

OCD-ARTESIA

Form 3160-5  
(August 2007)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No 1004-0137  
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  
NMNM-98122

6 If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** – Other instructions on page 2

1 Type of Well  
 Oil Well     Gas Well     Other

2 Name of Operator  
CHEVRON USA INC.

3a Address  
15 SMITH ROAD  
MIDLAND, TEXAS 79705

3b Phone No (include area code)  
432-687-7375

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)  
SEC 21, T-17S, R-31E, 1650 FSL, 2310 FWL, UNIT K

7 If Unit of CA/Agreement, Name and/or No  
NMNM71030X

8 Well Name and No  
SKELLY UNIT #722

9 API Well No.  
30-015-38377

10 Field and Pool or Exploratory Area  
FREN; GLORIETA-YESO

11 Country or Parish, State  
EDDY COUNTY, NEW MEXICO

12 CHECK THE 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 <u>CHANGE OF OPERATOR</u>
	<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 recompleat 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 U.S.A. INC ACCEPTS ALL RESPONSIBILITY FOR THE OPERATION OF THE SUBJECT WELL EFFECTIVE 11-14-2011

PREVIOUS OPERATOR WAS COG OPERATING LLC.

CHANGE OF OPERATOR WAS FILED WITH THE NMOCD AND APPROVED UNDER PERMIT #137366.

SEE ATTACHED FOR  
CONDITIONS OF APP

**RECEIVED**  
MAY 15 2012  
NMOCD ARTESIA

**APPROVED**  
MAY 13 2012  
/s/ JD Whitlock Jr  
BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

14 I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
DENISE PINKERTON

Title REGULATORY SPECIALIST

Signature *Denise Pinkerton* Date 11/15/2011

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

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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 \_\_\_\_\_

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.

(Instructions on page 2)

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

**Conditions of Approval**

**Chevron USA Inc.  
Skelly Unit #707, 714, 715, 722, 725  
NM71030C**

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. **Submit plan for approval of well operations for all TA/SI wells within 30 days of this approval to change operator.**

**43 CFR 3162.3-4 (C) requires that wells incapable of production in paying quantities be promptly plugged and abandoned....**

**Wells are not producing in paying quantities.**