

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**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.FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 20105. Lease Serial No.
NMLC029392B

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.7. If Unit or CA/Agreement, Name and/or No.
SRM14031. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
GREENWOOD FEDERAL COM 22. Name of Operator
CHEVRON USA INCORPORATED Contact: CINDY H MURILLO
E-Mail: CHERRAMURILLO@CHEVRON.COM9. API Well No.
30-015-30680-00-S13a. Address
15 SMITH ROAD
MIDLAND, TX 797053b. Phone No. (include area code)
Ph: 575-263-0431
Fx: 575-263-044510. Field and Pool, or Exploratory
SHUGART4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 27 T18S R31E NWNW 1202FNL 660FWL11. 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 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 checked="" 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 recompleate 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 recompleation 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 PROPOSES TO PLUG AND ABANDON THE ABOVE WELL AS FOLLOWS:

1. CLEAN LOCATION, TEST ANCHORS, PREP WELL FOR W/O RIG
2. MIRU PLUGGING RIG. NUBOP AND 2 7/8" HANDLING TOOLS, UNSET PACKER AND STAND BACK TUBING.
3. RIH W/ 5 1/2" BIT ON 2 7/8" TUBING. RIH AND TAG CIBP @ 11630.
4. POOH W/TUBING AND BIT. L/D BIT AND RIH W/CIBP ON TUBING.
5. SET CIBP @ 11,150' AND CIRCULATE WELLBORE W/MUD.
6. MIX 35 SKS CLASS C CEMENT AND SPOT ON TOP OF CIBP.
7. SPOT 40 SKS CEMENT @ 5,500(COVERS CSG LEAK)
8. PERF @ 2,800' PUMP 40 SKS CLASS C CEMENT INTO PERFS.
9. PERF @ 500'. CIRCULATE CEMENT TO SURFACE INSIDE OUT.
10. CUT OFF WELLHEAD RIG ANCHORS AND CLEAN LOCATION.
11. RDMO PLUGGING RIG.

**RECLAMATION PROCEDURE
ATTACHED**

Accepted for record

WD NMLC, 7-29-14

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL***Ground Level by Hole Marker Required*

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

Electronic Submission #247736 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Carlsbad
Committed to AFMS for processing by LINDA DENNISTON on 06/03/2014 (14LD0220SE)

Name (Printed/Typed) CINDY H MURILLO

Title PERMITTING SPECIALIST

Signature (Electronic Submission)

Date 06/02/2014

NM OIL CONSERVATION
ARTESIA DISTRICT

JUL 14 2014

RECEIVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JAMES A AMQS

Title SUPERVISOR EPS

Date 07/07/2014

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.

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

Lease & Well No. **Greenwood Federal #2**
 Field Name: **Shugart**
 Location: **Sec. 17, T18S, R31E**

Status: **Active**
 County & State: **Eddy County, NM**
 API No.: **30-015-30680**

Well Information

Spud: **9/29/99** Ground Elevation: _____ D.F. Elevation: _____
 Completed: **11/23/99** KB Elevation: _____ Total Depth: **12,000'**

Pipe Data

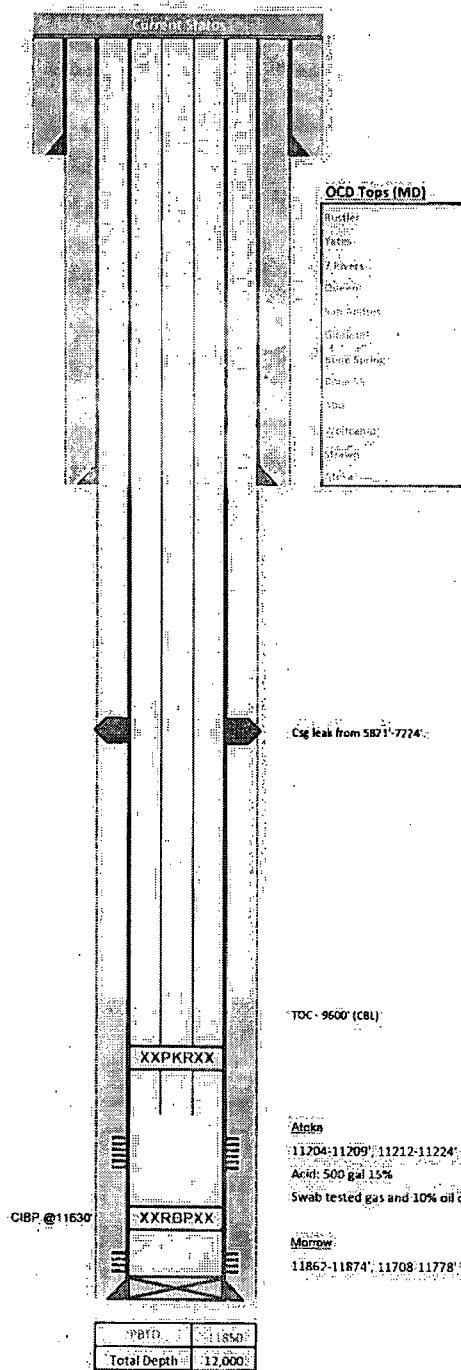
Surface						
Hole size	Depth	Size (OD)	Weight	Grade	Sx. Cmt	Comments
17-1/2"	509'	13-3/8"	45 lbs		470 yd	CTS
Intermediate						
Hole size	Depth	Size (OD)	Weight	Grade	Sx. Cmt	Comments
11"	2,809'	8-5/8"	32 lbs		655 yd	CTS
Production						
Hole size	Depth	Size (OD)	Weight	Grade	Sx. Cmt	Comments
7 7/8"	12,000'	5-1/2"	17 lb		150 yd	TOC @ 9600'

Downhole Tubulars (Top to Bottom)	
13-3/8" 45 lb @ 10,110'	
8-5/8" 32 lb @ 11,010'	
5-1/2" 17 lb @ 11,010'	
2-7/8" 17 lb @ 11,010'	

Well History

9/29/1999 Spud well and drill/complete in the Morrow. TD well @ 12000'
7/15/1999 Perf 11862'-74' and 11708'-78'
6/23/2010 RBP set above Morrow after casing leak stopped production in Morrow.
 Leak identified between 6020'-6051'.
 Unable to pump into leak Well TA'd.
4/1/2013 Rigged up on well to recomplete to the Atoka formation.
 Leak identified between 5821'-7224'. Unable to pump into leak.
4/12/2013 Perf 11204'-11209' and 11212'-11224' and acid w/ 2500 gal 7.5% HCl
 Swab tested well for 1 week and settled at a 10% oil cut and gas production.

Procedures



Chevron USA INC.
1616 W. Bender Blvd.
Hobbs, NM 88240

RE: NMLC029392B; Greenwood Federal 27-2
1202' FNL & 0660' FWL, Sec. 27, T18S-R31E
Eddy County, New Mexico

Approval is subject to the following changes and standard Conditions of Approval:

Note: Sundry Notice (Form 3160-5) dated 11-10-99, identified 4-1/2" casing instead of the 5-1/2". Verify prior to start.

3. Tag and cap CIBP located @ 11630', with 35' Class H cement utilizing dump bail. Or spot 25 sack cement.

6. Utilize Class H cement

Add plugs: Spot Class H cement plug from 10815'-10615' (Top Strawn)

Perf @ 9790', sqz Class H cement plug to 9570' (Top Wolfcamp). WOC tag

Perf @ 6308, sqz Class C cement plug to 6148' (Top Bone Spring). WOC tag

7. WOC tag

Add plugs: Perf @ 4935', sqz Class C cement plug to 4785 (Top Delaware). WOC tag

8. Perf @ 2850', sqz Class C cement plug to 2720'.

Add plugs: Perf @ 2000', sqz Class C cement plug to 1880' (Base of Salt). WOC tag

Perf @ 875', sqz Class C cement plug to 775' (Top of Salt). WOC tag

9. Perf @ 550' instead of 500'

If any questions, contact Jim Amos @ 575-234-5909.

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

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP); as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.

Requirements for ground level dry hole markers

Well Identification Markers

Conditions of Approval (COA)

The BLM Carlsbad Field Office (CFO) Conditions of Approval (COA) Requires that ground level dry hole markers be placed on well within the Lesser Prairie Chicken habitat area. The dry hole markers will be to the following specifications. The operator will construct the markers as follows:

1. An 8 inch X 8 inch steel plate 1/8 to 3/16 of an inch thick is to be placed on the old dry hole marker stand pipe 2 inches from ground level, in the Lesser Prairie Chicken habitat area.
2. Steel plate may be welded or bolted approximately 2 inches from ground level on the stand pipes. If plates are bolted to the stand pipe, the person installing the plate will be required to weld a pipe collar on the plate and place a minimum of two set screws/bolt on each collar. Aluminum data plates may be bolted with minimum 1/4 inch bolt and locking nuts or self tapping fine threaded screws. A minimum of one in each corner is to be installed on each plate.
3. An 8 inch x 8 inch aluminum plate, which is 12 gauge or .080 sign material (1/8 inch aluminum plate may be used in place of the .080 plate) with the required information for that well stamped or engraved in a minimum 3/8 inch tall letter or number.
4. The following information will be stamped or engraved on the 8 inch X 8 inch aluminum plate in the following order.
 - a. First row: Operators name
 - b. Second row: Well name and number
 - c. Third row: Legal location to include 1/4 1/4, Section, Township, and range. If the legal location cannot be placed on one row it can be split into two rows with the 1/4 1/4 (example: 1980 FNL 1980 FWL) being on the top row.
 - d. Fourth row: Lease Number and API number.
 - i. Example marker plate: (attached)

NMOCD Order No. R-12965 also required the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a ground level dry hole marker was installed as required in the COA's from the BLM.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



In Reply Refer To: 1310

Reclamation Objectives and Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines. Strip and remove caliche, contour the location to blend with the surrounding landscape, redistribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation

equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Petroleum Engineering Tech
575-234-5909, 575-361-2648 (Cell)

Solomon Hughes
Natural Resource Specialist
575-234-5951

Jeffery Robertson
Natural Resource Specialist
575-234-2230

Duncan Whitlock
Environmental Protection Specialist
575-234-5926

Linda Denniston
Environmental Protection Specialist
575-234-5974

Cody Layton
Supervisory Multi Resources
575-234-5959

Trishia Bad Bear
Natural Resource Specialist
575-393-3612

Amanda Lynch
Natural Resource Specialist
575-234-5922

Jessie Rice
Natural Resource Specialist
575-234-5913

Indra Dahal
Natural Resource Specialist
575-234-5996