

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

OCD Artesia

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. NMNM33437
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. PMS 8 FEDERAL 8
9. API Well No. 30-015-26957-00-S1
10. Field and Pool, or Exploratory N SHUGART
11. County or Parish, and State EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator CHEVRON USA INCORPORATED	
Contact: DENISE PINKERTON E-Mail: leakejd@chevron.com	
3a. Address 15 SMITH ROAD MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 432-687-7375
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 8 T18S R31E SENE 1980FNL 510FEL	

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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" 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 shall 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 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 U.S.A. INC. RESPECTFULLY REQUESTS APPROVAL FOR TA STATUS FOR 1 YR FOR THE SUBJECT WELL. THIS WILL ALLOW US TIME TO REVIEW UPHOLE POTENTIAL AND INVESTIGATE SOME REPORTING DISCREPANCIES IN THE COMPLETED INTERVALS.

PLEASE FIND ATTACHED, CURRENT AND PROPOSED WELLBORE DIAGRAMS.

NM OIL CONSERVATION

ARTESIA DISTRICT

DEC 14 2015

Accepted for record
NMOC
RECEIVED

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #319401 verified by the BLM Well Information System For CHEVRON USA INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by JENNIFER SANCHEZ on 11/13/2015 (16JAS1130SE)	
Name (Printed/Typed) DENISE PINKERTON	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 10/12/2015

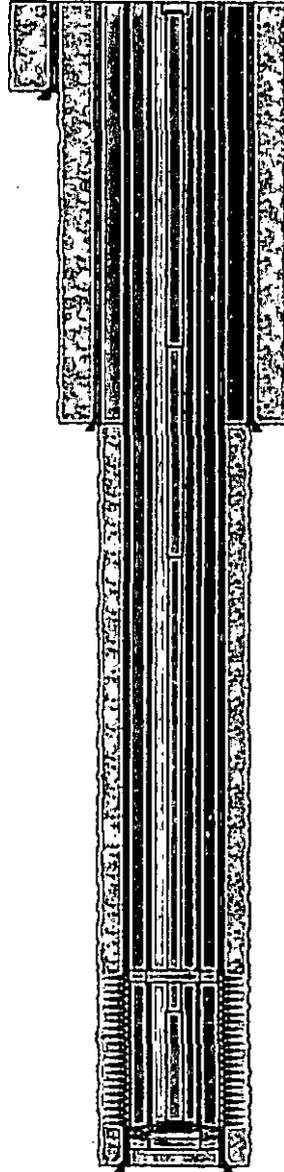
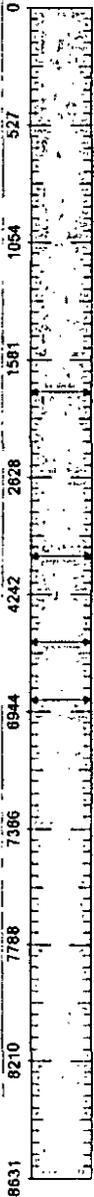
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>CHARLES NIMMER</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>12/09/2015</u>
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 <u>Carlsbad</u>

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.

Chevron U.S.A. Inc. Wellbore Diagram : PMS 8 FED 8

Lease: OEU EUNICE FMT		Well No.: PMS 8 FEDERAL 8 8		Field: SHUGART NORTH	
Location: 1980FNLS10FEL		Sec.: N/A		Blk:	
County: Eddy		St.: New Mexico		Refno: QU3027	
Section: 8		Township: 18 S		Range: 31 E	
Current Status: ACTIVE				Dead Man Anchors Test Date: NONE	
Directions:					



1.500 (1 1/2 in.) Spray Metal x 30
 1.000 (1 in.) (Unknown) x 2 Rod Sub @ (44...
 1.000 (1 in.) (Unknown) x 4 Rod Sub @ (46...
 1.000 (1 in.) (Unknown) x 8 Rod Sub @ (50...
 K-55 13.375 OD/ 54.50# Unknown Thread 1...
 Wellbore Hole OD-17.5000 @ (14-422)
 Cement (behind Casing) 500sx @ (14-422)
 Casing Shoe (13.375 OD Casing) @ (421-4...

60 - 1.000 (1 in.) (Unknown) x 25 Rod @ (5...

K-40 8.625 OD/ 32.00# 7.921 ID 7.796 Dr...
 Casing Shoe (8.625 OD Casing) @ (2161-2...
 Cement (behind Casing) 1300sx @ (14-2162)
 Wellbore Hole OD-12.2500 @ (422-2162)

84 - 0.875 (7/8 in.) (Unknown) x 25 Rod @ (...

J-55 2.875 OD/ 6.50# T&C External Upset ...
 Tubing Anchor/Catcher 2.875 @ (7913-7916)
 176 - 0.750 (3/4 in.) (Unknown) x 25 Rod ...
 16 - 1.000 (1 in.) (Unknown) x 25 Rod @ (8...
 J-55 2.875 OD/ 6.50# T&C External Upset ...
 Seat Nipple - Standard (2.875) Cup Type ...
 Rod Pump (Insert) (NON-SERIALIZED) - 25...
 Perforated Tubing Sub 2.875 @ (8475-8479)
 Perforations - Bone Spring - 4spf @ (7930-8...
 Perforated Tubing Sub 2.875 @ (8479-8485)
 Perforated Tubing Sub 2.875 @ (8485-8489)
 Mud Anchor 2.875 @ (8489-8519)
 Bull Plug (Unknown Type) - 2.875 @ (8519-...
 K-55 5.500 OD/ 17.00# Unknown Thread ...
 Casing Shoe (5.500 OD Casing) @ (8619-8...
 Wellbore Hole OD- 7.8750 @ (2162-8622)
 Cement (behind Casing) 1450sx @ (2158-8...
 Plug - Cement @ (8560-8622)

Ground Elevation (MSL): 3696.80	Spud Date: 03/07/1992	Compl. Date: 01/01/1800
Well Depth Datum: Kelly Bushing	Elevation (MSL): 3710.30	Correction Factor: 13.50
Last Updated by: keli	Date: 04/23/2015	

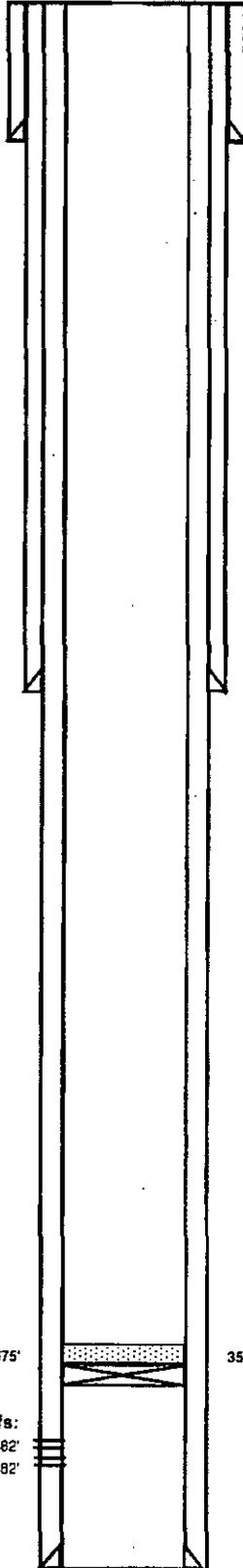
Well: PMS 8 Federal #8

Reservoir: Morrow - Bone Sprin
proposed: TA

Location:
1980 FNL 510 FEL
Section: 08, Unit Letter: H
Township: 18S
Range: 31E
County: Eddy State: NM

**Proposed
Wellbore Diagram**

Well ID Info:
Chevno:QU3027
API No: 3001526957



Surface Csg: K-55 13.375 OD/ 54.50# Unknown
Set: @ 422'
Hole Size: 17.5"
Circ: Yes **TOC:** Surface
TOC By: Circ

Intermediate Casing: K-40 8.625 OD/ 32.0
Set: @ 2162'
Hole Size: 12.25"
Circ: Yes **TOC:** surface
TOC By: circ

Proposed CIBP @ 7675' 35' cmt

Perfs:
7700 - 7662'
7930 - 8482'

Prod. Csg: K-55 5.500 OD/ 17.00# Unknown
Set: @ 8620'
Hole Size: 7-7/8"
Circ: No **TOC:** 2158'
TOC By:

PBTD: 8560'
TD: 8620'

Updated: 10/5/2015

By: Omar Visairo

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

Approved for a period of 1 year ending 12/9/2016 subject to conditions of approval.

**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, or 35 feet of cement if placed with bailer.
 - 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 wellbore 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.

PMS 8 Federal 8

1. Well is approved to be TA/SI for a period of 1 year or until 12/9/2016
2. Must submit NOI to recomplete or NOI to P&A. Must be submitted by 12/9/2016
3. COA's met at this time.