

Carlsbad Field Office
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 MAY 12 2014
 NMOCD ARTESIA

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT

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.
 NMNM95630

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
 NMNM101669

8. Well Name and No.
 CROW FLATS 11 FEDERAL COM 1

9. API Well No.
 30-015-30592

10. Field and Pool, or Exploratory
 DIAMOND MOUND, MORROW

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

3a. Address
 15 SMITH RD
 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 11 T16S R28E Mer NMP 1980FSL 660FWL

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

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 HAS SUBMITTED INTENT TO TA THE ABOVE WELL ON 02/11/2014 AND DID NOT JUSTIFY THE REASON FOR TEMPORARILY ABANDONMENT.

CHEVRON REQUESTS TA STATUS FOR THE CURRENT IDLE CROW FLATS 11 FEDERAL COM #1 FOR ~~X~~ YEARS IN ORDER TO EVALUATE RECOMPLETION POTENTIAL IN THE YESO AND OTHER UPHOLE INTERVALS. A NEARBY RECOMPLETION PLANNED THIS YEAR WILL HELP DETERMINE IF RECOMPLETION OF THE SUBJECT WELL IS ECONOMIC. INTENDED PROCEDURE AS FOLLOWS:

- MIRU AND KIIL WELL IF NEEDED.
- INSTALL BOP, RELEASE PACKER AT 9306' AND POOH WITH 2 3/8 TUBING.
- RIH WITH CIBP AND SET AT 9300+- (THE TOP SQUEEZED MORROW PERF IS 9372')
- BUMP BALL 35' OF CEMENT OF TOP OF CIBP. **2SSX TYPE H Cement**
- LOAD THE CASING WITH INHIBITED WATER AND PERFORM MIT TEST. NOTIFY THE BLM 24 HRS BEFORE THE MIT

9322'

Approved for 1 year Only

SEE ATTACHED FOR
 CONDITIONS OF APPROVAL

Accepted for record
 NMOCD RI
 5/15/15

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

Electronic Submission #243042 verified by the BLM Well Information System
 For CHEVRON USA INC, sent to the Carlsbad
 Committed to AFMSS for processing by DEBORAH HAM on 04/24/2014 ()

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

Signature (Electronic Submission) Date 04/22/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By *George D. Stehley* 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 _____

APPROVED
 MAY 6 2014
 BUREAU OF LAND MANAGEMENT
 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.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

SUBJECT TO LIKE
 APPROVAL BY STATE

Additional data for EC transaction #243042 that would not fit on the form

32. Additional remarks, continued

IS PERFORMED.

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

5/6/2014 Approved subject to conditions of approval.

CIBP to be set at approximately 9,322 feet.

25sx type H cement is to be placed with tubing on top of CIBP. This approval is for 1 year only which is until 5/6/2015. At this time the well must be returned to production or be plugged and abandoned. all paper work must be submitted for approval prior to any work being done. There will be no further extensions on this Temporary abandonment.

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. 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:

1. **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.