Form 3160-5 (August 2007)

OCD-ARTESIA

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED OMB No 1004-0137 Expires July 31, 2010

5 Lease Serial No NMLC-029420A

6 If Indian, Allottee or Tribe Name

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7 If Unit of CA/Agreement, Name and/or No SUBMIT IN TRIPLICATE - Other instructions on page 2 NMNM71030C 1 Type of Well 8 Well Name and No. SKELLY UNIT #833 Oil Well Other Gas Well 2 Name of Operator CHEVRON USA INC 9 API Well No 30-015-38448 3b Phone No (include area code) 10 Field and Pool or Exploratory Area 3a Address 15 SMITH ROAD FREN; GLORIETA-YESO 432-687-7375 MIDLAND, TEXAS 79705 4 Location of Well (Footuge, Sec., T., R., M., or Survey Description) SEC 15, T-17S, R-31E, 900 FNL, 1851 FEL, UNIT B 11 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 Deepen Production (Start/Resume) Water Shut-Off Acidize ✓ Notice of Intent Alter Casing Fracture Treat Reclamation Well Integrity Other CHANGE OF Casing Repair New Construction Recomplete Subsequent Report **OPERATOR** Change Plans Plug and Abandon Temporarily Abandon Final Abandonment Notice Convert to Injection Plug Back 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 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) APPROVED CHEVRON U.S A. INC. ACCEPTS ALL RESPONSIBILITY FOR THE OPERATION OF THE SUBJECT WELL EFFECTIVE 11-14-2011 PREVIOUS OPERATOR WAS COG OPERATING LLC. MAY 1 3 2012 CHANGE OF OPERATOR WAS FILED WITH THE NMOCD AND APPROVED UNDER PERMIT #137366. /s/ JD Whitlock PHIDEAU OF LAND MANAGEMENT LICI D OFFICE RECEIVED SEE ATTACHED FOR CONDITIONS OF APPROVAL MAY 15 2012 NMOCD ARTESIA 14 I hereby certify that the foregoing is true and correct Name (Printed/Typed) DENISE PINKERTON Title REGULATORY SPECIALIST Date 11/15/2011 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 Office 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

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

Conditions of Approval

Chevron USA Inc. Skelly Unit #827, 828, 833 NM71030C

- 1. Tank battery must be bermed/diked (must be able to contain 1 1/2 times the volume of the largest tank).
- 2. Submit for approval of water disposal method.
- 3. Submit updated facility diagrams as per Onshore Order #3
- 4. This agency shall be notified of any spill or discharge as required by NTL-3A.
- 5. All outstanding environmental issue must be addressed within 90 days. Contact Jim Amos for inspection and to resolve environmental issues. 575-234-5909
- 6. Install legible well sign on location with operator name, well name and number, lease number, unit number, 1/4 1/4, section, township, and range. NMOCD requires the API number on well signs.
- 7. Subject to like approval by NMOCD.
- 8. Submit plan for approval of well operations for all TA/SI wells within 30 days of this approval to change operator.

43 CFR 3162.3-4 (C) requires that wells incapable of production in paying quantities be promptly plugged and abandoned....
Wells are not producing in paying quantities.