Form 3160-5 (April 2004)

UNITED STATES

OCD-ARTESIA

1	17	2009	FORM APPROVED OM B No 1004-0137 Expires: March 31, 2007
			5. Lease Serial No

DEPARTMENT OF THE INTERIOR	.III 17 2009	OM B No Expires: N
BUREAU OF LAND MANAGEMENT	00	5. Lease Serial No
IDDV NOTICES AND DEDODES ON M	/ELLO	NM-0441951

	В	BUREAU OF LAND MAN.	AGEMENT *	JUL =	5. Lease Serial No			
	SUNDRY	NM-0441951						
	Do not use th abandoned we	6 If Indian, Allottee or Tribe Name						
	SUBMIT IN TRI	SUBMIT IN TRIPLICATE- Other instructions on reverse side.						
	I. Type of Well Oil Well ✓	J. Type of Well ☐ Other ☐ Other						
	2. Name of Operator Chevron U	2. Name of Operator Chevron USA, Inc						
	3a. Address 15 Smith Road, Mid	lland Texas 79705	3b Phone No (include 432-561-8600	area code)	9. API Well No. 30-015-31384 10. Field and Pool, or Exploratory Area White City Penn (Atoka)			
	4 Location of Well (Footage, Sec.)		1.02 001 0000					
	1650' FSL & 1650' FWL Sec. 33-T24S-R26E	T, IC, W., Or Salvey Description		11. County or Parish, State Eddy, NM				
50	12. CHECK AF	REPORT, OR OTHER DATA						
	TYPE OF SUBMISSION	TYPE OF SUBMISSION TYPE OF ACTION						
	Notice of Intent Subsequent Report Final Abandonment Notice	Acidize Alter Casing Casing Repair Change Plans Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Start/Resume)				
	Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof lifthe 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.) 1. Notify BLM 24 hrs prior to MI and RU. 2. RIH Tag CIBP at 9940, spot 25sx, plug from 9940'-9740' (Strawn). 3. Displace hole w/MLF, 12.5# Brine w/25# gel P/BBL. 4. Spot 55sx cement plug from 8350'-7900' (shoe/Wolfcamp/liner top). 5. Spot 35sx cement plug from 5370'-5170' (Bone Spring) Act CA Plags To See CAP 6. Perf at 4260' and squeeze 65sx cement plug from 1900'-1550' (T.Salt est./Canyon/shoe) WOC Tag. 7. Perf at 1900' and squeeze 110sx, cement plug from 1900'-1550' (Tr.Salt est./Canyon/shoe) WOC Tag.							
9.	8. Spot 25sx cement plug from 150'-surface, install dry hole marker. SEE ATTACHED FOR							
1/2	* Interim A	eclamation Pro	codure Att	<i>i</i> (DITIONS OF APPROVAL			
\$	14. I hereby certify that the fore Name (Printed/Typed)	going is true and correct						
5	M. Lee Roark		Title A	agent for Chevron	USA, Inc.			

M. Lee Roark Title Agent for Chevron USA, Inc. 06/25/2009 Signature Date THE SPACE FOR FEDERAL OR STATE OFFICE USE Approved by 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 Office 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.

White City Unit Com #2 Wellbore Diagram

Created. <u>08/20/07</u> By:	C. A. Irle		Well #.		Fd./St. #: <u>NM0441951</u>
Updated: 01/03/08 By:	C. A. Irle		API		015-31384
Lease White City Unit			Surface	Tshp/Rng:	S-24 & E-26
Field: White City Pe	enn		Unit Ltr.:	K	Section: 33
Surf. Loc.: 1,650' FSL & 1,65	0' FWL		Bottom hole	e Tshp/Rng:	
Bot. Loc.:			Unit Ltr.:		Section:
County: Eddy St.:	NM		Cost Code:	uc	U973100
Status: Active Gas W			Chevno:		1C6450
					
Surface Casing (NOT SHOWN)	T T		T 1	_	KB:
Size: 13 3/8					DF:
Wt., Grd.: 40# H-40					GL:
		1650	-	i	
Depth: 405					ni. Spud. 12/18/00
Sxs Cmt: 521	0	~3440	0	ın	ı. Comp.: <u>02/15/01</u>
Circulate: Yes, 67					
TOC: Surface	0	~5950	0	History	
Hole Size: 17 1/2			1 1		r 10809, perf 10893-900, 979-
	` [8025			-094, 120-129, 137-150, 207- 38, swab, flow, acid 5000 gls
Intermediate Casing				20% HCL 2500 meth	_ ·
Size: 9 5/8		8259		7/31/01 CT Acid 111	37-150 w/1422 gls 20% HCI,
Wt., Grd.:				-	11086-094 909 gls, 11077-
Depth: 1,650	i				183 455 gls, 10893-900 795 acid into formation, SI, jet N2,
Sxs Cmt: 1,000		0005		flow, swab.	acid into formation, or, jet 142,
Circulate: Yes, 261		9905			ın pkr, swab, 3' SL missing,
-	-	9940	-		leak, new BP, RU Snubbing
	-	=	-		tag 10790, rel pkr, perf 10010 14, 263-266, 402-410, 438-
Hole Size: 12 1/4					11030, acid 2000 7 5%, flow,
		10010			14, acid 1000 gls 7 5%, RBP
		10020			cid 2000 gls 7 5%, RBP
Production Casing				pkr 9950, swab, rec l	d 750 gls 7 5%, rel RBP, WL
Size: 7"	 	10166	1 1	4/2/02 Coil Tubing V	
Wt., Grd.: 26# L-80		10266		11/12/07 Ret CT 11:	
Depth: 8,259					co/Canyon: CIBP 9940, cmt 2
Sxs Cmt: 1,600	!	10402			DEVALUATE PER RESULTS NN GAS COM UNIT 2 #2 &
Circulate: All, 249		10447			GAS COM UNIT 3 #1,
TOC Surface		10111		TUBING MOVED TO	HARRY LEONARD YARD
Hole Size: 8 3/4					
DV Tool 1: ~5,950		10893			
DV Tool 2: ~3,440		10900			
DV 10012				Coology, Ton	
Department in a m		10979		Geology - Top	
Production Liner		10987		Bell Canyon	1,830
Size: 4 1/2				Bone Spring	5,270
Wt., Grd.: <u>11.6#</u>		11077		Wolfcamp	8,020
TOL: 8,025		11150		Strawn	9,990
Depth <u>11,561</u>	;			Atoka	10,108
Sxs Cmt: 450		11207		Morrow	10,876
Circulate: Yes, 37		11245			
TOC: TOL					
Hole Size: 6 1/8		11428			
Perforations		11438			
10010-020, 166-168, 210-214, 263-266, 402-					
410, 438-447, 893-900, 979-987, 11077-	<u>i</u>				
080, 086-094, 120-129, 137-150, 207-210,	pro, pro. Ale	D. 44.51	4		
239-245, 428-438	PBI	D: <u>11,51</u>	4		

TD: 11,561

Chevron USA, Inc. NM-0441951: White City Unit Com 2 1650' FSL & 1650' FWL Sec 33, T24S-R26E Eddy County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

- 1. WOC and tag the 55 sx plug from 8350'-7900'.
- 2. Spot a plug of a minimum 25 sx and 160' (approx 30sx) from 6030'-5870'. (DV Tool)
- 3. Spot a plug of a minimum 25 sx and 130' (approx 25sx) from 3500'-3370'. (DV Tool)
- 4. On any perf and squeeze that an injection rate is unable to be established, set plug 50' below perfs to seal them, and maintain the same top stated in the sundry. (Approx 10 sx extra)

See attached standard COAs.

DHW 071409

BUREAU OF LAND MAHAGEMENT Carlsbad Field Office 320 East Greene Street Carlsbad, New Mexico 88220 575-234-5972

Permanent Abandonment of Federal Wells Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163 1.

1. Plugging operations shall commence within <u>ninety (90)</u> days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

- 2. <u>Notification:</u> Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.
- 3. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.
- 4. <u>Mud Requirement:</u> Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

- 6. <u>Dry Hole Marker</u>: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).
- 7. <u>Subsequent Plugging Reporting:</u> Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**
- 8. <u>Trash:</u> All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.

DHW 071309



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office r20 El Greene St Consbad New Mesuco 88220-6292 www.blm.gov/hm



In Reph Refer To 1310

interim Reclamation Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses.

Interim reclamation consists of minimizing the footprint of disturbance by reclaiming all portions of the well site not needed for production operations. The portions of the cleared well site not needed for operational and safety purposes are recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Sufficient level area remains for setup of a workover rig and to park equipment. Topsoil is respread over areas not needed for all-weather operations. Production facilities should be clustered to maximize the opportunity for interim reclamation. In order to inspect and operate the well or complete workover operations, it may be necessary to drive, park, and operate on restored, interim vegetation within the previously disturbed area. This is generally acceptable provided damage is repaired and reclaimed following use.

To reduce final reclamation costs; maintain healthy, biologically active topsoil; and to minimize habitat, visual, and forage loss during the life of the well, all salvaged topsoil should be spread over the area of interim reclamation, rather than stockpiled.

- The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of
 Operations must include adequate measures for stabilization and reclamation of disturbed lands.
 Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD
 process as per Onshore Oil and Gas Order No. 1.
- 2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). Interim reclamation is to be completed within 6 months of well completion.
- 3. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with interim reclamation as per approved APD or Sundry Notice. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.
- 4. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 5. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met.

UP there are annicoves fons, please feet free to contact sity of the following specialists:

Own Amos Supervisory Environmental Protection Specialist 575-234-5969 | 575-361-2648 (Cell)

Terry Gregston Environmental Protection Specialist 575-234-5958

Bobby Ballard Environmental Protection Specialist 575-234-2230

Randy Rust Environmental Protection Specialist 575-234-5943

Linda Denniston Environmental Protection Specialist 575-234-5974

Jennifer Van Curen Environmental Protection Specialist 575-234-5905

Justin Frye Environmental Protection Specialist 575-234-5922 Cody Layton Natural Resource Specialist 575-234-5959

Trishia Bad Bear Natural Resource Specialist 575-393-3612

Todd Suter Surface Protection Specialist 575-234-5987

Doug Hoag Civil Engineering Technician 575-234-5979