Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR-HOBBET 0 6 20 0

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

BUREAU OF LAND MANAGEMENT

5-Lease Serial No

	HUDDSUK	JNHM-10185
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.		6 If Indian, Allottee or Tribe Name N/A
SUBMIT IN TRIPLICATE – Other instructions on page 2.		7 If Unit of CA/Agreement, Name and/or No N/A
1 Type of Well ☑ Oil Well ☐ Gas Well ☐ Other	. /	8 Well Name and No WEST DOLLARHIDE DRINKARD UNIT #159
2 Name of Operator CHEVRON U.S.A. INC.		9 API Well No. 30-025-33480
3a Address 15 SMITH ROAD MIDLAND, TEXAS 79705	3b. Phone No (include area code) 432-6887-7375	10 Field and Pool or Exploratory Area DOLLARHIDE TUBB DRINKARD
4 Location of Well (Footage, Sec., T.R.M., or Survey Descri 990 FSL, & 600 FEL, UL P, SECTION 30, T-24S, R-38E	ption)	11 Country or Parish, State LEA COUNTY, NEW MEXICO
12 CHECK THE APPROPRIAT	E BOX(ES) TO INDICATE NATURE OF NOTICE	CE, REPORT OR OTHER DATA
TYPE OF SUBMISSION	TYPE OF ACT	TION
Notice of Intent Acidize Alter Casing		duction (Start/Resume) Water Shut-Off lamation Well Integrity
Subsequent Report Casing Repair Change Plans	Plug and Abandon Tem	omplete
Final Abandonment Notice Convert to Inject		er Disposal ate of any proposed work and approximate duration thereof. If
following completion of the involved operations. If the o testing has been completed. Final Abandonment Notices determined that the site is ready for final inspection.) THE ORIGINAL REQUEST FOR TA EXTENSION WAS IVONE WARDELL, CHEVRON ENGINEER CONTACTE MR. INGRAM GAVE APPROVAL TO EXTEND THE TA	must be filed only after all requirements, including REJECTED ON 08-24-2010, BY WESLEY IN D MR. INGRAM AND PLEADED THE JUSTII	GRAM.
PLEASE FIND ATTACHED, THE WRITTEN JUSTIFICA	TION TO EXTEND THE TA STATUS.	ADDDOVED
	IS OF APPROVAL	APPROVED OCT 4 2010 /s/ JD Whitlock Jr BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE
LAST Brod 3/2000 14 I hereby certify that the foregoing is true and correct Name (Printed/Tyned)	
DENISE PINKERTON	Tyto REGULATORY SE	PECIALIST.
Signature (Ruse Lin Her)	Date 09/21/2010 ACE FOR FEDERAL OR STATE OF	The state of the s
THIS SPA	ACE FOR FEDERAL OR STATE OF	FICE USE
Approved by		OCT 0.7.2010

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 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

Office CC.

(Instructions on page 2)



OCT 0 7 2010

Date

WEST DOLLARHIDE DRINKARD UNIT 2010 20-acre INFILL DRILLING PROPOSAL

08/04/10 CPDEP Phase III

Project Overview

Chevron requests that the TA status of WDDU 159 be extended until April 2011. Chevron is drilling 3 wells in the North of the field not far from the WDDU 159 location. The results of the new drills will help justify the continued drilling and waterflooding of the North of the field. If the new drills are economic, and expansion is justified, WDDU 159 will be utilized as part of the waterflood revitalization for the North of the field. Drilling is scheduled to begin Nov 12, 2010 and end Mar 30, 20 M,By April 2011, Chevron will submit plans to either reactivate or plug WDDU 159.

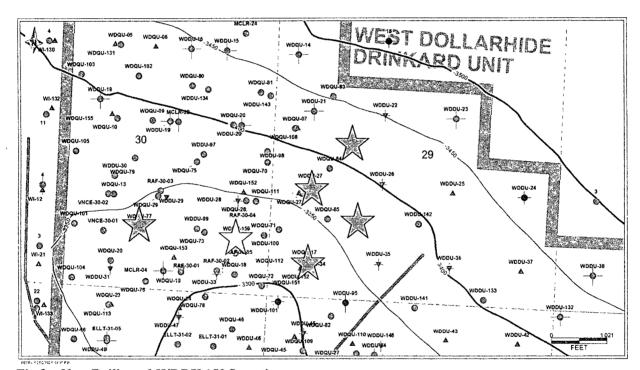


Fig 3 - New Drills and WDDU 159 Locations

☆ New drill producer
☆ Reactivation WIW
☆ WDDU 159

Legend:

BUREAU OF LAND MANAGEMENT Carlsbad Field Office 620 East Greene Street Carlsbad, New 15070 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:

- 1. 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.
 - 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.

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:

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

West Dollarhide Drinkard Unit #159. Well may be approved to be TA/SI for a period of 6 months until 4/1/2011 after successful MIT and subsequent report with well bore diagram is submitted. This will be the only TA approval for this well. Well must be P&A or plans to return to beneficial use submitted by April 1, 2011.