

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON CARLSBAD FIELD OFFICE**
*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.
NMNM0415461
Allottee or Tribe Name**SUBMIT IN TRIPLICATE - Other instructions on page 2**6. If Unit or CA/Agreement, Name and/or No.
8910124050

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
OLD INDIAN DRAW 32. Name of Operator
CHEVRON USA INCORPORATEDContact: CINDY H MURILLO
E-Mail: CHERRERAMURILLO@CHEVRON.COM9. API Well No.
30-015-21504-00-S13a. Address
6301 DEAUVILLE BLVD
MIDLAND, TX 797063b. Phone No. (include area code)
Ph: 575.263.0431
Fx: 575.263.044510. Field and Pool or Exploratory Area
INDIAN DRAW

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

Sec 19 T22S R28E NWNE 660FNL 1980FEL

11. County or Parish, State

EDDY COUNTY, NM

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"/> Hydraulic Fracturing	<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 Venting and/or Flaring
	<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 recomple 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 recompletion 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 USA INC FINISHED THE CONSTRUCTION OF A NEW TANK BATTERY AT THE OLD INDIAN DRAW UNIT IN MID 2015. THE NEW PRODUCTION FACILITY INCLUDES AN APPROVED FLARE STACK DESIGNED TO HANDLE ALL THE SOUR PRODUCED GAS (H₂S CONTENT OF 40,000 PPM). FILED PRODUCTION RESTARTED JULY 2015 RESULTING IN FLARED VOLUMES THAT AVERAGED 6 MCFPD IN 2015, 5.5 MCFPD IN 2016, 7 MCFPD IN 2017 AND 7 MCFPD IN 2018 (JANUARY - MARCH). SEE THE SUMMARY ATTACHED OF THE MONTHLY ESTIMATED FLARED GAS VOLUMES FROM JULY 2015 THROUGH MARCH 2018 FOR A GRAND TOTAL OF 5.54 MMSCF OVER 2.75 YEARS.

THE ASSOCIATED OIL PRODUCTION FROM THE EXISTING 8 DELAWARE OIL PRODUCERS IS BETWEEN 80 - 105 BOPD, RESULTING IN AN AVERAGE GOR AROUND 100 SCF/STB. ALL PRODUCED GAS IS FLARED, AND THE TOTAL DAILY VOLUME IS MEASURED BY THE USE OF CAMERON MC-111 (ELECTRONIC DIGITAL) TURBINE FLOW ANALYZERS LOCATED ON THE GAS OUTLET OF THE PRODUCTION AND TEST SEPARATORS.

14. I hereby certify that the foregoing is true and correct.		FOR RECORDS ONLY		RECEIVED
Electronic Submission #410588 verified by the BLM Well Information System For CHEVRON USA INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by PRISCILLA PEREZ on 04/06/2018 (18PP1463SE)				JUN 06 2018
Name (Printed/Typed)	CINDY H MURILLO	Title	PERMITTING SPECIALIST	
Signature	(Electronic Submission)	Date	04/06/2018	
DISTRICT II-ARTESIA O.C.D.				

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By	/s/ Jonathon Shepard	Title		Date	5/31/18
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	CFO		

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)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional data for EC transaction #410588 that would not fit on the form

32. Additional remarks, continued

CHEVRON USA INC WILL ALSO BE SUBMITTING AN INITIAL NMOCD FLARE FORM C-129
(APPLICATION FOR EXCEPTION TO NO-FLARE RULE) AND RENEWING IN 90 DAY INCREMENTS.

BUREAU OF LAND MANAGEMENT

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

Condition of Approval to Flare Gas

1. Approval not to exceed 180 days from date of submission unless otherwise specified in Sundry Notice.
2. All flaring under this request is considered to be "avoidably lost":
Volumes flared beyond limits defined in 43 CFR 3179.7 are considered "avoidably lost" and will require payment of royalties, unless an exception is granted in accordance with 43 CFR 3179.
Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "08".

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free. Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179.4, 3179.103 - 3179.105.