approximation of the form 3160-3 (APD) for such proposals. JUL ()         Submit in the form 3160-3 (APD) for such proposals. JUL ()         Submit in the form 3160-3 (APD) for such proposals. JUL ()         Submit in the form 3160-3 (APD) for such proposals. JUL ()         Submit in the form 3160-3 (APD) for such proposals. JUL ()         Submit in the form 3160-3 (APD) for such proposals. JUL ()         Submit in the form 3160-3 (APD) for such proposals. JUL ()         Submit in the form 3160-3 (APD) for such proposals. JUL ()         Submit in the form 3160-3 (APD) for such proposals. JUL ()         1 If Unit or CA/Agreement, Name and/or No.         Mill Case Well       Gas Well ()         Contact:       DENISE PINKERTON         Sold Well ()       Gas Well ()         Contact:       DENISE PINKERTON         Sold Well ()       Sold Well ()         Sold Well ()       Contact:         Denis of Operator       Contact:         Check Kapper ()       Contact:         Denis of Well ()       Fordage, Sec., T., R., M., or Survey Description)         Sec 29 T18S R32E Mer NMP NWSW 1980FSL 990FWL       11. County or Parish, and State         LEA COUNTY, NM       LEA COUNTY, NM          Acidize	Form 3160-55 CCP (August 2007) DI B SUNDRY Do, not use th	UNITED STATE: EPARTMENT OF THE I UREAU OF LAND MANA	S NTERIOR	CD Hot	bbs BS OCD	OMB Expire	M APPROVED NO. 1004-0135 es: July 31, 2010
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2. Name of Operator         Contract         DENSE PINKERTON         9. API with two hospital control of the standard environ com           13. Address         School U.S.A. INC.         E-Mail: leaded@charven.com         10. Field will how		her	<u>F</u>				
15       SMITH ROAD MIDLAND, XT 9705       Ph: 432-637-7375       LUSK; NORTH         4. Location of Well       (Frenuez, Sec. J. R. M. or Survey Diace/prime)       11. Country of Patrish, and State         5. Sec. 29 TIAS R32E Mer NMP NWSW 1990FSL 990FWL       11. Country of Patrish, and State       LEA COUNTY, NM         12. CHECK APPROPRIATE BOX(ISS) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA       TYPE OF SUBMISSION       Water Shut-Off         13. Describe Program       Acidize       Description       Reclamation       Water Shut-Off         14. Subsequent Report       Casing Repair       New Construction       Recomplete       Woll Integrity         15. Describe Progreed or Completed Operation (clearly state all prefixed data functions all networks depliced with and approximate data functions and approximate and approximate data functions and approximate data functio	2. Name of Operator	ne of Operator Contact: DENISE PINKERTON					
Sec 29 TIBS R32E Mer NMP NWSW 1980FSL 990FWL       LEA COUNTY, NM         12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA         TYPE OF SUBMISSION       TYPE OF ACTION         YPE OF SUBMISSION       IVPE OF ACTION         Subsequent Report       Casing Repair         Subsequent Report       Casing Repair         Casing Repair       New Construction         Caser to Injection       Other Plag Back         The proposal is to deepen directionally or recomplete benzontally, give subsaffae locations and measured and true serical days of all perimen markers and zones. Attach the Back Mark and the serie ready of reading the Solar and the serie ready of the Solar benzontally, give subsaffae locations and measured and true series and the series ready to deal solar of the series and the series ready of reading readowner while the foreign and the Sub Solar and the series ready to deal solar of the series and the series ready to fash inspectrum         13 Deacthe Proposed or Completed Operation clearly state af perimen clearly in the MLMMAR. Agender state and the Solar and the series ready to deal solar days of the perimensus, including relaminent, back or and zones. Attem the Solar and zones. The Solar and	15 SMITH ROAD						
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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 recomplete horizontally, give subsurface locations and massured and true vertical depths of all pertinent markers and zones.     Attach the Bond under which the work will be performed to provide the Band No. on file with BLM/BIA. Required subsequent reports shall be file duration of 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 shall be file durated     determined that the site is ready for final inspection.)     AFTER FLARING DUE TO LACK OF A SALES GAS LINE, WHICH COMMENCED ON MARSH 14, 2013, AND WAS REQUESTED     THROUGH JUNE 12, 2013, CHEVPRON IS REQUESTING TO FLARE AN ADDITIONAL TEXTING SUP TO HAVDROGEN     SULFIDE AND NITROGEN CONCENTRATIONS IN EXCESS OF ALLOWABLE LIMITS SET BY THE GAS GATHERING COMPANY.     TO RESOLVE THE H2S ISSUE, CHEVPRON IS INSTALLING AN H2S SCAVENGER SYSTEM WHICH INVOLVES PIPING     MODIFICATIONS WITHIN THE BATTERY. ALSO, A CHEMICAL SQUEZZE TO KILL H2S PRODUCING MICROBES WILL BE     SCHEDULED AND PERFORMED AFTER THE ESP PUMP IS REMOVED FROM THE WELL. THE HIGH NITROGEN ISSUE IS     BEING ADDRESSED THROUGH MARKETING AND POSSIBLE RENEGEDIATIONS OF FLE CONTRACT WITH THE GAS     GATHERING COMPANY. ENTERPRISE, ALSO, FRONTIER, AN ALTERNATIVE TO ENTERPRISE, IS BEING     INVESTIGATED. CHEVRON IS INSTALLING AND H20528 verified by the BLM Well Information System     For CHEVRON U.S.A. INC. sent to the hobbs     Committed to AFMSS for processing by JERNY BLAKLEY on 05/20/2013 ()     Interesting that the foregoing is true and correct.     Electronic Submission #207528 verified by the BLM Well Information System     For CHEVRON U.S.A. INC. sent to the hobbs     Committed to AFMSS for processing by JERNY BLAKLEY on 05/20/2013 ()     Interesting the splice on the sole	Subsequent Report	<ul> <li>Alter Casing</li> <li>Casing Repair</li> <li>Change Plans</li> </ul>	Alter Casing       □ Fracture Treat       □ Reclam         Casing Repair       □ New Construction       □ Recomp         Change Plans       □ Plug and Abandon       □ Tempor			ation lete arily Abandon	☐ Well Integrity ⊠ Other Venting and/or Flari
For CHEVRON U.S.A. INC., sent to the Hobbs Committed to AFMSS for processing by JERRY BLAKLEY on 05/20/2013 ()         Name(Printed/Typed)       DENISE PINKERTON       Title       REGULATORY SPECIALIST         Signature       (Electronic Submission)       Date       05/15/2013         THIS SPACE FOR FEDERAL OR STATE OFFOSPECIALIST         Approved By       Title       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 shitle the applicant to conduct operations thereon.       Office       JUN 2.7 2013         Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowing!>BUREAU/UEF IPAWIC MANAGEPINET or gency of the United	If the proposal is to deepen direction Attach the Bond under which the wo following completion of the involved testing has been completed. Final A determined that the site is ready for f AFTER FLARING DUE TO L/ THROUGH JUNE 12, 2013, C SULFIDE AND NITROGEN C TO RESOLVE THE H2S ISSU MODIFICATIONS WITHIN TH SCHEDULED AND PERFOR BEING ADDRESSED THROU GATHERING COMPANY, EN INVESTIGATED. CHEVRON THIS WELL FOR AN ADDITIO 2013. SUBJE	ally or recomplete horizontally, rk will be performed or provide d operations. If the operation re- bandonment Notices shall be file inal inspection.) ACK OF A SALES GAS LI CHEVRON IS REQUESTIN ONCENTRATIONS IN EX- JE, CHEVRON IS INSTAL E BATTERY. ALSO, A C MED AFTER THE ESP PI JGH MARKETING AND P TERPRISE. ALSO, FRO IS HEREBY REQUESTIN DNAL 120 DAYS BEYON CCT TO LIKE VAL BY STATE	give subsurface locations the Bond No. on file with sults in a multiple comple ed only after all requiremed NG TO FLARE AN A KCESS OF ALLOWA LLING AN H2S SCAY CHEMICAL SQUEEZ UMP IS REMOVED I POSSIBLE RENEGO NTIER, AN ALTERN NG THAT IT BE ALL D THE INITIAL 90 D, COM S ON Y	and measure and measure BLM/BIA. tion or recon ents, includin ENCED OI DDITION/ BLE LIMIT VENGER S E TO KILL FROM THI TIATIONS ATIVE TO OWED TO ATIS OF F	d and true ve Required sul opletion in a r g reclamation N MARSH AL 120 DA S SET BY SYSTEM V H2S PRC E WELL. 1 OF THE C E WELL. 1 OF THE C E WELL. 1 OF THE C E NTERPH FLARE TI LARING, C SE CONDI	rtical depths of all per ssequent reports shall new interval, a Form 3 n, have been complete 14, 2013, AND W YS DUE TO HYDI THE GAS GATH VHICH INVOLVES DUCING MICRO THE HIGH NITRO CONTRACT WITH RISE, IS BEING HE CASINGHEAE OR UNTIL OCTOE <b>E ATTACHI</b> (TIONS OF A	tinent markers and zones. be filed within 30 days 160-4 shall be filed once d, and the operator has AS REQUESTED ROGEN ERING COMPANY. S PIPING BES WILL BE GEN ISSUE IS THE GAS O GAS FROM BER 10, ED FOR
THIS SPACE FOR FEDERAL OR STATE OFFICE FOR S	Name(Printed/Typed) DENISE F	For CHEV Committed to AFMSS fo	RON U.S.A. INC., ser processing by JERF	nt to the Ho RY BLAKLE	bbs EY on 05/20,	/2013 ()	
Approved By	Signature (Electronic S						
Conditions of approval, if and, 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 writtle the applicant to conduct operations thereon. Office Offi		THIS SPACE FO	OR FEDERAL OR	STATE O	APP DE	<b>DVFD</b>	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly BUREAU OF LAND MANAGEMENT or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its junisdiction CARL SRAD FIELD OFFICE	Conditions of approval, if any, are attache certify that the opplicant holds legal or equivilent would writtle the applicant to condu- which would writtle the applicant to condu-	itable title to those rights in the of operations thereon.	not warrant or subject lease Office				Kas
	Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a statements or representations as	crime for any person know to any matter within its ju	wingly <b>Burke</b>	AU OF LAN ARI SBAD F	D <sup>e</sup> MANAGEMENT <sup>1</sup> IELD OFFICE	or agency of the United

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## Additional data for EC transaction #207528 that would not fit on the form

## 32. Additional remarks, continued

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CHEVRON WILL CONTINUE TO MEASURE FLARED GAS VOLUMES AND REPORT ACCORDINGLY TO THE BLM FOR ROYALTY PAYMENTS.

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

## 6/27/2013 Condition of Approval to Flare Gas

- 1. Report all volumes on OGOR reports.
- 2. Comply with NTL-4A requirements
- 3. Subject to like approval from NMOCD
- 4. Flared volumes will still require payment of royalties
- 5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5.
- 6. This approval does not authorize any additional surface disturbance.
- 7. Submit updated facility diagram as per Onshore Order #3.
- 8. Approval not to exceed 90 days for date of approval.
- 9. Submit Subsequent Report with actual volumes of gas flared for each month gas is flared.
- 10. If flaring is still required past 90 days submit new request for approval.
- 11. If a portable unit is used to flare gas it must be monitored at all times.
- 12. Comply with any restrictions or regulations when on State or Fee surface.

JDB6272013