<b>-</b>	В	m 3160-5 UNITED STATES OCD HODDS					FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010 5. Lease Serial No. NMNM67986 6. If Indian, Allottee or Tribe Name			
							7. If Unit or CA/Agreement, Name and/or No.			
	1. Type of Well Oil Well 🖸 Gas Well 🗖 Otl	JAN 31 2014		8. Well Name and No. XION FEDERAL 1						
	2. Name of Operator CHEVRON U.S.A. INC	Name of Operator     Contact:     DENISE P       CHEVRON U.S.A. INC.     E-Mail: leakejd@chevron.com       a. Address     3b. Phone			Êîved	9. API Well No. 30-025-27846				
					Phone No. (include area code) 432-687-7375			10. Field and Pool, or Exploratory N/A		
						11. County or Parish, and State				
	Sec 18 T18S R32E Mer NMP	Sec 18 T18S R32E Mer NMP 660FNL 660FEL 🦯				LEA COUNTY, NM				
	12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA									
	TYPE OF SUBMISSION	TYPE OF SUBMISSION TYPE OF ACTION					i			
	Notice of Intent	Acidize Alter Casing	<ul> <li>Deepen</li> <li>Fracture Treat</li> </ul>		Product	ion (Start/Resume)	□ Water Shut-Off			
	Subsequent Report			□ New Construction □ Rec			Well Integrity Ø Other			
	Final Abandonment Notice	Change Plans	🗖 Plug	—		arily Abandon	Successor of Operato r			
	13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration there If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zon 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, a Form 3160-4 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.								_		
Bodn Coverage: CA0329 SUBJECT TO LIKE APPROVAL BY STATE MW/OCD 2-11-14 SEE ATTACHED FOR CONDITIONS OF APPROVAL										
14. I hereby certify that the foregoing is true and correct. Electronic Submission #205839 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 P		•	ATORY SPE	0					
Signature (Electronic Submission) Date 05/01/2013										
THIS SPACE FOR FEDERAL OR STATE OFFICE DEEPKEVICUL										
¢	Approved By Conditions of approval, if any are attached ertify that the applicant holds legal or equi which would envite the applicant to conduc	itable title to those sights in the s	ubject lease	Title		IAN 2 8 2014	Da			
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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.										

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

FEB 1 1 2014

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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.