OCD Hobbs Form 3160-5 FORM APPROVED **UNITED STATES** (August 2007) OMB NO. 1004-0135 DEPARTMENT OF THE INTERIOR Expires: July 31, 2010 BUREAU OF LAND MANAGEMENT 5. Lease Serial No. SUNDRY NOTICES AND REPORTS ON WELLS HOBBS OCE NMNM86172 Do not use this form for proposals to drill or to re-enter an 6. If Indian, Allottee or Tribe Name abandoned well. Use form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side. 8. Well Name and No. APPLESEED FEDERAL 1 1. Type of Well RECEIVED 🖾 Oil Well 🔲 Gas Well 🔲 Other Name of Operator CHEVRON USA INC Contact: RANDI N ATHERTON API Well No. E-Mail: RANDIATHERTON@CHEVRON.COM 30-025-20377 3a. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory Ph: 432-687-7104 15 SMITH RD MIDLAND, TX 79705 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, and State Sec 17 T20S R35E Mer NMP 1980FNL 660FEL HOBBS COUNTY, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION ☐ Production (Start/Resume) ■ Water Shut-Off □ Acidize Deepen Notice of Intent ☐ Alter Casing ☐ Fracture Treat ☐ Reclamation ■ Well Integrity □ Subsequent Report Casing Repair ■ New Construction □ Recomplete Other Successor of Operato □ Plug and Abandon ☐ Final Abandonment Notice □ Change Plans ☐ Temporarily Abandon ☐ Convert to Injection ☐ Plug Back ■ Water Disposal 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thercof. If the proposal is to deepen directionally or recomplete 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 shall 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 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.) CHANGE OF OPERATOR WAS FILED AND APPROVED BY THE NMOCD FOR THE SUBJECT WELL. PREVIOUS OPERATOR: CHESAPEAKE (147179) NEW OPERATOR: CHEVRON U.S.A. INC. (4323) EFFECTIVE DATE OF CHANGE: 01/15/2013 The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described above. SEE ATTACHED FOR Bond Coverage: CA0329 SUBJECT TO LIKE **CONDITIONS OF APPROVAL** APPROVAL BY STATE DKMW/OCD 2-11-14

14. I hereby certify that the foregoing is true and correct Electronic Submission #205860 verified by the BLM Well Information System
For CHEVRON USA INC, sent to the Hobbs
Committed to AFMSS for processing by KURT SIMMONS on 05/02/2013 () Name (Printed/Typed) RANDI N ATHERTON Title OFFICE ASSISTANT Signature (Electronic Submission) Date 05/01/2013 THIS SPACE FOR FEDERAL OR STATE OFFLICE Title Date Approved By Conditions of approval, if any are attached. Approval of this potice 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 MANIESTIMENT agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. CARLSBAD FIELD OFFICE

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.