

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

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

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
NMNM13406

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.  
FEDERAL BN 1

9. API Well No.  
30-015-23498-00-S1

10. Field and Pool, or Exploratory  
HAPPY VALLEY

11. County or Parish, and State  
EDDY COUNTY, NM

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
CHEVRON USA INCORPORATED

Contact: CINDY H MURILLO  
E-Mail: CHERRAMURILLO@CHEVRON.COM

3a. Address  
15 SMITH ROAD  
MIDLAND, TX 79705

3b. Phone No. (include area code)  
Ph: 575-263-0431  
Fx: 575-263-0445

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 17 T22S R26E SENE

**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Onshore Order Variance
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 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.)

CHEVRON USA INC IS REQUESTING TO HAVE THE ABOVE WELL THAT FLOWS LESS THAN 100 MCF. BRANDON HYER HAS SPOKE TO JIM AMOS @ BLM REGARDING CALIBRATING THIS WELL SEMI-ANNUALLY. IF YOU HAVE ANY QUESTIONS, PLEASE CONTACT BRANDON HYER/GAS MEASUREMENT SPECIALIST AT 432-294-3853. PLEASE FIND METER TYPE, OPERATOR, METER NAME, API# AND METER WITH FLOW RATE. THESE WELLS ARE ALL ON THE SAME LEASE.

METER TYPE	OPERATOR	METER NAME	API#	METER#	FLOW RATE
ALLOCATION	CHEVRON	FEDERAL BN #1	30-015-23498	2300150115	24
ALLOCATION	CHEVRON	FEDERAL BN #2	30-015-32721	2300150116	1

**NM OIL CONSERVATION**  
ARTESIA DISTRICT

MAY 03 2016

Accepted for record  
MAY 03 2016

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #334457 verified by the BLM Well Information System  
For CHEVRON USA INCORPORATED, sent to the Carlsbad  
Committed to AFMSS for processing by PRISCILLA PEREZ on 04/12/2016 (16PP0896SE)

Name (Printed/Typed) CINDY H MURILLO Title PERMITTING SPECIALIST

Signature (Electronic Submission) Date 03/23/2016

RECEIVED

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By [Signature] Title Petroleum Engineer Date 4/25/2016

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 entitle the applicant to conduct operations thereon.

Office Carlsbad Field 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 any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

## **Bureau of Land Management**

Carlsbad Field Office and Hobbs Field Station  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972

### **Conditions of Approval**

**Chevron USA Inc.**

**Federal BN 1**

**NM 13406**

**3001523498**

1. This variance is for Chevron USA Inc. low volume gas producing wells.
  - a. Low volume as per this approval will be 100 MCF/D or less on a monthly basis.
2. As per NTL 92-5 you are approve to do semi-annually meter calibrations.
3. If any other well is added to the battery the variance will have to be resubmitted and be reevaluated at that time.
4. If at any time the operator produces more than 100' MCF/D on a monthly basis this approval is withdrawn at that time.
5. All other requirements of Onshore Order #5 Measurement of Gas still applies to this approval.