

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTEMNRD-OC D ARTESIA
REC'D: 8/11/2020FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.
NMNM0415688A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 27. If Unit or CA/Agreement, Name and/or No.
8910124050

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other8. Well Name and No.
Multiple--See Attached

2. Name of Operator

CHEVRON USA INCORPORATED

Contact: CINDY H MURILLO

E-Mail: CERRERAMURILLO@CHEVRON.COM

9. API Well No.

Multiple--See Attached

3a. Address

6301 DEAUVILLE BLVD
MIDLAND, TX 79706

3b. 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)

Multiple--See Attached

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 |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Venting and/or Flaring |
| | <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 must 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 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 IS REQUESTING TO FLARE AT THE ABOVE LOCATION. OLD INDIAN DRAW CTB PRODUCES AND FLARES A VERY LOW VOLUME OF SOUR GAS (-40,000 PPM OF H₂S CONTENT, THAT IS NOT FEASIBLE TO SWEETEN AND SELL) THROUGH AN APPROVED FLARE STACK. THIS LOW VOLUME FLARING WILL CONTINUE TO REDUCE OVER TIME AND BE NECESSARY THROUGH THE REMAINING ECONOMIC LIFE OF THE OLD INDIAN DRAW UNIT. WELLS AFFECTED AT THE CTB ARE LISTED BELOW WITH API'S:

| | |
|---------------------|--------------|
| OLD INDIAN DRAW #3 | 30-015-21504 |
| OLD INDIAN DRAW #7 | 30-015-21765 |
| OLD INDIAN DRAW #8 | 30-015-21766 |
| OLD INDIAN DRAW #9 | 30-015-21767 |
| OLD INDIAN DRAW #13 | 30-015-21957 |
| OLD INDIAN DRAW #14 | 30-015-21901 |
| OLD INDIAN DRAW #16 | 30-015-21959 |

accepted for record 8/12/2020 ab

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

Electronic Submission #521097 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 07/06/2020 (20PP3326SE)

Name (Printed/Typed) CINDY H MURILLO

Title PERMITTING SPECIALIST

Signature (Electronic Submission)

Date 07/06/2020

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JONATHON SHEPARD

Title PETROLEUM ENGINEER

Date 07/17/2020

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 Carlsbad

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 ******There are some Plugged leases on this flare request.**

Additional data for EC transaction #521097 that would not fit on the form

Wells/Facilities, continued

| Agreement | Lease | Well/Fac Name, Number | API Number | Location |
|--------------|--------------|-----------------------|--------------------|---------------------------------------|
| NMNM71004A | NMNM0415461 | OLD INDIAN DRAW 3 | 30-015-21504-00-S1 | Sec 19 T22S R28E NWNE 660FNL 1980FEL |
| NMNM71004A | NMNM0415688A | OLD INDIAN DRAW 13 | 30-015-21957-00-S1 | Sec 18 T22S R28E NWNW 660FNL 794FWL |
| NMNM71004A | FEE | OLD INDIAN DRAW 14 | 30-015-21901-00-S1 | Sec 7 T22S R28E SESW 330FSL 1650FWL |
| NMNM71004A | NMNM0429825 | OLD INDIAN DRAW 16 | 30-015-21959-00-S1 | Sec 7 T22S R28E SWSW 330FSL 794FWL |
| NMNM71004A | FEE | OLD INDIAN DRAW 19 | 30-015-22079-00-S1 | Sec 7 T22S R28E NESW 1657FSL 1750FWL |
| NMNM71004A | NMNM0415688A | OLD INDIAN DRAW 22 | 30-015-22102-00-S1 | Sec 18 T22S R28E NWSW 2323FSL 796FWL |
| NMNM71004A | NMNM0415688A | OLD INDIAN DRAW 7 | 30-015-21765-00-S1 | Sec 18 T22S R28E SENW 2323FNL 1974FWL |
| NMNM71004A | NMNM0415688A | OLD INDIAN DRAW 8 | 30-015-21766-00-S1 | Sec 18 T22S R28E SESW 1017FSL 1973FWL |
| NMNM0415688A | NMNM0415688A | OLD INDIAN DRAW 9 | 30-015-21767-00-S1 | Sec 18 T22S R28E SESE 1008FSL 994FEL |

32. Additional remarks, continued

| | |
|---------------------|--------------|
| OLD INDIAN DRAW #19 | 30-015-22079 |
| OLD INDIAN DRAW #22 | 30-015-22102 |

Revisions to Operator-Submitted EC Data for Sundry Notice #521097

| | Operator Submitted | BLM Revised (AFMSS) |
|----------------|---|--|
| Sundry Type: | FLARE NOI | FLARE NOI |
| Lease: | NMNM0415461 | NMNM0415688A |
| Agreement: | | 8910124050 (NMNM71004A) |
| Operator: | CHEVRON USA INC 6301 DEAUVILLE BLVD MIDLAND, TX 79706 Ph: 575-263-0431 | CHEVRON USA INCORPORATED 6301 DEAUVILLE BLVD MIDLAND, TX 79706 Ph: 432 687 7100 |
| Admin Contact: | CINDY H MURILLO LEAD HSE REGULATORY E-Mail: CHERRERAMURILLO@CHEVRON.COM Ph: 575-263-0431 Fx: 575-263-0445 | CINDY H MURILLO PERMITTING SPECIALIST E-Mail: CHERRERAMURILLO@CHEVRON.COM Ph: 575.263.0431 Fx: 575.263.0445 |
| Tech Contact: | CINDY H MURILLO LEAD HSE REGULATORY E-Mail: CHERRERAMURILLO@CHEVRON.COM Ph: 575-263-0431 Fx: 575-263-0445 | CINDY H MURILLO PERMITTING SPECIALIST E-Mail: CHERRERAMURILLO@CHEVRON.COM Ph: 575.263.0431 Fx: 575.263.0445 |
| Location: | | |
| State: | NM | NM |
| County: | EDDY | EDDY |
| Field/Pool: | INDIAN DRAW | INDIAN DRAW |
| Well/Facility: | OLD INDIAN DRAW 3 Sec 19 T22S R28E NWNW 660FNL 1980FEL | OLD INDIAN DRAW 3 Sec 19 T22S R28E NWNW 660FNL 1980FEL OLD INDIAN DRAW 13 Sec 18 T22S R28E NWNW 660FNL 794FWL OLD INDIAN DRAW 14 Sec 7 T22S R28E SESW 330FSL 1650FWL OLD INDIAN DRAW 16 Sec 7 T22S R28E SWSW 330FSL 794FWL OLD INDIAN DRAW 19 Sec 7 T22S R28E NESW 1657FSL 1750FWL OLD INDIAN DRAW 22 Sec 18 T22S R28E NWSW 2323FSL 796FWL OLD INDIAN DRAW 7 Sec 18 T22S R28E SENW 2323FNL 1974FWL OLD INDIAN DRAW 8 Sec 18 T22S R28E SESW 1017FSL 1973FWL OLD INDIAN DRAW 9 Sec 18 T22S R28E SESE 1008FSL 994FEL |

BUREAU OF LAND MANAGEMENT

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

Conditions of Approval to Flare Gas

1. Approval not to exceed 180 days from date of submission.
2. All flaring under this request is considered to be “avoidably lost” per 43 CFR 3179.4(a)(2)(i – iii). Volumes for avoidably lost gas shall be reported on OGOR “B” reports as disposition code “33”.

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered “unavoidably lost” and is therefore royalty free (43 CFR 3179.103(a)). 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, 3179.101 - 3179.104.