

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

5. Lease Serial No.
NMNM01375

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.7. If Unit or CA/Agreement, Name and/or No.
NMNM88499X8. Well Name and No.
BENSON SHUGART 139. API Well No.
30-015-20542-00-S110. Field and Pool, or Exploratory
SHUGART11. County or Parish, and State
EDDY COUNTY, NM**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|--|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete | <input checked="" type="checkbox"/> Other |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Onshore Order Variance |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BJA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

CHEVRON IS REQUESTING TO HAVE CALIBRATION FREQUENCY CHANGED FROM QUARTERLY TO SEMIANNUAL FOR THE SUBJECT WELL.

METER #718417
FLOW RANGE: <250 MCF
FLOW RATE: 0

LAST CALIBRATION DATE: 08/12/2013

SEE COA

NM OIL CONSERVATION
ARTESIA DISTRICT

MAR 08 2016

Accepted for record
NMOC 3/14/16

RECEIVED

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #268041 verified by the BLM Well Information System

For CHEVRON USA INCORPORATED, sent to the Carlsbad

Committed to AFMSS for processing by DUNCAN WHITLOCK on 11/13/2014 (15DW0039SE)

Name (Printed/Typed) DENISE PINKERTON

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 10/03/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Kenneth Lennich

Title

Petroleum

Date

2/27/16

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

CFO

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

Revisions to Operator-Submitted EC Data for Sundry Notice #268041

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|--|--|
| Sundry Type: | OTHER NOI | VARI NOI |
| Lease: | NMNM01375 | NMNM01375 |
| Agreement: | | NMNM88499X (NMNM88499X) |
| Operator: | CHEVRON U.S.A. INC. 15 SMITH ROAD MIDLAND, TX 79705 Ph: 432-687-7375 | CHEVRON USA INCORPORATED 15 SMITH ROAD MIDLAND, TX 79705 Ph: 432 685 4332 |
| Admin Contact: | DENISE PINKERTON REGULATORY SPECIALIST E-Mail: leakejd@chevron.com Ph: 432-687-7375 | DENISE PINKERTON REGULATORY SPECIALIST E-Mail: leakejd@chevron.com Ph: 432-687-7375 |
| Tech Contact: | DENISE PINKERTON REGULATORY SPECIALIST E-Mail: leakejd@chevron.com Ph: 432-687-7375 | DENISE PINKERTON REGULATORY SPECIALIST E-Mail: leakejd@chevron.com Ph: 432-687-7375 |
| Location: | | |
| State: | NM | NM |
| County: | EDDY | EDDY |
| Field/Pool: | N/A | SHUGART |
| Well/Facility: | BENSON SHUGART WATERFLOOD UNIT 13 Sec 25 T18S R30E Mer NMP 2310FSL 330FWL | BENSON SHUGART 13 Sec 25 T18S R30E NWSW 2310FSL 330FWL |

Bureau of Land Management

Carlsbad Field Office and Hobbs Field Station
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Conditions of Approval

**Chevron USA Inc.
Benson Shugart 13
NM01375
3001520542**

1. This variance is for Chevron USA Inc. low volume gas producing wells.
 - a. Low volume as per this approval will be 100 MCF/D or less on a monthly basis.
2. As per NTL 92-5 you are approve to do semi-annually meter calibrations.
3. If any other well is added to the battery the variance will have to be resubmitted and be reevaluated at that time.
4. If at any time the operator produces more than 100 MCF/D on a monthly basis this approval is withdrawn at that time.
5. All other requirements of Onshore Order #5 Measurement of Gas still applies to this approval.