

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

QCD Artesia

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC029418A
2. Name of Operator CHEVRON U.S.A. INC.		6. If Indian, Allottee or Tribe Name
3a. Address 15 SMITH ROAD MIDLAND, TX 79705		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 432-687-7375		8. Well Name and No. SKELLY UNIT 960
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 14 T17S R31E Mer NMP 2310FSL 330FWL		9. API Well No. 30-015-34326
		10. Field and Pool, or Exploratory FREN YESO
		11. County or Parish, and State EDDY COUNTY, NM

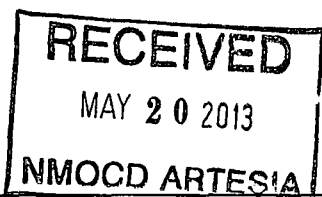
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 checked="" 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 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 recompletable 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 recompletable 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 U.S.A. INC. INTENDS TO FRAC STIMULATE THIS WELL.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE, AND WELLBORE DIAGRAM, AS WELL AS THE C-144 CLOSED LOOP INFORMATION FOR THE NMOCD.




Accepted for record
NMOCD *CRS*
5/24/13
SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #204812 verified by the BLM Well Information System For CHEVRON U.S.A. INC., sent to the Carlsbad Committed to AFMSS for processing by JOHNNY DICKERSON on 04/23/2013 ()	
Name (Printed/Typed) DENISE PINKERTON	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 04/19/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	
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 or to cause to be made any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****



Skelly Unit 960

Paddock Frac Procedure

1. POH w/ rods, pump and tubing.
2. Set CBP at 5330'.
3. Perforate the Paddock formation from 5147-5277 .
4. Frac stimulate the Paddock formation w/ 102,000 gallons gelled water and 129,600# 16-30 sand.
5. Flow back load.
6. Drill out CBP.
7. RIH w/ tubing, pump and rods.
8. Return well to production.

Skelly Unit #960 Wellbore Diagram

Created: 04/17/08 By: C. A. Irle
 Updated: 02/22/11 By: BBMK
 Lease: Skelly Unit
 Field: Fren (Paddock)
 Surf. Loc.: 2,310' FSL & 330' FWL
 Wellbore #: 605076
 County: Eddy St.: NM
 Status: Active Oil Well

Well #: 960 Fd./St. #: NMLC-029418A
 API: 30-015-34326
 Surface Tshp/Rng: T17S & R31E
 Unit Ltr.: L Section: 14
 Bottom hole Tshp/Rng: Section:
 Unit Ltr.: Section:
 Cost Code: UCPH61200
 Chevno: HW6141

Surface Casing

Size: 13 3/8
 Wt., Grd.: 48# H-40
 Depth: 456
 Sxs Cmt: 500
 Circulate: Yes, 150
 TOC: Surface
 Hole Size: 17 1/2

KB: 3,901
 DF:
 GL: 3,892
 Ini. Spud: 12/01/05
 Ini. Comp.: 01/06/06

Intermediate Casing

Size: 8 5/8
 Wt., Grd.: 24# J-55
 Depth: 1,800
 Sxs Cmt: 950
 Circulate: Yes, 150
 TOC: Surface
 Hole Size: 12 1/4
 DV Tool: None

History

1/6/06 Ini Comp: Tag 3361, drl DV, CCL, FP 3500-3660, perl 5146.5, 48, 57, 60.5, 63.5, 70, 72, 74, 75.5, 82, 85, 86.5, 89, 92.5, 97.5, 5201, 02.5, 04, 05.5, 07.5, 09.5, 13, 16.5, 41.5, 45, 47, 51, 56, 58, 60, 65, 67.5, 71, 74.5, 75.5, 78, 81.5, 83, 88, 90, 92.5, 94.5, 96, 5300, 03, 05, 08, 12, 15, 21 (50 hls), FPI acid, pkr 5065, acid 3000 gls 15% HCl 150 BS, ball out @ 90, swab, pkr 5060, hot acid 32000 gls 20% HCl 54000 gls 40# 5000 gls 15% HCl 45 BS 1000# RS, SN 5349.
 10/7/2010 Blinbry Deepening: Squeeze existing Paddock perms. Drilling Formation 5455 to 6239' 784 ft of 4-3/4 hole. Cement in 4" liner. Perl Lower Blinbry (6,230 - 6,430' w/ 1 SPF, 26 Holes, 2.75" guns). Acidize w/ 2,500 gals 15%. Frac w/ 112,779 gals Delta frac 200 + 142,152# 16/30 sand + 29,347# Super LC. Perl Middle Blinbry (5,930 - 6,130' w/ 1 SPF). Acidize w/ 2,500 gals 15%. Frac w/ 115,946 gals Delta frac 200 + 144,735# 16/30 sand + 30,185# Super LC. Perl Upper Blinbry (5,700 - 5,830' w/ 1 SPF). Acidize w/ 2,500 gals 15%. Frac w/ 119,019 gals Delta frac 200 + 154,567# 16/30 sand + 35,035# Super LC. Drill out plugs, CO hole. Back off 4" casing at DV tool at 5,359'.

Production Casing

Size: 5 1/2
 Wt., Grd.: 17# J-55
 Depth: 5,469
 Sxs Cmt: 1,300
 Circulate: Yes, 100
 TOC: Surface
 Hole Size: 7 7/8
 DV Tool: 3,361

2-7/8" and 2-3/8" Production Tubing (SN@6406')

Paddock Perfs: 5146'-5321'

Production Liner

Size: 4"
 Wt., Grd.: 11.6# P-110
 Depth: 6527'
 Top of Liner: 5359'
 Sxs Cmt:
 Circulate: Yes
 TOC:
 Hole Size: 4-3/4"

Blinbry

Perforations:
 5700'-5830'
 5930'-6130'

PBTD: 6480'

Skelly Unit 960
30-015-34326
Chevron U.S.A. Inc.
May 16, 2013
Conditions of Approval

Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.

Work to be completed by August 16, 2013.

- 1. Must conduct a casing integrity test before any work can be done. Submit results to BLM. The CIT is to be performed on the 5-1/2" production casing per Onshore Oil and Gas Order 2.III.B.1.h.** Make arrangements 24 hours before the test for BLM to witness. E-mail Paul R. Swartz pswartz@blm.gov or phone 575-200-7902, if there is no response, 575-361-2822. If no answer, leave a voice mail or email with the API#, workover purpose, and a call back phone number. Note the contact, time, & date in your subsequent report.
- 2. If CIT does not fail work is approved as proposed by operator.**
3. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
4. Surface disturbance beyond the originally approved pad must have prior approval.
5. Closed loop system required.
6. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
7. Operator to have H2S monitoring equipment on location.

8. A minimum of a 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
9. **Subsequent sundry required detailing work done and completion report. Operator to include well bore schematic of current well condition when work is complete.**

JAM 051613