Form 3160-5 (August 2007)

(Instructions on page 2)

## **UNITED STATES** DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB No 1004-0137 Expires July 31, 2010

5 Lease Serial No NM 98120

## SUNDRY NOTICES AND REPORTS ON WELLS

	form for proposals to dr Use Form 3160-3 (APD)		6 If Indian, Allottee o	ir frine Name	
SUBMI	T IN TRIPLICATE – Other instru	7 If Unit of CA/Agree	7 If Unit of CA/Agreement, Name and/or No		
1 Type of Well			NM 7/2	NM 7/2 30C	
Oil Well Gas Well Other			8 Well Name and No SKELLY UNIT #678	8 Well Name and No SKELLY UNIT #678	
2 Name of Operator CHEVRON U.S.A. INC			9 API Well No 30-015-37474	9 API Well No 30-015-37474	
3a Address 15 SMITH ROAD MIDLAND, TEXAS 79705		Phone No <i>(include area code)</i> -687-7375	10 Field and Pool or FREN	Exploratory Area	
4 Location of Well <i>(Footage, Sec., T.R. M., or Survey Description)</i> 2500 FNL, 990 FWL, UL E, SEC 14, T-17S, R-31E			· · · · · ·	11 Country or Parish, State EDDY COUNTY, NEW MEXICO	
12 CHEC	CK THE APPROPRIATE BOX(ES	S) TO INDICATE NATURE (	OF NOTICE, REPORT OR OTH	ER DATA	
TYPE OF SUBMISSION		TYPE	OF ACTION		
✓ Notice of Intent	Acidize Alter Casing Casing Repair	Deepen Fracture Treat New Construction	Production (Start/Resume) Reclamation Recomplete	Water Shut-Off Well Integrity  Other CHANGE OF	
Subsequent Report	Change Plans	Plug and Abandon	Temporarily Abandon	OPERATOR	
Final Abandonment Notice	Convert to Injection	Plug Back	Water Disposal	•	
determined that the site is ready for CHEVRON U.S.A. INC. ACCEPTS EFFECTIVE 10-06-2010	ALL RESPONSIBILITY FOR T	HE OPERATION OF THE S	SUBJECT WELL	•	
PREVIOUS OPERATOR WAS CO	3 OPERATING LLC.				
SEE ATTACHED FOR CONDITIONS OF APPROVAL			A F	PROVED  SEP 2 9 2011  D Whitlock Jr  OF LAND MANAGEMENT SBAD FIELD OFFICE	
DENISE PINKERTON	The and correct Name (17 mew 1)p		ORY SPECIALIST	1.11	
Signature De Wile J	lu Kerton	Date 09/14/201	///	Dode 1919/11	
	THIS SPACE FO	R FEDERAL OR STA	TE OFFICE USE	ECEIDAN	
Approved by	v	Trale		OCT 03 ZOT	
Conditions of approval if any are attache that the applicant holds legal or equitable entitle the applicant to conduct operations	title to those rights in the subject least			OCT US 2011  OCT US 2011  MOCD ARTESIA	
Title 18 U.S.C. Section 1001 and Title 43			willfully to make to any departme	nt or agency of the United States any false.	

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

## **Conditions of Approval**

## Chevron U.S.A. Inc.

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. All above ground structures and equipment on the lease shall be painted Shale Green (5Y 4/2). This is to be done within 90 days, if you have not already done so.
- 3. Submit for approval of water disposal method.
- 4. Submit updated facility diagrams as per Onshore Order #3
- 5. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 6. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 7. 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.
- 8. Subject to like approval by NMOCD.