

NEW OIL CONSERVATION
ARTESIA DISTRICT NMOC
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
APR 03 2018FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter, or to abandon a well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM0415688A

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.
OLD INDIAN DRAW UNIT 39. API Well No.
30-015-2150410. Field and Pool or Exploratory Area
INDIAN DRAW, DELAWARE11. County or Parish, State
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
CHEVRON USA INCContact: CINDY H MURILLO
E-Mail: CHERRERAMURILLO@CHEVRON.COM3a. Address.
6301 DEAUVILLE BLVD
MIDLAND, TX 797063b. Phone No. (include area code)
Ph: 575-263-0431
Fx: 575-263-0445

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 19 T22S R28E NWNE 660FNL 1980FEL

12. CHECK THE 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"/> Hydraulic Fracturing	<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	Venting and/or Flaring
	<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/BIA. Required subsequent reports must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 USA INC REQUESTS APPROVAL TO FLARE BETWEEN 10 - 15 MCFPD OF PRODUCED GAS WITH AN H2S CONTENT OF 40,000 PPM AT THE OLD INDIAN DRAW UNIT PRODUCTION FACILITY. THE ASSOCIATED OIL PRODUCTION FROM THE 8 DELAWARE PRODUCERS IS BETWEEN 115 -140 BOPD, RESULTING IN AN AVERAGE GOR LESS THAN 100 SCF/STB. ALL PRODUCED GAS IS FLARED, AND THE TOTAL DAILY VOLUME IS MEASURED BY THE USE OF TWO (2) CAMERON MC-III (ELECTRONIC DIGITAL) TURBINE FLOW ANALYZERS LOCATED ON THE GAS OUTLET OF THE PRODUCTION AND TEST SEPARATORS.

THE PRODUCTION WELLS ASSOCIATED WITHIN THE UNIT ARE AS FOLLOWS:

OLD INDIAN DRAW #3	30-015-21504
OLD INDIAN DRAW #7	30-015-21765
OLD INDIAN DRAW #8	30-015-21766

Rejected - submit subsequent for past flaring that did not have approval. Submit new NOI for current flaring today income

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

Electronic Submission #403727 verified by the BLM Well Information System
For CHEVRON USA INC, sent to the Carlsbad
Committed to AFSS for processing by PRISCILLA PEREZ on 02/21/2018 ()

Name (Printed/Typed) CINDY H MURILLO

Title PERMITTING SPECIALIST

Signature (Electronic Submission)

Date 02/07/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By *Rejected*

Title

3/14/2018

Date

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

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.

(Instructions on page 2)

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Additional data for EC transaction #403727 that would not fit on the form

32. Additional remarks, continued

OLD INDIAN DRAW #9	30-015-21767
OLD INDIAN DRAW #13	30-015-21957
OLD INDIAN DRAW #14	30-015-21901
OLD INDIAN DRAW #19	30-015-22079
OLD INDIAN DRAW #22	30-015-22102

MCF DAILY FROM DEC 2016 TO NOV 2017

DEC 2016	1.9
JAN 2017	2.2
FEB 2017	3.6
MAR 2017	4.2
APR 2017	4.1
MAY 2017	4.7
JUN 2017	7.2
JUL 2017	11.0
AUG 2017	15.2
SEP 2017	13.8
OCT 2017	10.8
NOV 2017	9.1

OLD INDIAN DRAW DAILY TOTAL MCF AVERAGE IS 7.5
PLEASE SEE ATTACHED APPROVAL TO FLARE FROM NMED.



SUSANA MARTINEZ
GOVERNOR

JOHN A. SANCHEZ
LIEUTENANT GOVERNOR

New Mexico
ENVIRONMENT DEPARTMENT

525 Camino de los Marquez Suite 1

Santa Fe, NM 87505-1816

Phone (505) 476-4300

Fax (505) 476-4375

www.env.nm.gov



RYAN FLYNN
CABINET SECRETARY

BUTCH TONGATE
DEPUTY SECRETARY

July 1, 2015

CERTIFIED MAIL NO. 7013 0600 0001 8695 0851

Doug McIntyre
Consultant
Chevron USA, Inc.
15 Smith Road
Midland, TX 79705

Notice of Intent No. 6489
IDEA ID No. 35901 - PRN20150001
Chevron - Old Indian Draw UT 1-N Battery
AIRS No. 350151370

Dear Mr. McIntyre:

This letter acknowledges the receipt of your Air Quality Bureau Notice of Intent (NOI) application dated June 8, 2015 to construct and operate the Chevron - Old Indian Draw UT 1-N Battery. The facility is located at North latitude 32 degrees, 23 minutes, 26.3 seconds and longitude - 104 deg, 7 min, 21.6 sec in Eddy County, New Mexico. The Department received the application on June 17, 2015.

This facility shall consist of: **Three (3) 500 bbl Condensate Storage Tanks; Two (2) 500 bbl Produced Water Storage Tanks; One (1) Flare; and associated routine or predictable fugitive emissions.**

Based on the information provided in the submitted application, the Department has determined that the potential emission rate (PER) of any regulated air pollutant from this facility for which there is a National or New Mexico Ambient Air Quality Standard is less than ten (10) pounds per hour and twenty-five (25) tons per year. Therefore, in accordance with Title 20, Chapter 2, Part 72 of the New Mexico Administrative Code, (20.2.72 NMAC), an air quality permit is not required and construction may commence. Because the potential emission rate is greater than ten (10) tons per year, this facility is subject to 20.2.73 NMAC. The submitted application will serve as the Notice of Intent in accordance with 20.2.73.200.A. NMAC.

In addition to 20.2.73 NMAC, this facility may be subject to additional state and federal regulations such as those found in Table 1. The issuance of an NOI does not constitute a determination of regulatory applicability, regardless of statements of anticipated applicability

made in the application. It is the permittee's responsibility to determine applicability and to comply with all applicable regulations.

Table 1: Other Regulations

Citation	Title
20.2.38 NMAC	Hydrocarbon Storage Facilities
20.2.61 NMAC	Smoke and Visible Emissions
20.2.70 NMAC	Operating Permits
40 CFR 60 Subpart Ka	Standards of Performance for Storage Vessels for Petroleum Liquids for Which Construction, Reconstruction, or Modification Commenced After May 18, 1978, and Prior to July 23, 1984
40 CFR 60 Subpart Kb	Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) For Which Construction, Reconstruction, or Modification Commenced After July 23, 1984
40 CFR 60, Subpart IIII	Standards of Performance for Stationary Compression Ignition Internal Combustion Engines
40 CFR 60, Subpart JJJJ	Standards of Performance for Stationary Spark Ignition Internal Combustion Engines
40 CFR 60, Subpart OOOO	Standards of Performance for Crude Oil and Natural Gas Production, Transmissions and Distribution
40 CFR 63 Subpart ZZZZ	National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Stationary Reciprocating Internal Combustion Engines
40 CFR 63 Subpart HH	National Emission Standards for Hazardous Air Pollutants From Oil and Natural Gas Production Facilities

Note: Some New Mexico state regulations are not federally enforceable (e.g. 20.2.35, 20.2.36, 20.2.38 NMAC) and while these regulations can be used for determining the PER, they cannot be used in determining facility wide potential to emit (PTE) unless included in a federally enforceable permit such as a 20.2.72 NMAC permit. This could result in non-applicability of 20.2.72 NMAC or 20.2.73 NMAC but applicability of 20.2.70 NMAC and/or 20.2.74 NMAC should still be considered.

Please be advised that this NOI issuance was based upon the information provided in the application and these sources when constructed will be subject to inspection.

Before any asbestos demolition or renovation work, you shall determine whether 40 CFR 61, Subpart M, National Emission Standard for Asbestos applies.

Any changes in the method of operation or addition of more units at the site may constitute a modification, which requires the Department's prior approval for construction and/or operation.

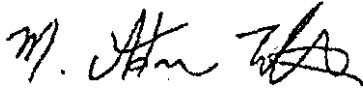
In the event of any change in ownership or operator of this facility, the new owner or operator shall notify the Department in writing within thirty (30) days of that change.

Chevron USA, Inc.
Chevron - Old Indian Draw UT I-N Battery, NOI No. 6489
July 1, 2015

Page 3 of 3

If you have any questions, please call me in Santa Fe at 505-476-4361.

Sincerely,



Adam Ullom
Air Permit Specialist
Permit Section - Technical Services Unit
Air Quality Bureau

cc: Waid Environmental, www.waid.com

Enclosure: Industry/Consultant Feedback Questionnaire with envelope



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GOVERNOR

JOHN A. SANCHEZ
LIEUTENANT GOVERNOR

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July 8, 2015

CERTIFIED MAIL NO. 7013 0600 0001 8695 0882

Doug McIntyre
Chevron USA, Inc.
15 Smith Road
Midland, TX 79705

Air Quality General Permit GCP-6-6489
IDEA No. 35901 - PRN20150002
Chevron - Old Indian Draw UT 1-N Battery
AIRS No. 350151370

Dear Mr. McIntyre:

This letter is in response to your air quality General Construction Permit (GCP)-6 Application Form dated June 8, 2015 for a Storage Vessel Facility in New Mexico. The application was received by the Department on June 17, 2015.

A review has been completed and the information provided is sufficient to issue your permit in accordance with 20.2.72.220 NMAC and the conditions of GCP-6.

Attached is a copy of GCP-6. The general permit includes the terms and conditions for operation as well as emission and compliance requirements.

Pursuant to 20.2.75.11 NMAC, the Department will assess an annual fee for this facility. This regulation set the fee amount at \$1,500 through 2004 and requires it to be adjusted annually for the Consumer Price Index on January 1. The current fee amount is available by contacting the Department or can be found on the Department's website. The AQB will invoice the permittee for the annual fee amount at the beginning of each calendar year. This fee does not apply to sources which are assessed an annual fee in accordance with 20.2.71 NMAC. For sources that satisfy the definition of "small business" in subsection F of 20.2.75.7 NMAC, this annual fee will be divided by two.

All fees shall be remitted in the form of a corporate check, certified check, or money order made payable to the "NM Environment Department, AQB" mailed to the address shown on the invoice and shall be accompanied by the remittance slip attached to the invoice.

Chevron USA, Inc.

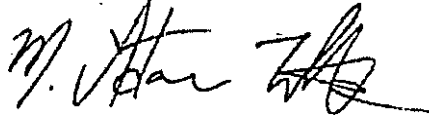
Chevron - Old Indian Draw UT 1-N Battery - General Permit GCP-6-6489

July 8, 2015

Page 2 of 2

If you have any questions, please contact me in Santa Fe at 505-476-4361.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Adam Ullom". The signature is stylized with a large, looped "M" and a cursive "Ullom".

M. Adam Ullom
Air Permit Specialist
Minor Source Unit
Permits Section
Air Quality Bureau

cc: Jennifer Wang, JWang@WAID.com, Waid Environmental

Enclosure: Industry/Consultant Feedback Questionnaire with envelope

