

Form 3160-5  
(August 2007)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM APPROVED  
OMB No 1004-0137  
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.**5 Lease Serial No  
LC-029419A

6 If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE** – Other instructions on page 2.

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

1 Type of Well

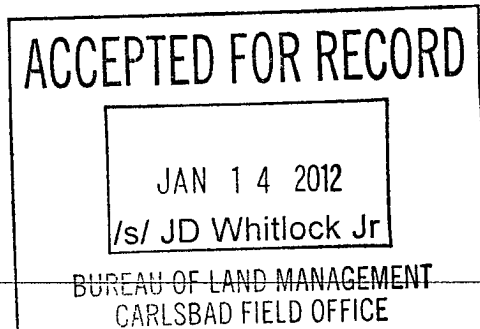
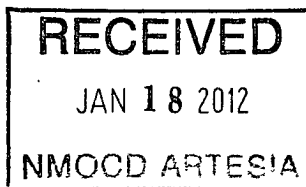
☐ Oil Well ☐ Gas Well ☒ Other SWD #12708 Well Name and No  
SKELLY UNIT #512 Name of Operator  
CHEVRON U.S.A. INC9 API Well No  
30-015-053483a Address  
15 SMITH ROAD  
MIDLAND, TEXAS 797053b Phone No (include area code)  
432-687-737510 Field and Pool or Exploratory Area  
FREN; WOLFCAMP4 Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1980' FSL, & 660' FEL, SEC 22, UL 1, T-17S, R-31E11 Country or Parish, State  
EDDY COUNTY, NEW MEXICO

## 12 CHECK THE 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 checked="" type="checkbox"/> Other <b>COMPLETION</b>	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	OF SWD	
	<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 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 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.)

11-01-11: MIRU. 11-02-11: TIH TO 1949'. 11-03-11: PU 2 7/8" WS TAG @ 8420'. DRILL PLUG FR 8420-8450 RAN DN TO 8513'. PU WS & RAN DN TO 9651'. 11-04-11: DRILL 9651-9704'. 11-05-11: RAN GR/SPECTRAL/CNLCL LOGS. CORRELATE TO 9400-9430 CORRECTED 10' PBTD 9706'. 11-07-11 PERFORATE 9444-9469, 9469-9492, 9496-9510, 9520-9526, 9526-9546, 9546-9566, 9566-9586, 9586-9616, 9616-9644. 11-08-11: TIH W/PKR & RBP SET RBP @ 9672' PKR SET @ 9367'. 11-09-11: ACIDIZE PERFS 9444-9492, 9496-9510, 9520-9644 W/310 BBLS 15% HCL ACID. REL PKR. REL RBP. 11-10-11: TIH W/3 1/2" TBG & PKR. 11-14-11: PU INJ ASSEMBLY. 11-15-11: PKR @ 9404. END OF PUMPOUT PLUG @ 9414. CIRC 210 BBLS 2% KCL & PKR FLUID. LATCH ONTO PKR. NOTIFIED BLM. WILL BE ON LOCATION IN THE MORNING. LEFT MESSAGE WITH NMOCD. 11-16-11: CHART TEST CSG TO 560 PSI FOR 30 MINUTES. PAUL SWARTZ, BLM, WITNESSED. NMOCD WAS NOTIFIED BUT NOT PRESENT FOR THE TEST. RIG DOWN. FINAL REPORT.

ORIGINAL CHART & COPY OF CHART ATTACHED.  
STARTED INJECTING ON 12/21/2011SEE ATT. ORDERS &  
INFORMATION REQUEST14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)  
DENISE PINKERTON

Title REGULATORY SPECIALIST

Signature

Date 11/30/2011

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

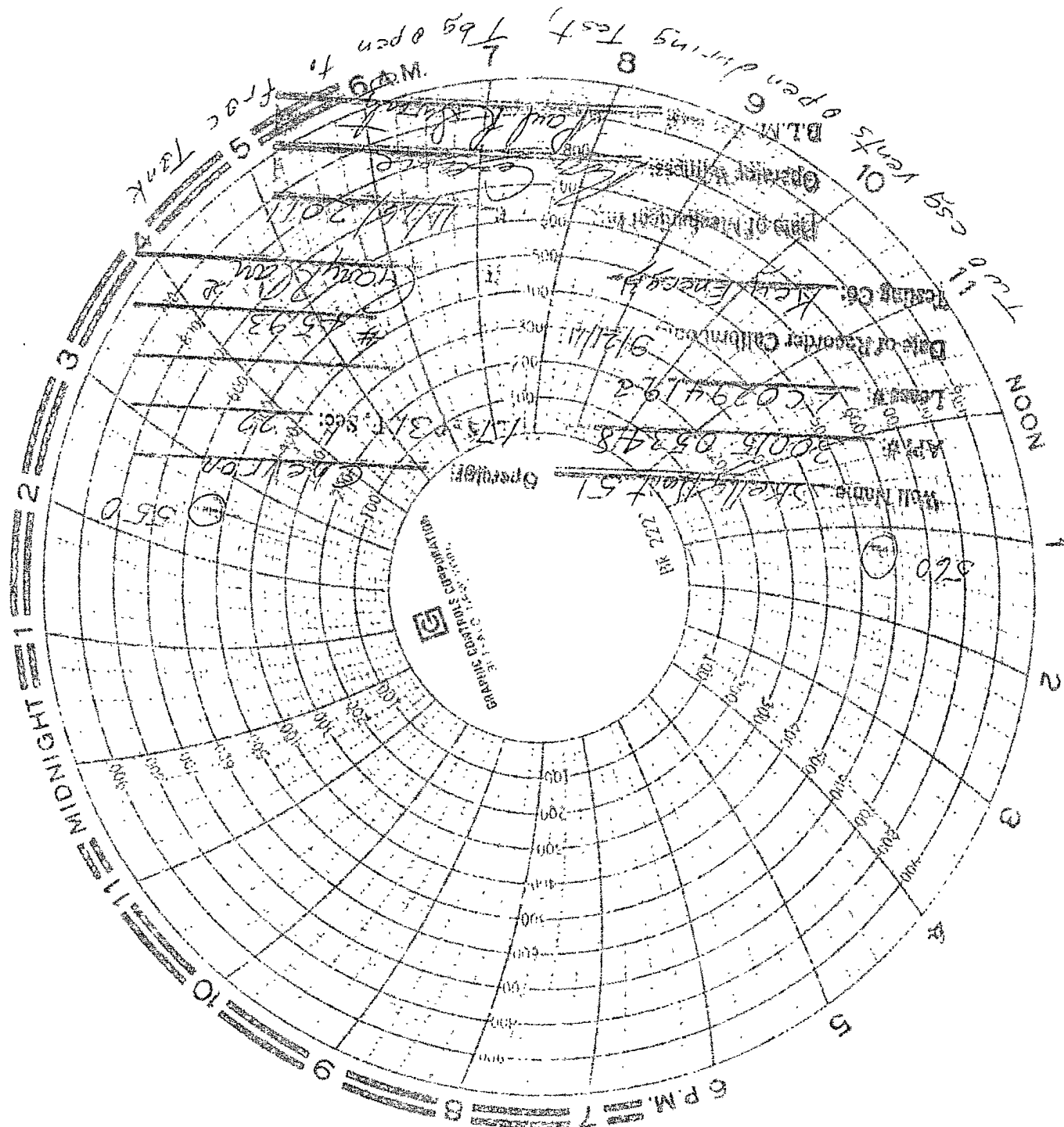
Date

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

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)



# Order of the Authorized Officer

**Chevron**  
**Skelly Unit 51**  
**API 3001505348**

January 11, 2011

## Well with a Packer - Operations

- 1) Conduct a Mechanical Integrity Test of the tubing/casing annulus after a tubing, packer or casing seal is established. Repair that seal any time more than five barrels of packer fluid is replaced within 30 days.
  - a) The minimum test pressure should be 500 psig for 30 minutes or 300 psig for 60 minutes, with 200 psig differentials between tubing and casing pressure (at test time) but no more than 70% of casing burst pressure as described by Onshore Order 2.III.B.1.h. (The tubing or reservoir pressure may need to be reduced). An alternate method for a BLM approved MIT is to have the fluid filled system open to atmospheric pressure and have a loss of less than five barrels in 30 days witnessed by a BLM authorized officer.
  - b) Document the pressure test on a calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
  - c) At least 24 hours before the test: In Eddy County email Paul R. Swartz [paul\\_swartz@blm.gov](mailto:paul_swartz@blm.gov), (phone 575-200-7902). If there is no response phone 575-361-2822. In Lea County email Andy Cortez [andy\\_cortez@blm.gov](mailto:andy_cortez@blm.gov), (phone 575-393-3612 or 575-631-5801). Note the contact notification method, time, & date in your subsequent report.
  - d) Submit a subsequent Sundry Form 3160-5 relating the MIT activity. Include a copy of the recorded MIT pressure chart. List the name of the BLM witness, or the notified person and date of notification. NMOCD is to retain the original recorded MIT chart.
  - e) Use of tubing internal protection, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer is required. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.
  - f) **Submit the original subsequent sundry with three copies to BLM Carlsbad.**
- 2) Compliance with a NMOCD Administrative Order is required, submit documentation of that authorization.
  - a) Approved injection pressure compliance is required.
  - b) If injection pressure exceeds the approved pressure you are required to reduce that pressure and notify the BLM within 24 hours.
  - c) When injection pressure is within 50 psig of the maximum pressure, install automation equipment that will prevent exceeding that maximum.
    - i) Submit a subsequent report (Sundry Form 3160-5) describing the installed automation equipment within 30 days.
- 3) Other unexplained significant variations of rate or pressure to be reported within 5 days of notice.
- 4) The casing/tubing annulus is required to be monitored for communication with injection fluid or loss of casing integrity.

- 5) The annulus is to be maintained full of packer fluid at atmospheric pressure. Installation of equipment that will display on site, continuous open to the air fluid level is required. A BLM inspector may request verification of this fluid level at any time.
- 6) **Submit a subsequent report (Sundry Form 3160-5)** describing the installation of packer fluid level monitoring equipment within 30 days of beginning injection.
- 7) The operator shall keep monthly records documenting that the casing annulus is fluid filled. A suggested format for these records is available from the BLM Carlsbad Field Office. Copies of those records shall be furnished at the request of a BLM authorized officer.
- 8) Loss of packer fluid above five barrels per month requires notification of the BLM authorized officer within 5 days.
- 9) Gain of annular fluid requires notification within 24 hours. Cease injection and maintain a production casing pressure of Opsia. Notify the BLM's authorized officer (Paul R. Swartz [paul.swartz@blm.gov](mailto:paul.swartz@blm.gov) phone 575-200-7902). If there is no response phone 575-361-2822.
- 10) Also submit to this office a (Sundry Form 3160-5) Notice of Intent (NOI) for planned well work involving a formation change, casing repair/replacement, and injection well fracture treatment for approval by BLM and NMOCD. Verbal approval for the plan may be given by a BLM authorized officer, with the NOI filed within five business days. Packer and tubing repair (normal maintenance procedures) do not require a NOI, but a subsequent sundry needs to be filed. [http://www.blm.gov/nm/st/en/prog/energy/oil\\_and\\_gas.html](http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html) (see CFR § 3162.3-2 43 & CFR § 3160.0-9 (c)(1) ).
  - a) Submit a (Sundry Form 3160-5) subsequent report (daily reports) describing all wellbore activity and Mechanical Integrity Test as per item 1) above. Include the date(s) of the well work, and the setting depths of required equipment: internally corrosive protected tubing, tubing on/off equipment just above the packer, and an in line tubing check valve below the packer or between the on/off tool and packer is required. The setting depths and descriptions of each are to be included in the subsequent sundry. List (by date) descriptions of daily activity of any previously unreported wellbore workover.

## **Bureau of Land Management**

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

### **Required information**

**Chevron USA Inc.**  
**Skelly Unit #51**  
**NMLC029419A / NM71030X**  
**3001505348**

1. Provide a well bore diagram
2. Submit 3160-4 completion report within 30 days of completion.