North America
Exploration and Production Company
(A Chevron U.S.A. Inc. Division)
6301 Deauville Blvd
Midland, TX 79706
Tel 432.687.7665
LBecerra@Chevron.com

As discussed with Mr. Gilbert Cordero on March 5, 2019, this well was recently acquired from RockCliff Operating LLC on 11/1/2018. It is a Wolfcamp 'D' horizontal producer with 4 casing strings that is currently on natural flow. The well has been found to be exhibiting casing pressure as follows:

- 7-5/8" x 9-5/8" intermediate casing annulus
  - Initial SI press = 325 psig. Unable to bleed down in 54 mins and flowed stream of black oil, most likely from DMG due to low TOC. 12 min build-up = 160 psig. 64 min build-up = 190 psig. Established pump-in rate of 2 BPM at 1000 psig with treated FW. Current SI press = 281 psig.
- 2-7/8" tubing x 5-1/2" production casing annulus
  - Initial SI tubing press = 1660 psig. Initial SI casing press = 1600 psig. Attempted to bleed down prod casing, but tubing and casing returned to initial pressures after 5 min build-up indicating a likely leak in tubing / completion equipment. Currently developing a workover procedure, working on gas lift design and procuring gas lift / completion equipment.

Chevron USA Inc respectfully requests to address the above casing pressure situation in two (2) steps. This C-103 sundry is being submitted to alleviate the 7-5/8" x 9-5/8" intermediate annulus pressure with a Bradenhead cement job. A second C-103 sundry will be submitted soon to replace the tubing / gas lift equipment to alleviate the 2-7/8" tubing x 5-1/2" production casing annulus pressure.

Recommended Bradenhead cement procedure for 7-5/8" x 9-5/8" intermediate casing annulus is as follows:

1. MIRU cement unit. (Note: Press limit is 3700 psig, 70% collapse rating of 7-5/8" casing.)
2. Establish pump-in rate using FW. (Note: Previous rate was 2 BPM at 1000 psi.)
3. M&P 510 sacks (122 bbl slurry) of 14.8 ppg Class "C" cement with gas loss migration additive at a max rate of 4 BPM.
4. Displace slurry with 1 bbl FW to clear surface lines and casing valve. Close casing valve and monitor pressure.
5. RDMO cement unit. WOC 24 hrs and check annulus pressure.
6. Report results to NMOCD.

Additional Information: Cement slurry volume is 140% excess of annular volume to partially fill 7-5/8" casing x 8-3/4" open hole annulus (below 9-5/8" casing shoe at 2599') with cement in case actual TOC is below estimated TOC of 1800'. See attached WBD.

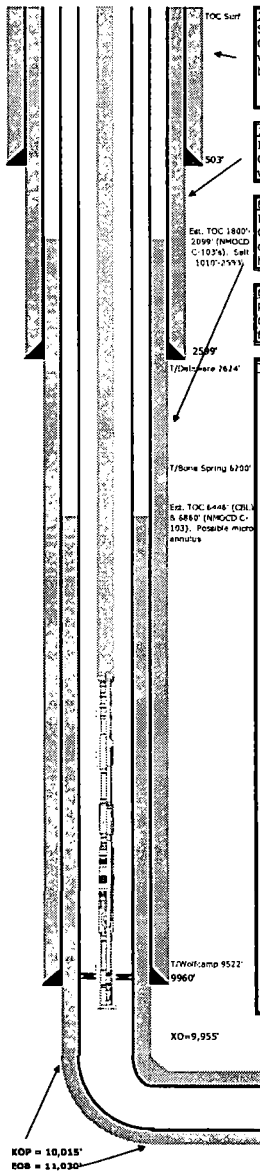
A subsequent C-103 sundry will be submitted to report the results of the above Bradenhead cement operation along with any recommended follow-up action if required.

If you have any questions, please contact Ron DeBruin (Sr. Production Engineer) at 432-687-7311.

ROCKCLIFF ENERGY LLC

El Toro Gigante 23 #431H
Wellbore Diagram
East Loving Field
Eddy County, New Mexico
35-015-44089
AFE# 1600025

As Completed: 11/15/2017



14-½" Hole: 0' - 515'
SURF CSG: 11-¾" 47# J-55 BT&C: 0' - 503'
CMT: 20 bbls FW spacer, 84 bbls 14.8 ppg Lead, drop plug, displace w/49 bbls 10# brine, bump plug w/700 psi, hold 5 min, bleed back 1/2 bbl to truck, floats held.

SHL =	340' FSL & 780' FWL of Sec. 14, Twp. 23S, Rng. 28E
BHL =	220' FSL & 497' FWL of Sec. 23, Twp. 23S, Rng. 28E
KB elev =	3021
GL elev =	2996
KB-GL:	25
SPUD:	5/8/2017
TD:	15550

10-⅝" Hole: 0' - 2,615'
INT 1 CSG: 9-⅝" 40# N-80 FLUSHMAX: 0' - 2599'
CMT: 20 bbls FW spacer, 88 bbls (240 sx) 12.5# lead, 24 bbls (100 sx) 14.8# tail, drop plug and displaced w/188 bbls 10# brine, bump plug w/1300 psi, held 5 min, bleed back ½ bbl. Floats held, 20 bbls cmt to surface

8-¾" Hole: 0' - 10,015'
INT 2 CSG: 7-⅝" 29.7# P-110EC HTFNR: 0' - 9,960'
CMT: 10 bbls FW spacer, 20 bbls gel water spacer, 211 bbls lead @ 11.5 ppg, 38 bbls tail @ 13.2 ppg, drop plug displace w/440 bbls 9.5# brine, bumped plug 15 bbls early, help 1500 psi for 5 mins, bleed back 2 bbls, float held, partial returns during cement job. Regained full returns 340 bbls into displacement.

6-¾" Hole: 9,660' - 15,550'
PROD CSG: 5½" 20# P-110IC DWC: 0' - 9,955' X 4 ½" 13.5# P-110ICY 9,957'-15,547'
CMT: 80 bbls 13# brine spacer, 197 bbls 14.5 ppg lead, drop plug and ball, displace w/313 bbls fresh water, plug did not bump, bleed off pressure w/3 bbls back, floats held.

Tubing Detail:

Item Number	Depth	Length	OD	ID	Description
1	25	25			KB CORECTION
2	25.5	0.5			CAMERON TUBING HANGER
3	58.6	33.1	3.670	2.441	1 JT OF 2 7/8" 6.5# L-80 8 RD TUBING
4	62.7	4.1	3.670	2.441	4' PUP JOINT 2 7/8" 6.5# L-80 8 RD
5	1715	1652	3.670	2.441	50 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
6	1719	4.1	3.670	2.441	GAS LIFT VALVE #13
7	3010	1291	3.670	2.441	39 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
8	3014	4.1	3.670	2.441	GAS LIFT VALVE #12
9	3905	890.8	3.670	2.441	27 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
10	3909	4.1	3.670	2.441	GAS LIFT VALVE #11
11	4504	595.7	3.670	2.441	18 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
12	4508	4.1	3.670	2.441	GAS LIFT VALVE #10
13	5104	595.8	3.670	2.441	18 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
14	5108	4.1	3.670	2.441	GAS LIFT VALVE #9
15	5704	595.7	3.670	2.441	18 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
16	5708	4.1	3.670	2.441	GAS LIFT VALVE #8
17	6304	595.9	3.670	2.441	18 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
18	6308	4.1	3.670	2.441	GAS LIFT VALVE #7
19	6904	595.4	3.670	2.441	18 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
20	6908	4.1	3.670	2.441	GAS LIFT VALVE #6
21	7501	593.1	3.670	2.441	18 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
22	7505	4.1	3.670	2.441	GAS LIFT VALVE #5
23	8101	595.7	3.670	2.441	18 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
24	8105	4.1	3.670	2.441	GAS LIFT VALVE #4
25	8700	595.4	3.670	2.441	18 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
26	8704	4.1	3.670	2.441	GAS LIFT VALVE #3
27	9297	592.6	3.670	2.441	18 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
28	9301	4.1	3.670	2.441	GAS LIFT VALVE #2
29	9863	562.3	3.670	2.441	17 JTS OF 2 7/8" 6.5# L-80 8 RD TUBING
30	9867	4.1	3.670	2.441	SIDE POCKET MANDREL
31	9900	33.1	3.670	2.441	1 JT OF 2 7/8" 6.5# L-80 8 RD TUBING
32	9902	1.45	4.500	2.375	5.5 x 2 7/8 T-2 ON/OFF TOOL
33	9903	1.29	3.250	2.375	2.31X PROFILE NIPPLE 2 7/8 EUE 8RD
34	9910	6.92	4.500	2.375	5.5 20# X 2 7/8 ARROWSET-1X 10K PACKER
35	9916	6.21	3.670	2.441	6' PUP JOINT 2 7/8" 6.5# L-80 8 RD
36	9917	0.83	3.250	2.205	2.313 WXN PROFILE NIPPLE 2 7/8 EUE 8RD
37	9918	0.9	3.670	2.441	1K x 10K SINGLE DISC SUB 2 7/8 6.5# EUE 8 RD

Perforation Intervals:

Stage 1	15243' - 15408'
Stage 2	15052' - 15217'
Stage 3	14860' - 15026'
Stage 4	14669' - 14834'
Stage 5	14478' - 14643'
Stage 6	14287' - 14452'
Stage 7	14096' - 14261'
Stage 8	13904' - 14067'
Stage 9	13713' - 13878'
Stage 10	13522' - 13687'
Stage 11	13334' - 13496'
Stage 12	13144' - 13305'
Stage 13	12948' - 13114'
Stage 14	12757' - 12922'
Stage 15	12566' - 12731'
Stage 16	12375' - 12540'
Stage 17	12184' - 12349'
Stage 18	11992' - 12160'
Stage 19	11801' - 11964'
Stage 20	11610' - 11775'
Stage 21	11419' - 11584'
Stage 22	11228' - 11393'
Stage 23	11038' - 11202'
Stage 24	10842' - 11010'

Hard Line at 15,429' MD
TD = 15,550' MD — 4 ½" @ 15,547'
PBTD = 15,428' (Toe Valve) TVD @ Heel = 10,493'
Avg TVD Lat = 10,505' — TVD @ Toe = 10,537'

Prepared By: Robert Sudbay
Date Prepared: 11/14/2015

Revised by: RJ DeBruin
Date Revised: 2/26/2019