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.
30-025-32902

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
R.R. Sims B

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

8. Well Number: 1

HOBBS OCD
FEB 14 2020
RECEIVED

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
Langlie Mattix; 7 RVRS QN G/B

4. Well Location
Unit Letter O : 535 feet from the South line and 2030 feet from the East line
Section 4 Township 23S Range 37E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3,314' GL, 3,326' KB

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: 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. **9-5/8" @ 1,182' TOC Surface, 7" @ 7,250' TOC Surface, Perforations: 3,719'-3,994', CIBP at 5,600', Perforations: 5,679'-5,872', 6,116'-6,250', CIBP at 6,400', Perforations: 6,723'-7,144'.**

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

1. Call and notify NMOCD 24 hrs before operations begin.
2. MIRU pulling unit.
3. 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.
4. Pressure test tubing t/ 1,000 psi f/ 15 minutes.
5. M/U rod BOP and function test. Pull rods and L/D.
6. N/D WH, N/U & test BOP.
7. TOH w/ production tubing.
   a. Discuss with engineer about pressure testing tubing running in the well if pressure test failed.
8. R/U wireline & lubricator, pressure test t/ 500 psi f/ 10 min.
9. Set CIBP at 3,650'.
10. TIH w/ tubing (fill well w/ fresh water while tripping).
11. Tag CIBP and test casing t/ 500 psi f/ 15 minutes.
    a. Contact NMOCD t/ discuss waiving WOC on plugs spotted if casing passes a pressure test.
12. Spot MLF (subtracting cement plug volumes).
    a. Wait to spot MLF if casing failed a pressure test.
13. Spot 65 sx CL "C" cmt f/ 3,650' t/ 3,226' (Perfs, Grayburg, Queen).
    a. TOC must be at 3,280' or shallower.
14. Spot 85 sx CL "C" cmt f/ 2,880' t/ 2,373' (7 Rivers, Yates, B.Salt).
    a. TOC must be at 2,414' or shallower.
15. Spot 225 sx CL "C" cmt f/ 1,340' t/ Surface (T.Salt, Shoe, FW).

See Attached Conditions of Approval

a. Deepest freshwater in the area is ~117'.

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 _____ TITLE P&A Engineer, Attorney in fact DATE 02/13/2020

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

For State Use Only

APPROVED BY: Kerry Fortner TITLE C O A DATE 2-14-20

Conditions of Approval (if any):

Current Wellbore Diagram

Lease--------	Sims RR B	Updated------	02/13/20 By: Howi
Well #--------	SIMS R R `B` #1	Surf. Loc.----	(X):, (Y):□
Field----------	FLD-NM TEAGUE NORTH	Bot. Loc.-----	
County/TX-------	LEA/NM	Lat & Long	32.3275800 / -103.165560
API #-------	3002532902	Unit Letter	
Chevno-----	BC4538	Section-TWNSP-Rng	SEC-4,TWN-23S,RNG-37E
Company ---------	Chevron		
Status--------	**Producing**	Survey	990 FNL 1650 FEL
Battery	**Sims B - RR FAC**	Ini. Spud------	4/27/1995
		Ini. Comp-------	2008-06-27

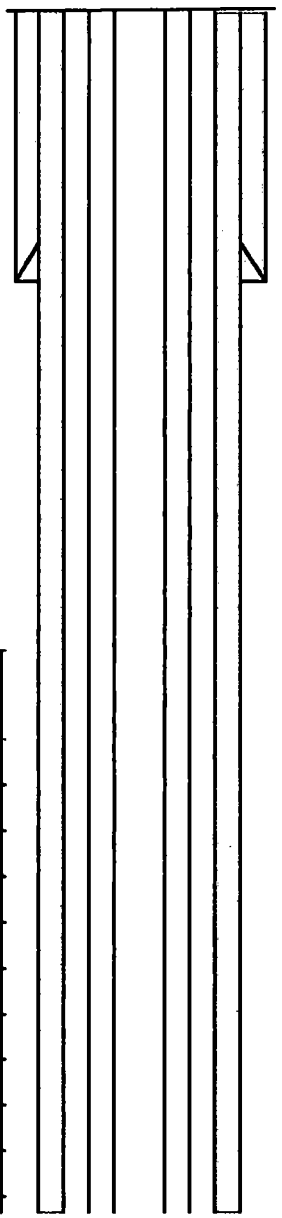
KB---------- 3326'
GR----------
GL---------- 3314'

Surface Casing

Size----------	9 5/8"
Wt., Grd.------	36#
Depth---------	1182'
Sxs Cmt------	650 sxs
Circulate------	Yes, 138 sxs
TOC----------	Circulated
Hole Size-----	12 1/4"

Production Casing

Size----------	7"
Wt., Grd.------	965' 32#, 3914' 23#, 2371' 26#
Depth---------	7250'
Sxs Cmt------	3000 sxs
Circulate-----	Yes, 420 sxs, CBL (4/2008)
TOC----------	Circulated
Hole Size-----	7 7/8"



Formation Name	TD, ft Top
Anhy	1149'
T Salt	1290'
B Salt	2464'
Yates	2597'
7 Rivers	2830'
Queen	3330'
Grayburg	3676'
San Andres	4024'
Glorieta	5080'
Paddock	5252'

Proposed Wellbore Diagram

Lease-------	Sims RR B	Updated------	02/13/20 By: H Lu
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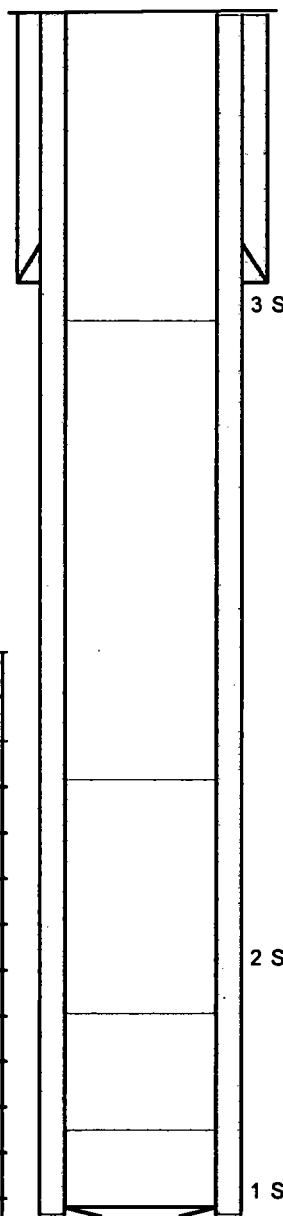

3 Spot cement across T.Salt t/ surface

2 Spot cement across 7 Rivers, Yates, and B.Salt.

1 Set CIBP at 3650' and spot cement above across

CONDITIONS OF APPROVAL
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 I (Hobbs) at (575)-263-6633** 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, woe 4 hours and tag, this plug will be SO' 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, woe and tagged. These plugs will be set SO' below formation bottom to 50' above formation top inside the casing

DRY HOLE MARKER REQ.UIRMENTS

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 least¼" 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