

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOCD
HobbsFORM 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 an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NNNM56263

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NNNM1170358. Well Name and No.
CODORNIZ 28 FEDERAL 2 ✓9. API Well No.
30-025-3619610. Field and Pool or Exploratory Area
MORROW11. County or Parish, State
LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CHEVRON USA INC ✓

Contact: CINDY H MURILLO

E-Mail: CERRERAMURILLO@CHEVRON.COM

3a. Address

1616 W. BENDER BLVD
HOBBS, NM 88240

3b. 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 28 T19S R34E Mer NMP NWSW 1980FSL 660FWL ✓

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Hydraulic Fracturing | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input checked="" type="checkbox"/> Recomplete | <input type="checkbox"/> Other |
| <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | |
| <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 recomple 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 recompletion 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 IS REQUESTING TO RECOMPLETE THE ABOVE SUBJECT WELL. THE WELL IS IN THE MORROW FORMATION AND WILL NOW BE IN THE DELAWARE FORMATION WITH THE NEW FOLLOWING PROCEDURE:

MIRU N/U BOPE AND TEST
TOOH WITH EXISTING TUBING

~~SET CIBP AT 10,759' DUMP BAIL 35' OF CEMENT (WOLECAMP PLUG)~~

~~SET CIBP AT 8,200' DUMP BAIL 35' OF CEMENT (BONE SPRING PLUG)~~

FIRST STAGE PERF AND FRAC DELAWARE FORMATION (7010'-7020'; 7034'-7050')

SECOND STAGE PERF AND FRAC DELAWARE FORMATION (8042' - 8062')

DRILL OUT TO NEW PBTD AT 8200'

RUN IN HOLE WITH RODS AND TUBING

N/D BOPE, N/U TREE, RDMO

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Electronic Submission #358282 verified by the BLM Well Information System

For CHEVRON USA INC, sent to the Hobbs

Committed to AFMSS for processing by DEBORAH MCKINNEY on 11/18/2016 ()

Name (Printed/Typed) CINDY H MURILLO

Title PERMITTING SPECIALIST

Signature (Electronic Submission)

Date 11/17/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

DEC 7 2016

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 **

MSTB/ocd 12/21/2016

Additional data for EC transaction #358282 that would not fit on the form

32. Additional remarks, continued

PLEASE SEE ATTACHED WELL BORE DIAGRAMS OF CURRENT AND PROPOSED WELLBORE.

IF YOU HAVE ANY QUESTIONSON PROCEDURE, PLEASE CONTACT CAMERON KHALILI AT 432-687-7360.

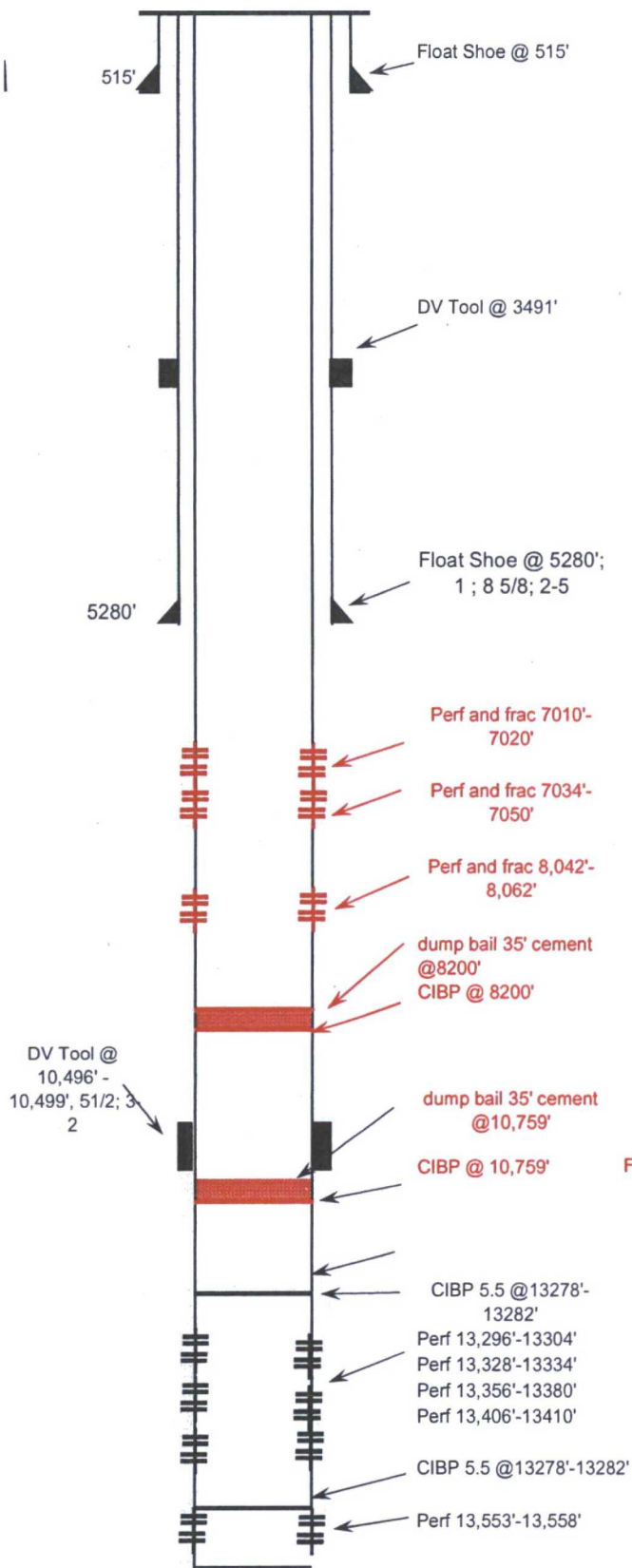
THIS SUNDRY REPLACES EC # 356787 SUBMITTED ON 11/02/2016.

Lease Name: Codorniz
 Well No. 28 Fed #2
 Sur Location: 1980 FSL 660 FWL
 Sec.: 28
 Twn 19S
 Range 34E
 Cost Center UCRH90110

Field: Quail ridge
 Reservoir: Morrow
 GL: 3691'
 KB: 3712'
 DF: -
 Status: Temp Abn.

API No. : 30-025-36196
 REFNO: HL1647
 Spud Date: 7/6/2003
 Comp. Date:
 County: Lea
 State: New Mexico
 Type Lease: Federal

Vertical Well



Surface Casing

Hole Size: 17 1/2"
 Csg. Size: 13 3/8"
 Wt., Grd: 48#, H-40
 Depth: 514'
 Sks. Cmt.: 500 Sx. Class "C"
 TOC @: 21'
 Circ: Y/N: Y

Intermediate Casing

Hole Size: 12 1/4"
 Csg. Size: 8 5/8"
 Wt., Grd: 32# J-55
 Depth: 3491'
 Sks. Cmt.: 1600 Sx. stg 1 Class "C"
 Stg. 2: 200 Sx. Class "C"
 TOC @: 21'
 Circ: Y/N: Y

Production Casing

Hole Size: 7 7/8"
 Csg. Size: 5 1/2"
 Wt., Grd: 17# LS-110
 Depth: 13,750'
 Sks. Cmt.: 700 Sx. Class "H"
 Stg. 2: 700 Sx. Class "H"
 TOC @: 21'
 Circ: Y/N: Y

Wofcamp
 Formaion top @
 10,759'

Proposed WBD

Total Depth: 13751'

**Codorniz 28 Federal 2
30-025-36196
Chevron USA Inc
December 07, 2016
Conditions of Approval**

Notify BLM at 575-393-3612 a minimum of 24 hours prior to commencing work.

Work to be completed by March 06, 2017.

- 1. Operator shall tag CIBP at 13,278' and place 25sx Class H Cement on top. WOC and tag.**
- 2. Operator shall place a solid Class H Cement plug from 12,890'-12,660' to seal the top of the Morrow formation.**

Note: Operator may combine plug 1 and 2. Setting CIBP at 13,278' and cementing to 12,660' if desired. WOC and tag.

- 3. Operator shall place a solid Class H Cement plug from 10,859'-10,651' to seal the top of the Wolfcamp formation.**
- 4. Operator shall place a solid Class H Cement plug from 10,596'-10,396' to seal the DV tool. WOC and tag.**

Note: Operator may combine plug 2 and 3 to place one Class H Cement plug from 10,859'-10,396'. WOC and tag.

- 5. Operator shall place a solid Class H Cement plug from 8,251-8,071' to seal the top of the Bone Spring formation.**
- 6. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails**
- 7. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.**
- 8. Surface disturbance beyond the originally approved pad must have prior approval.**
- 9. Closed loop system required.**

10. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
11. Operator to have H2S monitoring equipment on location.
12. A minimum of a **5000 (5M)** BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (5M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
13. **Subsequent sundry required detailing work done, C-102 form, and completion report with the new formation. Operator to include well bore schematic of current well condition when work is complete.**
14. See attached for general requirements.

JAM 120716

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

Permanent Abandonment of Production Zone Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from this approval.

If you are unable to plug back the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat Class "C"**, for up to 7,500 feet of depth or **Neat Class "H"**, for deeper than 7,500 feet plugs.

6. **Subsequent Plug back Reporting:** Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date work was completed.**

7. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.