UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

Carlsbad SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

5. Lease Serial No. NMLC057509

Do not use thi abandoned we	s form for proposals to II. Use form 3160-3 (AP	drill or to re-enter an D) for such proposals.	OCD Dieldia Oli	ttee or Tribe Name	
SUBMIT IN TRIPLICATE - Other instructions on reverse side.				Allottee or Tribe Name	
Type of Well	ner		8. Well Name and No. GL ERWIN B NCT2 10		
 Name of Operator CHEVRON USA INCORPORA 	Contact: ATED E-Mail: djvo@chev	9. API Well No. 30-025-338			
3a. Address 15 SMITH ROAD MIDLAND, TX 79705		3b. Phone No. (include area coo Ph: 432-687-7631	de) 10. Field and Po JUSTIS	Field and Pool, or Exploratory JUSTIS	
4. Location of Well (Footage, Sec., T	, R., M., or Survey Description		11. County or Pa	11. County or Parish, and State	
Sec 35 T24S R37E NESE 245	50FSL 1225FEL		LEA COUN	ITY, NM	
12. CHECK APPI	ROPRIATE BOX(ES) TO	O INDICATE NATURE OF	F NOTICE, REPORT, OR O	THER DATA	
TYPE OF SUBMISSION		TYPE	OF ACTION		
Notice of Intent	☐ Acidize	□ Deepen	☐ Production (Start/Resum	e) Water Shut-Off	
	☐ Alter Casing	☐ Fracture Treat	□ Reclamation	■ Well Integrity	
☐ Subsequent Report	□ Casing Repair	■ New Construction	☐ Recomplete	Other	
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	▼ Temporarily Abandon		
	☐ Convert to Injection	☐ Plug Back	■ Water Disposal		
following completion of the involved testing has been completed. Final At determined that the site is ready for f. Chevron respectfully requests Chevron Plans to: MIRU; Pull rods and tubing; rucirculate packer fluid; pull tubi	inal inspection.) to temporarily abandon virus in CIBP using wireline;	well for length of abandonme	ent up to one year.	m 3160-4 shall be filed once leted, and the operator has M OIL CONSERVATION ARTESIA DISTRICT APR 0 6 2016	
Current and proposed wellbor	e diagrams attached alor	ng with the justification.	SEE ATTACH	RECEIVED ED FOR	
			CONDITIONS	OF APPROVAL	
14. I hereby certify that the foregoing is	Electronic Submission # For CHEVRON	334887 verified by the BLM W USA INCORPORATED, sent	Vell Information System to the Hobbs on 03/30/2016 (16PP0506SE)		
	K FUENTES		JLATORY SPECIALIST		
Signature (Electronic S	Submission)	Date 03/29	/2016		
	THIS SPACE FO	OR FEDERAL OR STAT	E OFFICE REFIVED		
Approved By PETROLEUM ENGINEER		Title	7.11.11.01.20	Date	
onditions of approval, if any, are attache ertify that the applicant holds legal or equivalent would entitle the applicant to conductive the conductive to conductive the applicant to conductive the	litable title to those rights in the	s not warrant or e subject lease Office	MAR 3 1 2016 gku Muchlis Krueng		

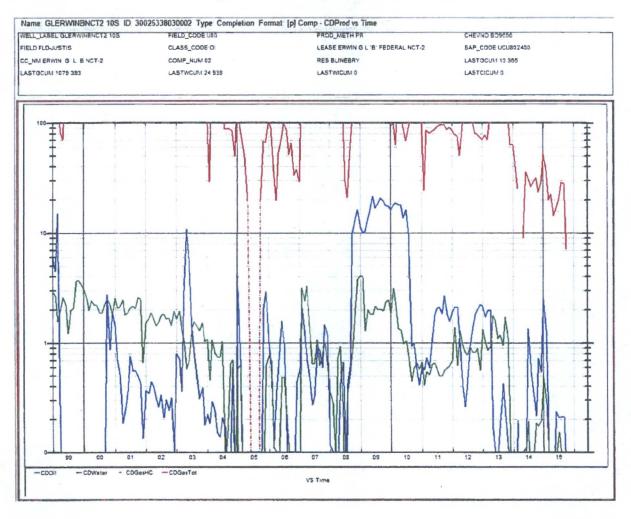
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to an agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. CARLSBAD FIELD OFFICE

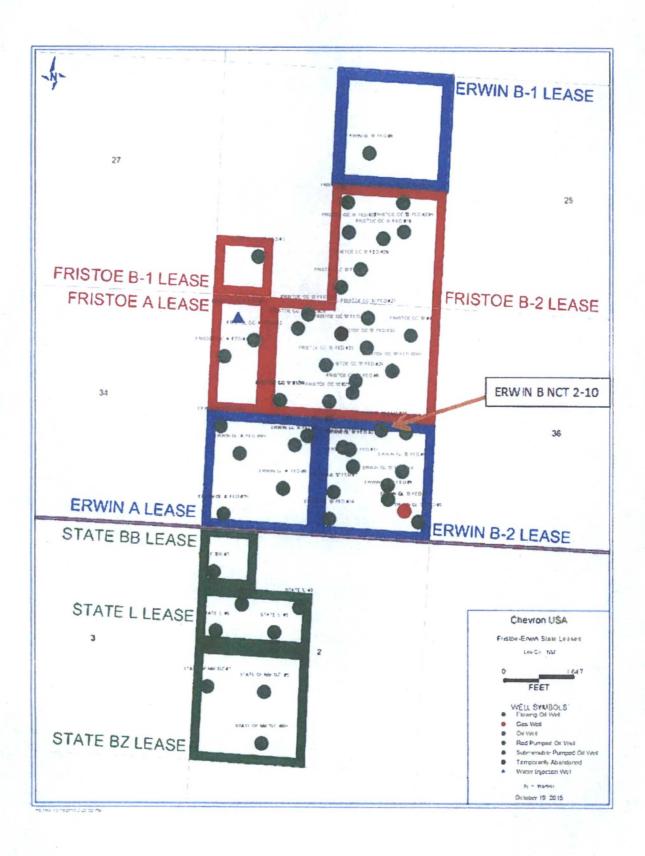


Erwin B NCT 2 -10 Temporary Abandonment Justification

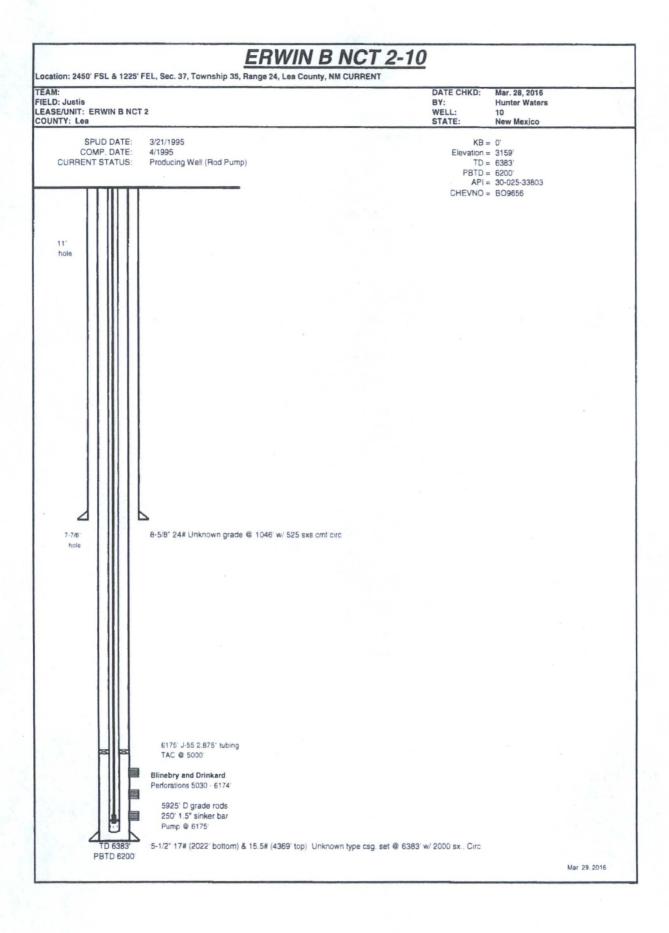
The Erwin B NCT 2-10 (Justis field) is producing from the Blinebry and Drinkard formations and has been identified as a viable waterflood target. The Erwin B NCT 2-10 is also a recompletion candidate to the Seven Rivers and Queen formations. The Erwin B NCT 2-10 is being requested to be Temporarily Abandoned for its uneconomic primary production rate but Chevron would like to retain this wellbore for the proposed waterflood development or recompletion.

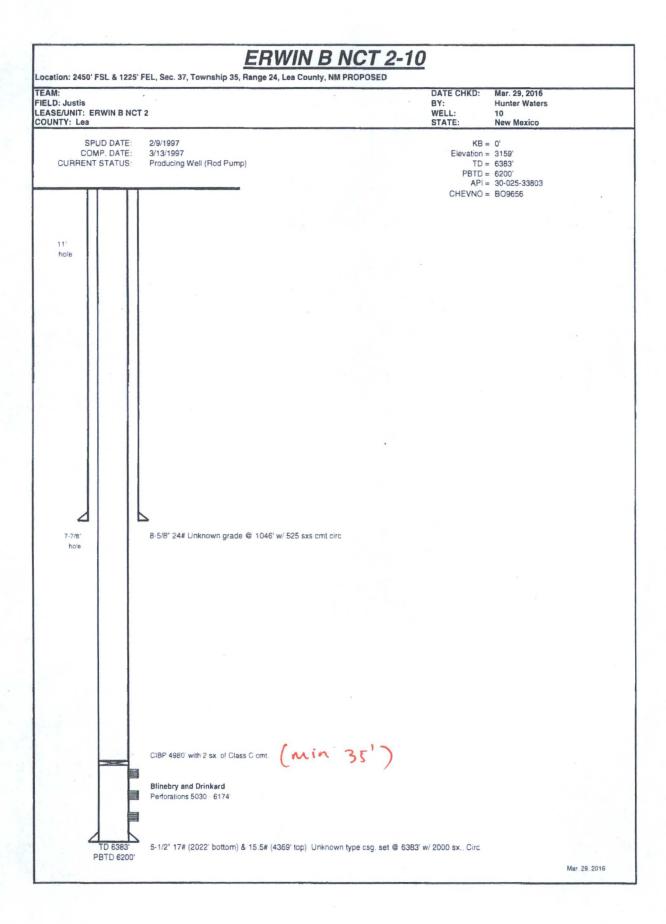
Erwin B NCT 2-10 Production Rate (green is oil, red is gas, and blue is water).





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

Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

- A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. CIBP must be capped with minimum 25 sacks cement, **placed with tubing**.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
- 3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...

Wells that successfully pass the casing integrity test **may** be approved for Temporary Abandonment (TA) status provided that the operator:

- Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval with well bore diagram with all perforations and CIBP's and tops of cement on CIBP's.
- 2. Describes the temporary abandonment procedure.
- 3. Attaches a clear copy or the original of the pressure test chart.
- 4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- 1. A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.

GL ERWIN B NCT2 10 30-025-33803-00-C1

- 1. Well may be approved to be TA/SI for a period of 12 months or until 03/31/2017 after successful MIT and subsequent report is submitted.
- 2. This will be the last TA approval for this well.
- 3. Contact BLM 24 Hrs. prior to setting of plugs so as it may be witnessed.

