

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
HOBS, OCD
MAR 11 2014
RECEIVED
 CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Form C-103
 Revised July 18, 2013

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. 30-025-35933 ✓
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 type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator CHEVRON U.S.A. INC. ✓		6. State Oil & Gas Lease No.
3. Address of Operator 15 SMITH ROAD, MIDLAND, TEXAS 79705		7. Lease Name or Unit Agreement Name HERRADURA ✓
4. Well Location Unit Letter: I 1502 feet from SOUTH line and 864 feet from the EAST line Section <u>125 15</u> Township 19S Range 38E NMPM County LEA		8. Well Number 3 ✓
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 4323
10. Pool name or Wildcat NADINE; DRINKARD/ABO		11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input checked="" type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: INTENT TO TA <u>UP TO 5 YRS</u> <u>PENDING CHART REVIEW</u>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>	
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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 U.S.A. INC. INTENDS TO TEMPORARILY ABANDON THE SUBJECT WELL WHICH WILL GIVE US ADDITIONAL TIME TO EVALUATE THE WELL FOR ANY ADDITIONAL POTENTIAL IN THE WELLBORE. THIS WELL ALSO HAS A PLUGGED FLOWLINE AND CURRENTLY IS UNECONOMICAL TO REPAIR.

UPON APPROVAL, A CHART WILL BE RUN AND SUBMITTED TO THE NMOC D FOR APPROVAL.

ATTACHED, ARE THE CURRENT & PROPOSED WELLBORE DIAGRAMS.

DURING THIS PROCESS, WE PLAN TO USE THE CLOSED LOOP SYSTEM WITH A STEEL TANK AND HAUL TO THE REQUIRED DISPOSAL, PER THE OCD RULE 19.15.17.

Spud Date: Rig Release Date:

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

SIGNATURE Denise Pinkerton TITLE REGULATORY SPECIALIST DATE 03/13/2014
 Type or print name DENISE PINKERTON E-mail address: leakejd@chevron.com PHONE: 432-687-7375
 For State Use Only
 APPROVED BY: Mary Brown TITLE Compliance Officer DATE 3/18/2014

CONDITION OF APPROVAL: Notify OCD DISTRICT OFFICE 24 HOURS prior to STARTING THE WORKOVER.

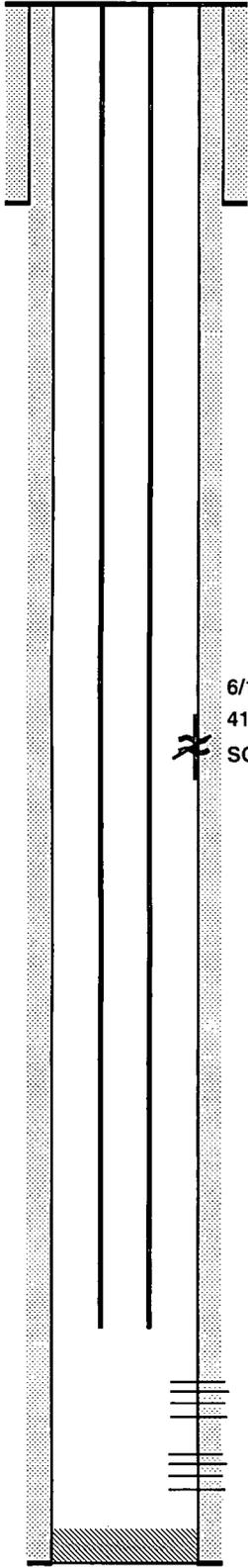
CONDITION OF APPROVAL: Notify OCD DISTRICT OFFICE 24 HOURS prior to running the TA Pressure Test.

MAR 18 2014

Lease Name: Herradura
 Well No.: 3
 Location: 1502' FSL & 854' FEL
 Sec.: 15 / UL: I
 TWSHP/RNG 19S / 38E
 LAT/LONG 32.6571340797139
-103.130539767691

Field: NADINE
 Reservoir: DRINKARD / ABO
 GE: 3595'
 KDB: 3607'
 DFE:
 Status: OI SI
 COST CENTER: UCLF72600

API No. : 30-025-35933
 REFNO: HG9065
 Spud Date: 7/2/2002
 Comp. Date: 9/14/2002
 County: LEA
 State: NM



Hole Size: 12 1/4"
 Csg. Size: 8 5/8" 24# J-55 ST&C
 Set @: 1723'
 Sks. Cmt.: 800 SKS
 TOC @: SURFACE
 Circ: Y/N: Y, 15 SKS

2 7/8" TBG SET @ 7144' (9/2002)

* on the well in 2012 to repair csg leak no record of / if tbg changed

This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of the update date below. Verify what is in the hole with the well file in the Eunice Field Office. Discuss w/WEO Engineer, WO Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

6/1/2012
 4164-4196' CSG LK
 SQZ'D W/50 SKS CMT

DRINKARD/ABO
 7244, 46, 7301, 09, 11,
 19, 29, 50, 59, 65, 78, 94,
 7405', 08, 20, 23, 33, 47,
 54, 73, 7500, 08, 20, 34,
 59, 61, 72, 76, 82, 87, 91,
 98, 7604'

Hole Size: 7 7/8"
 Csg. Size: 5 1/2" 17# N-80 ST&C
 Set @: 7780'
 Sks. Cmt.: 625 SKS H
 TOC @:
 Circ: Y/N:

PBTD: 7775'
 TD: 7780'

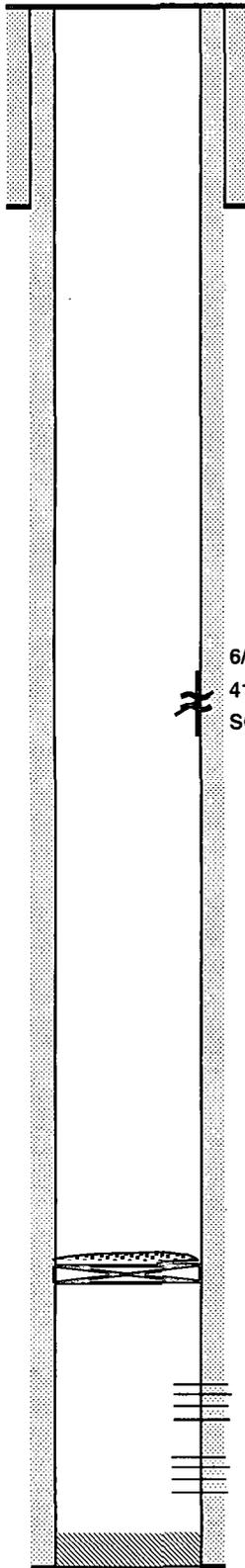
Updated: 3/11/2014

By: SEHE

Lease Name: Herradura
 Well No. 3A
 Location: 1502' FSL & 854' FEL
 Sec.: 15 / UL: I
 TWNSHP/RNG 19S / 38E
 LAT/LONG 32.6571340797139
-103.130539767691

Field: NADINE
 Reservoir: DRINKARD / ABO
 GE: 3595'
 KDB: 3607'
 DFE: _____
 Status: OI SI
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 Set @: 1723'
 Sks. Cmt.: 800 SKS
 TOC @: SURFACE
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6/1/2012
 4164-4196' CSG LK
 SQZ'D W/50 SKS CMT

CIBP ~100' ABOVE TOP PERF @ 7244'
 W/35' CMT CAP

DRINKARD/ABO
 7244, 46, 7301, 09, 11,
 19, 29, 50, 59, 65, 78, 94,
 7405', 08, 20, 23, 33, 47,
 54, 73, 7500, 08, 20, 34,
 59, 61, 72, 76, 82, 87, 91,
 98, 7604'

Hole Size: 7 7/8"
 Csg. Size: 5 1/2" 17# N-80 ST&C
 Set @: 7780'
 Sks. Cmt.: 625 SKS H
 TOC @: _____
 Circ: Y/N: _____

PBTD: 7775'
 TD: 7780'

Updated: 3/11/2014

By: SEHE