<ul> <li>Andre of Intent</li> <li>Subsequent Report</li> <li>Final Abandonment Notice</li> <li>Casing Repair</li> <li>Change Plans</li> <li>Convert to Injection</li> <li>Plug and Abandon</li> <li>Temporarily Abandon</li> <li>Convert to Injection</li> <li>Plug Back</li> <li>Water Disposal</li> <li>Convert to Injection</li> <li>Plug Back</li> <li>Water Disposal</li> <li>Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration following completion of the involved operations. If the operation results in a multiple completion or recompleted on the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within following completion of the involved operations. If the operation results in a multiple completion or recompleted, and the operation shall be filed only after all requirements, including reclamation, have been completed, and the operate determined that the site is ready for final inspection.)</li> <li>CHANGE OF OPERATOR WAS FILED AND APPROVED BY THE NMOCD FOR THE SUBJECT WELL.</li> <li>PREVIOUS OPERATOR: CHESAPEAKE (147179) NEW OPERATOR: CHEVARON U.S.A. INC. (4323) EFFECTIVE DATE OF CHANGE: 01/15/2013</li> <li>The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof as described above.</li> <li>Bodn Coverage: CA0329</li> <li>SUBJECT TO LIKE</li> </ul>	
BUREAU OF LAND MARAGEMENT     HOBBS OCT     SUBMIT IN TRIPLICATE ADD 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.     JAN 31 2014     SUBMIT IN TRIPLICATE - Other instructions on reverse side.     If Unit or CA/Agreement, Nam     SUBMIT IN TRIPLICATE - Other instructions on reverse side.     I. Type of Well     Gas Welle Gas Well Gas Well Gas Well Gas Wel	5
JAN 3 1 CUI9         SUBMIT IN TRIPLICATE - Other instructions on reverse side.         1. Type of well       C         1. Type of well       B. Well Name and No. YOUNG FEDERAL 1         2. Name of Operator       Contact: DENISE PINKERTON         3. Address       Phenos No. (include area code)         3. Address       Ph: 432-687-7375         4. Location of Well       (Footnage, Sec., T., R., M., or Survey Description)         5. Address       11. County or Parish, and State         LEA COUNTY, NM       LEA COUNTY, NM         IE COUNTY, NM         12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA         TYPE OF SUBMISSION         TYPE OF ACTION         II. Subsequent Report       Acidize       Deepen       Production (Start/Resume)       Well         Subsequent Report       Conset: Deny of the operation stating date of any proposed work and approximate duration folder with a deread or any proposed work and approximate duration folder with the work will be performed or provide the BodN on Son file with BL/MBIA. Required shall be filed within foldwing completion of the involved operation. How other weread a depth of all pertinent maters at the performator provide the BodN on Son file with BL/MBIA. Required shall be filed within foldwing completion of the involved operation. State the operation completed operation completed operation compretemention in the weread of all pertinent mak	
SUBMIT IN TRIPLICATE - Other instructions on reverse side.         1. Type of well       RECEIVED         20 Oil Well _ Gas Well _ Other       RECEIVED         2. Name of Operator CHEVRON U.S.A. INC.       Contact: DENISE PINKERTON CHEVRON U.S.A. INC.       8. Well Name and No. YOUNG FEDERAL 1         3. Address 16 SMITH ROAD MIDLAND, TX 79705       10. Field and Pool, or Exploratory N/A       10. Field and Pool, or Exploratory N/A         4. Location of Well       (Fourage, Sec., T, R, M, or Survey Description)       11. County or Parish, and State         5. Sec 20 T18S R32E Mer NMP 1980FNL 1980FEL       11. County or Parish, and State         12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA         TYPE OF SUBMISSION       TYPE OF ACTION         I Atter Casing       Prizature Treat         Subsequent Report       Casing Repair         Convert to Injection       Plug and Abandon         I Subsequent Report       Casing Repair         Convert to Injection       Plug and Abandon         13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated stating date of any proposed work and approximate duratif If the propest is to deepen directionally or recompative book No. on the with BUMBIA. Required and the work and approximate duratif If the propest is to deepen directionally or recompative book No. on the with BUMBIA. Required and the subsequent propostinable binde with If the propest is to deepen direction	e
© Oil Well       Cas Well       Other       YOUNG FEDERAL 1         2. Name of Operator CHEVRON U.S.A. INC.       E-Mail: leakejd@chevron.com       9. API Well No. 30-025-24940         3a. Address 15. SMITH ROAD MIDLAND, TX 79705       3b. Phone No. (include area code) Ph: 432-687-7375       10. Field and Pool, or Exploratory NA         4. Location of Well       (Footage, Sec., T., R., M., or Survey Description)       11. County or Parish, and State LEA COUNTY, NM         5ec 20 T18S R32E Mer NMP 1980FNL 1980FEL       11. County or Parish, and State LEA COUNTY, NM         12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA         TYPE OF SUBMISSION       TYPE OF ACTION         © Notice of Intent       Acidize       Decepter         I. Subsequent Report       Casing Repair       New Construction       Recolamation         I. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duratin If the proposed is to deepen directionally or recomplete moreally state all pertinent details, including eclamation and measured and true vertical depits of all pertinent markers Attach the Bond under which the work will be performed or provide the Bond No. on file with BLMPHS. Required subsequent reports shall be filed only after all requirements, including reclamation, have been completed, and the oper determined that his its is ready for final inspection.       Female data in a weight completed on the start of the addy for all inspection.         13. Describe Proposed	and/or No.
2. Name of Operator       Contact:       DENISE PINKERTON       9. AFI Well No.         3a. Address       3b. Phone No. (include area code)       10. Field and Pool, or Exploratory         MIDLAND, TX 79705       10. Field and Pool, or Exploratory         4. Location of Well       (Footage, Sec., T, R, M, or Survey Description)       11. County or Parish, and State         LEA COUNTY, NM       11. County or Parish, and State       LEA COUNTY, NM         12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA         TYPE OF SUBMISSION       TYPE OF ACTION         II. Subsequent Report       Alter Casing       Fracture Treat       Reclamation         II. Subsequent Report       Consider Repair       New Construction       Recomplete       Other         II. Describe Proposed or Completed Operational (clearly state all pertinent details, including state all pertinent markers       Tengoreal to any proposed work and approximate duration following completion of the involved operations. Fill be offormation in subsequine operation, have been completed, and the operation results in a multiple completion or recompletion of all pertinent markers       Tengoreal to any proposed work and approximate duration following completion of file involved operations. File don No. on file with BLMBIA. Required subsequire types falls be file don No. On file with BLMBIA. Required subsequire to the subsect on an ewe interval, a Form 3160-d shall be file don No. on file with BLMBIA. Required subsequire to the involved operations. Shift be offer all pertinent markers	/
15 SMITH ROAD MIDLAND, TX 79705       Ph: 432-687-7375       N/A         4. Location of Well (Footage, Sec., T., R., M., or Survey Description)       11. County or Parish, and State         Sec 20 T18S R32E Mer NMP 1980FNL 1980FEL       11. County or Parish, and State         LEA COUNTY, NM         12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA         TYPE OF SUBMISSION         TYPE OF ACTION         Image: Subsequent Report       Acidize       Deepen       Production (Start/Resume)       Water         Image: Subsequent Report       Casing Repair       New Construction       Reclamation       Well         Image: Subsequent Report       Convert to Injection       Plug and Abandon       Temporarily Abandon       Successor         Image: Subsequent Report       Convert to Injection       Plug Back       Water Disposal       Successor         Image: Subsequent Report       Convert to Injection       Plug Back       Water Disposal       Successor         Image: Subsequent Report       Convert to Injection results in a multiple completion or recompletion of the involved operations. If the operation results in a multiple completion in a new interval, a Form 3160-distable between the optical stable betwenthe optical stable between the optical stab	
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12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA         TYPE OF SUBMISSION         TYPE OF SUBMISSION         Object of Submission         Obj	
TYPE OF SUBMISSION       TYPE OF ACTION <sup>C</sup> Notice of Intent <sup>C</sup> Active <sup>C</sup> Active <sup>C</sup> Production (Start/Resume) <sup>C</sup> Water <sup>C</sup> Subsequent Report <sup>C</sup> Active <sup>C</sup> Active <sup>C</sup> Reclamation <sup>C</sup> Well <sup>C</sup> Final Abandonment Notice <sup>C</sup> Casing Repair <sup>C</sup> New Construction <sup>C</sup> Recomplete <sup>C</sup> Others <sup>C</sup> Casing Repair <sup>C</sup> Change Plans <sup>C</sup> Plug and Abandon <sup>C</sup> removal Abandon <sup>C</sup> Comportally State all pertinent details, including estimated starting date of any proposed work and approximate duratil <sup>I</sup> file proposal is to deepen directionally give subsurface locations and measured and rue verical depths of all pertinent markers <sup>C</sup> Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duratil <sup>I</sup> file proposal is to deepen directionally, give subsurface locations and measured and rue verical depths of all pertinent markers <sup>C</sup> Completed Operation results in a multiple completion or neompletion an new interval, a Form 3160-4 shall be         file only after all requirements, including reclamation, have been completed, and the operative determined that the sit	
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APPROVAL BY STATE	tor has
OKMWIOCD Z-11-14	
14. I hereby certify that the foregoing is true and correct. Electronic Submission #205856 verified by the BLM Well Information System For CHEVRON U.S.A. INC., sent to the Hobbs Committed to AFMSS for processing by KURT SIMMONS on 05/02/2013 ()	
Name(Printed/Typed)         DENISE PINKERTON         Title         REGULATORY SPECIALIST	
Signature (Electronic Submission) Date 05/01/2013	
THIS SPACE FOR FEDERAL OR STATE OFFICE () ( )	
I MA Achle I	<u> </u>
Approved By Title Title Date	
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 wilBuRta hake to any department MetaUncy of the States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. CARLSBAD FIELD OFFICE	United

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

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## BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Effective 1/15/2013 Bond CA0329

## 1/28/2014 Approved subject to Conditions of Approval. JDB Change of Operator Conditions of Approval

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. Submit for approval of water disposal method.
- 3. Submit updated facility diagrams as per Onshore Order #3
- 4. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
- 7. Subject to like approval by NMOCD.
- 8. All Reporting to ONRR (OGOR Reports) must be brought current within 30 days of this approval including any past history.
- 9. If this well is incapable of producing in paying quantities submit NOI to plug and abandon this well or obtain approval to do otherwise within 90 days.
- 10. If not in place acquire operating rights on this lease within 30 days with BLM office in Santa Fe, NM.