

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.

OCD-HOBBS
HOBBS
OCD
RECEIVED
APR 10 2017

5. Lease Serial No.
NMNM113418

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
 CHEVRON MIDCONTINENT LP Contact: CINDY H MURILLO
 E-Mail: CHERRERAMURILLO@CHEVRON.COM

3a. Address
 15 SMITH ROAD
 MIDLAND, TX 79705

3b. Phone No. (include area code)
 Ph: 575-263-0431
 Fx: 575-263-0445

8. Well Name and No.
 PRODIGAL SUN 17 24 34 1H

9. API Well No.
 30-025-41957-00-S1

10. Field and Pool, or Exploratory
 RED HILLS

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
 Sec 17 T24S R34E NWNE 330FNL 1660FEL
 32.223798 N Lat, 103.488344 W Lon

11. County or Parish, and State
 LEA COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input 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 checked="" 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 type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input checked="" 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 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 IS SUBMITTING THE WATER DISPOSAL ONSHORE ORDER #7 ON THE ABOVE WELL. PLEASE FORWARD TO PAUL FLOWERS/BLM.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED
2017
JAMES A. AMOS
SUPERVISOR EPS

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #333091 verified by the BLM Well Information System For CHEVRON MIDCONTINENT LP, sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 06/14/2016 (16PP0746SE)

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

Signature (Electronic Submission) Date 03/08/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By *[Signature]* Title EPS Date 3/29/17

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.

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

[Handwritten initials]

Prodigal Sun CTB
API#30-025-41957
Lease #NMNM113417 &
NMNM113418

WATER DISPOSAL ONSHORE ORDER #7

The following information is needed before your method of water disposal can be considered for approval.

1. Name(s) of formation (s) producing water on the lease.
Red Hills; Bone Spring North
2. Amount of water produced from each formation in barrels per day.
Approximately 520 bbls per day
3. How water is stored on the lease.
3 (500 Barrel Water Tank) 2 (500 Barrel Oil Tanks)
4. How water is moved to disposal facility.
Truck Hauled by Knowles Trucking Company
5. Operators of disposal facility
 - a. Lease name or well name and number: Mesquite SWD - West Jal Disposal #1
API#30-025-26675
 - b. Location by ¼ ¼ Section, Township and Range of the disposal system: SWD facility is
located in Sect 10 Township 25S-Range 36E Lea County
 - c. The appropriate NMOCD permit number: SWD # 272-0

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

Disposal of Produced Water From Federal Wells
Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
8. Disposal at any other site will require prior approval.
9. Subject to like approval by NMOCD.

7/10/14