

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
NM OIL CONSERVATION  
ARTESIA DISTRICT  
JAN 26 2015FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010SUNDRY 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.  
RECEIVED5. Lease Serial No.  
NMNM93471

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.  
NMNM1040278. Well Name and No.  
MONA LISA COM 29. API Well No.  
30-015-2309410. Field and Pool, or Exploratory  
SAGE DRAW/WHITE CITY-PENN11. County or Parish, and State  
EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator  
CHEVRON USA INCContact: CINDY H MURILLO  
E-Mail: CERRERAMURILLO@CHEVRON.COM3a. Address  
1616 W. BENDER BLVD  
HOBBS, NM 882403b. Phone No. (include area code)  
Ph: 575-263-0431  
Fx: 575-263-04454. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 7 T25S R27E Mer NMP NESW 1650FSL 1660FWL

## 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 type="checkbox"/> Plug and Abandon	<input checked="" 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 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 shall 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 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 REQUESTED TO TA THE ABOVE WELL ON 09/16/2014 DENIED BY JIM AMOS ON 11/4/2014-NEEDING JUSTIFICATION OF TA STATUS AND PLANS FOR WELL.

Accepted for record  
11/20/14

TA JUSTIFICATION- MONA LISA COM #2.  
THE PURPOSE OF TEMPORARILY ABANDONING THE SUBJECT WELL IS TO HOLD IT UNTIL A SWD CONVERSION CAN BE ECONOMICALLY JUSTIFIED. THIS WELL IS LOCATED IN THE AREA OF CHEVRON'S SOUTHEAST EDDY DRILLING PROGRAM, A LOCATION WHERE EXTREMELY HIGH FLUID RICH HORIZONTALS ARE BEING DRILLED. AS IT STANDS, CHEVRON DOES NOT NEED THE EXTRA DISPOSAL CAPACITY THAT THE SUBJECT WELL CAN PROVIDE, BUT AS THE PROGRAM CONTINUES BEING DEVELOPED, IT WOULD BE A VALUABLE ASSET TO HAVE READY TO CONVERT. THE LEASE THAT THE SUBJECT WELL IS LOCATED ON IS ALSO A MARGINAL LEASE, WITH THE YTD EARNINGS OF (\$6,122) OR (\$24)/BOE; NOT ONLY WILL THE TA PROVE VALUABLE IN THE FUTURE, BUT IT WILL SAVE MONEY WHEN COMPARED WITH ITS CURRENT STATE.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #276116 verified by the BLM Well Information System For CHEVRON USA INC, sent to the Carlsbad Committed to AFMSS for processing by DUNCAN WHITLOCK on 11/13/2014 ()	
Name (Printed/Typed) CINDY H MURILLO	Title PERMITTING SPECIALIST
Signature (Electronic Submission)	Date 11/05/2014

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>James A. Amos</u>	Title <u>SPGT</u>	Date <u>1-21-15</u>
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 <u>CFD</u>	

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.

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

Chevron USA Incorporated  
15 Smith Road  
Midland, TX 79705

RE: Lease No. - NMNM93471, Com No. NMNM104027; Mona Lisa Com No. 2  
1650' FSL and 1650' FWL, Section 7, T25S-R27E  
Eddy County, New Mexico

Request for TA submitted 11/5/14: Approval is subject to the following conditions of approval.

Prior to setting the CIBP @ 9720, clean the wellbore to 10657' and spot at plug (200' Class H) from 10657' – 10457' (covers the top of Strawn). WOC tag.

Set CIBP @ 9720' and cap with 35' Class H cement and perform successful casing integrity test as per attached.

Note contact, this office @ 575-361-2822 (on-call phone) 24 hours prior to setting the bottom plug to allow time for witness. If any questions, contact Jim Amos @ 575-234-5909 or 575-361-2648.

Note: TA of the well may cause the Com Agreement to terminate due to lack of production in paying quantities. If this occurs, the well will return to the lease. Contact Ed Fernandez @ 575-234-2220 if questions concerning the Com.

J. Amos 1/21/15

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

**Temporary Abandonment of Wells on Federal Lands**  
**Conditions of Approval**

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
  - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
  - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
  - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
  - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
  - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status provided that the operator:

1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval with well bore diagram with all perforations and CIBP's and tops of cement on CIBP's
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.