

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
ARTESIA DISTRICTFORM 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.*5. Lease Serial No.  
NMNM29234

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
LOTOS FEDERAL 49. API Well No.  
30-015-27593-00-S110. Field and Pool, or Exploratory  
W SAND DUNES11. County or Parish, and State  
EDDY COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CHEVRON USA INCORPORATED

Contact: CINDY H MURILLO

E-Mail: CHERRERAMURILLO@CHEVRON.COM

3a. Address

15 SMITH ROAD  
MIDLAND, TX 79705

3b. Phone No. (include area code)

Ph: 575-263-0431

Fx: 575-263-0445

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 9 T24S R31E NWSE

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

## TYPE OF SUBMISSION

- ☐
- Notice of Intent
- 
- ☒
- Subsequent Report
- 
- ☐
- Final Abandonment Notice

## TYPE OF ACTION

- |   |   |   |   |
|---|---|---|---|
| <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume)      | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing         | <input type="checkbox"/> Fracture Treat   | <input type="checkbox"/> Reclamation                    | <input type="checkbox"/> Well Integrity |
| <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 recompletion 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 REQUESTS TO TEMPORARY ABANDON THE ABOVE WELL. A COPY OF THE MIT CHART IS ATTACHED WITH THE DAILY ROUTINE WORK DONE TO TA THE LOTOS FEDERAL 4 WELL. A CIBP WAS SET AT 6255'. THIS WELL NEEDS A NEW ROD STRING AND TUBING STRING. REPLACING THE EQUIPMENT NOW AT THE CURRENT OIL PRICES IS UNECONOMICAL. THE EQUIPMENT WILL BE REPLACED WHEN THE OIL PRICES IMPROVE IN THE NEAR FUTURE.

CHEVRON WOULD LIKE TO TA THIS WELL FOR 1 YEAR.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

After 3/4/2016 the well must be online  
or plans to P & A must be submitted.

Accepted for record

NMOCD

RF 9/17/15

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

Electronic Submission #315317 verified by the BLM Well Information System

For CHEVRON USA INCORPORATED, sent to the Carlsbad

Committed to AFMSS for processing by CHRISTOPHER WALLS on 09/04/2015 (15CQ0446SE)

Name (Printed/Typed) CINDY H MURILLO

Title PERMITTING SPECIALIST

Signature (Electronic Submission)

Date 09/02/2015

**APPROVED****THIS SPACE FOR FEDERAL OR STATE OFFICE USE****SEP 4 2015**

/s/ Chris Walls

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

Approved By

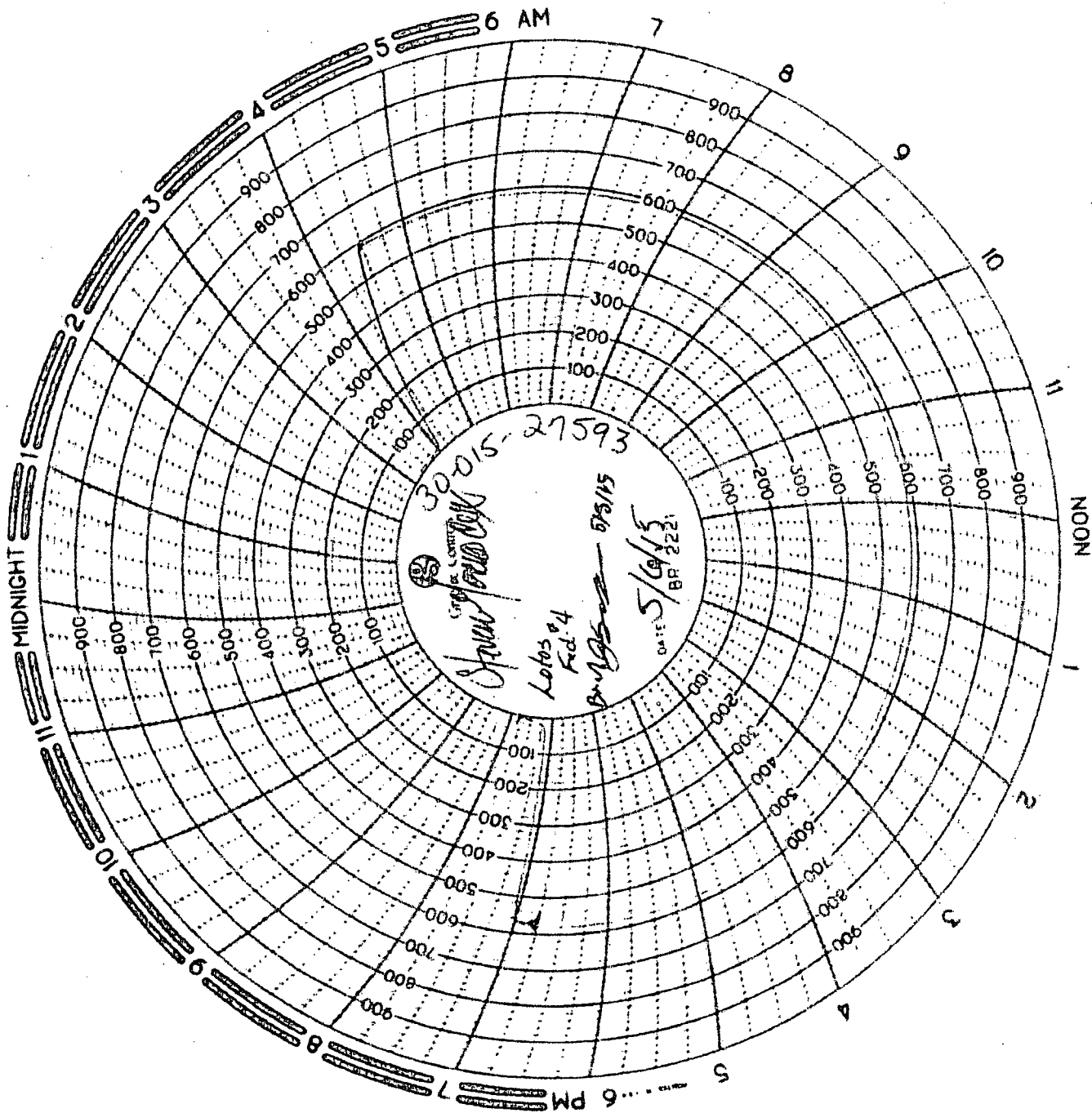
Title

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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

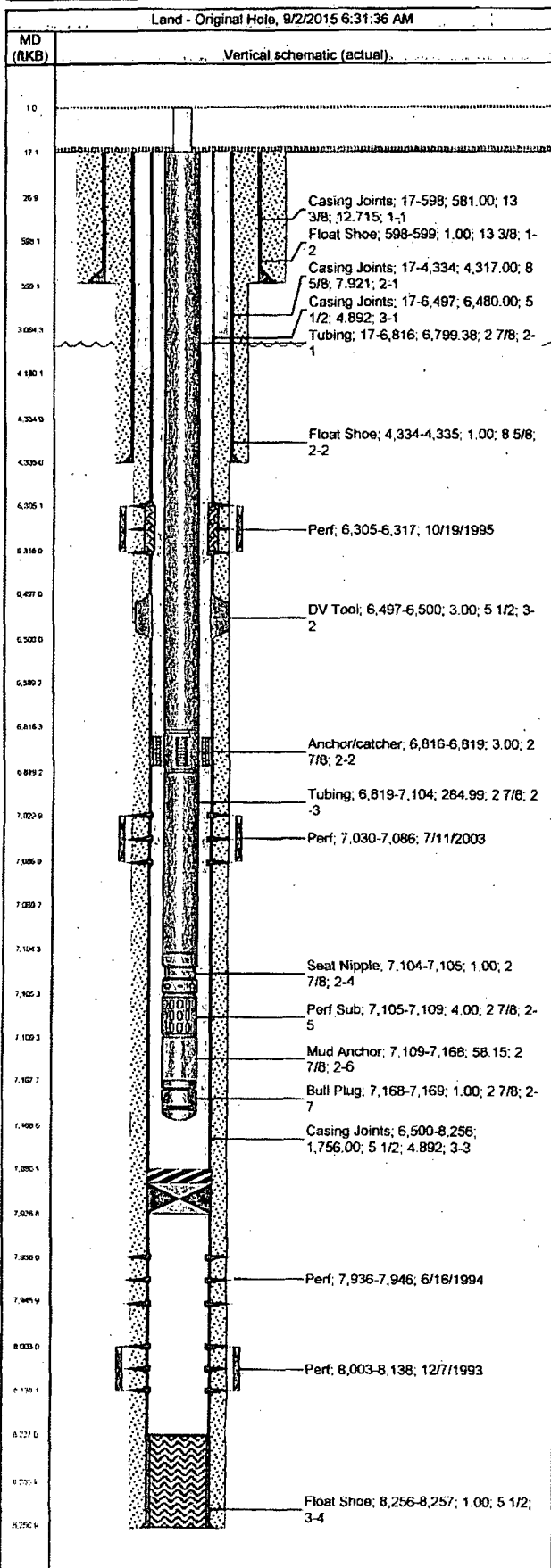
**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***





# Wellbore Schematic

Well Name LOTOS FEDERAL 004	Lease LOTOS FEDERAL	Field Name SAND DUNES WEST	Business Unit Mid-Continent
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Job Details						
Job Category			Start Date		Rig/Unit End Date	
Well Services			4/21/2015		5/6/2015	
Casing Strings						
Csg Des	OD (in)	Wt/Ln (lb/ft)	Grade	Top Thread	Set Depth (MD) (ftKB)	
Surface	13 3/8	48.00	H-40	ST&C	599	
Intermediate	8 5/8	32.00	J-55	ST&C	4,335	
Production	5 1/2	17.00	J-55	LT&C	8,257	
Tubing Strings						
Tubing - Production set at 7,168.5ftKB on 6/8/2010 00:00						
Tubing Description			Run Date		String Length (ft)	
Tubing - Production			6/8/2010		7,151.52	
Item Des			Jts	OD (in)	Wt (lb/ft)	Grade
Tubing				2 7/8		Len (ft)
Anchor/catcher				2 7/8		6,799.38
Tubing				2 7/8		3.00
Seat Nipple				2 7/8		6,819.4
Perf Sub				2 7/8		284.99
Mud Anchor				2 7/8		7,104.4
Bull Plug				2 7/8		1.00
						7,105.4
						4.00
						7,109.4
						58.15
						7,167.5
						1.00
						7,168.5
Rod Strings						
Rod - Conventional on 6/8/2010 00:00						
Rod Description			Run Date		String Length (ft)	
Rod - Conventional			6/8/2010		7,104.50	
Item Des			Jts	OD (in)	Wt (lb/ft)	Grade
Polished Rod				1 1/2		Len (ft)
Fiberglass Sucker Rod			81	1		26.00
Sucker Rod			118	7/8		26.9
Sinker Bar			20	1 1/2	6.01	3,037.50
Rod Pump				1 1/2		3,064.4
						3,525.00
						6,589.4
						500.00
						7,089.4
						16.00
						7,105.4
Perforations						
Date	Top (ftKB)	Btm (ftKB)	Shot Den (shots/ft)	Entered Shot Total	Zone & Completion	
10/19/1995	6,305.0	6,317.0	2.0	18		
7/11/2003	7,030.0	7,086.0	1.0	56		
6/16/1994	7,936.0	7,946.0	3.0			
12/7/1993	8,003.0	8,138.0		20		
Other Strings						
Run Date	Pull Date	Set Depth (ftKB)	Com			
Other In Hole						
Des	Top (ftKB)	Btm (ftKB)	Run Date	Pull Date	Com	
Cemented Bridge Plug	7,890.0	7,927.0	7/11/2003			

# Chevron Routine Well Work Daily Job Summary

DATE

5/6/2015

AREA

DELAWARE BASIN

FIELD NAME

HOBBS

CHEVNO NUMBER

LEASE NAME

LOTOS F 4

API NUMBER

3001527593000

Date

Remarks

Daily Man  
Hours

DAY 1 -- WRITE AND REVIEW JSA'S, TGSM, SPOT IN RIG, ISSUE RU PTW AND IHE, APPLY LOTO, RUPU, REMOVE HH, LD POLISHED ROD, POOH WITH PONYS TO FIRST FG ROD, NOTICE BODY  
4/21/2015 BREAK MID ROD WITH SEVERE FRAYING, CONTACT PLANNER, ADVISE TO POOH WITH TBG SCANNING, CHANGE OVER TOOLS, PREP TO NUBOP FIRST THING IN THE AM, SDFH, PROJ OPS - 4  
NUBOP, POOH WITH TBG TO ROD PART, UNSEAT PUMP AND POOH WITH RODS, RU SCANNERS AND POOH SCANNING.

DAY 2 -- WRITE AND REVIEW JSA'S, TGSM, ATTEMPT TO NUBOP AND BRAKES ARE LOCKED ON RIG, CREW CALL OUT MECHANIC, WSM UTILIZE SWA AND CONTACT LEAD, DECIDE TO RD PU AND  
4/22/2015 SWAP OUT RIG TO PREVENT US FROM HAVING THE BRAKES LOCK UP WITH NO WAY TO ISOLATE THE WELL, ISSUE RD PTW AND UPDATE IHE, RD PU AND SEND RIG TO YARD, PROJ OPS - 1  
INSPECT REPLACEMENT RIG AT NABORS YARD, ADDRESS ANY REPAIRS.

DAY 3--WRITE AND REVIEW JSA'S AND TENENT #8, RIGGED PASSED FINAL INSPECTION, ROADED RIG AND CREW TO LOC, ISSUED PTE AND IHE, SPOTTED RIG, RUSU NOTIFIED DSC OF RU, CO  
4/28/2015 TOOLS, WSM ON LOC WHILE FUNCTION TESTING BOP, BLED DWN CSNG, PUMPED 20 BSW TO KILL CASING NDWH, UNSET TAC, 16 PNTS OF TENSION, NUBOP, POOH TO ROD PART, LAID DOWN 1 5  
FG ROD SECURED WELL AND EQUIPMENT SION, PROJ OPS: UNSEAT PUMP POOH W/RODS AND PUMP RIH W/3 JNTS OF TBG AND RESET ANCHOR NUWH.

4/29/2015 DAY 4- CREW ATTENDED RCA IN HOBBS NABORS YARD, PROJ OPS: POOH TO PART UNSEAT PUMP POOH W/RODS 9

DAY 5--WRITE AND REVIEW JSA'S AND TENENT#10, BLED DWN WELL PUMPED 20 BSW DWN CSNG, POOH W/TBG TO PART LD 2 JOINTS, CHANGED OVER TOOLS, UNSEATED PUMP, HAD  
4/30/2015 CONTACTED PLANNER ABOUT LD ALL FG RODS, LD FG RODS AND POOH W/STEEL RODS, LD SINKER BARS AND PUMP, CO TOOLS RIH W/TBG TAC WOULD NOT RESET, SECURED WELL AND 9  
EQUIPMENT SION, PROJ OPS: RU SCANNERS POOH W/TBG WHILE SCANNING

DAY 6--WRITE AND REVIEW JSA'S AND TENENT #1, PREPARED TOOLS CALIPERED TBG ELEV, WSM WITNESSED CALIBRATING OF SCAN CAN, RU SCANNERS, POOH W/TBG WHILE SCANNING,  
5/1/2015 PULLED 44 JOINTS AND TBG STARTED TO COME OUT GREEN AND RED DUE TO EXTERNAL AND INTERNAL PITTING, AND ROD WEAR, CONTACTED PLANNER AND WILL BE LD TBG AND REPLACING 8  
W/YELLOW BAND TBG, RD SCANNERS LD DOWN REMAINDER OF TBG PULLED 42 GOOD JOINTS 23 YELLOW, 19 BLUE, 84 GREEN, AND 20 RED AND LD REST OF TBG AND LD BHA, RIH W/KS  
SECURED WELL SLOW, PROJ OPS: RECIEVED ORDERS FROM PLANNER TO TA WELL RIH W/RODS LD ALL RODS AND TBG RIH W/CIBP SET AT 6255' W/35' OF CEMENT

DAY 7- TG SAFETY MEETING REVIEW JSA'S AND TENTENT #4, POOH W/KS, MO OUT OLD TBG MOVE IN WORK STRING, HELD TG SM WITH WIRELINE CREW RU WIRELINE, RIH W/CIBP SETTING CIBP  
5/4/2015 AT 6255' POOH W/WIRELINE, MADE 1 MORE RUN DUMPED 50' OF CEMENT, POOH RD WIRELINE, PU BP AND PERF SUB RIH W/TBG AND TBG OFF RACKS CO TOOLS SECURED WELL AND 12  
EQUIPMENT SION, PROJ OPS FIN PU TBG RIH W/RODS LD ROD CIRC PACKER FLUID TEST CIBP POOH LD TBG

DAY 8 TGSM REVIEW JSA'S TENENT 5 FINISH PICKING UP TBG CO TOOL RIH W/ RODS POOH LD RODS CO TOOLS CIRC PACKER FL PRE TEST CSG TO 540# FOR 40 MIN GOOD POOH LD WORK  
5/5/2015 STRING ND BOP NUWH SDON PROJ OPS CHART TEST CSG FOR HIM OCD 500# FOR 30 MIN RD MOVE TO NEXT WELL ON QUEUE 12

DAY9 TGSM REVIEW, JSA'S AND TENENT #6, RU PUMP TRUCK PERFORMED MIT TEST LOST 40# LINES WHERE LEAKING RETESTED AT 585# FOR 35 MINUTES LOST 5# BLM WAS GOOD WITH TEST,  
5/6/2015 RU PUMP TRUCK, ISSUED PTW RDSU NOTIFIED DSC OF RD, CLEANED LOC, REMOVED IHE, ROADED RIG. 7

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

**Approved for a period of 6 months ending 3/4/2016 subject to conditions of approval.**

**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. CIBP must be capped with minimum 25 sacks cement, placed with tubing, or 35 feet of cement if placed with bailer.
  - 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. Any leak-off will be evaluated.
  - 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. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...**

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.

**Lotos Federal #4**

1. Well is approved to be TA/SI for a period of 6 months or until 3/4/2016
2. This will be the last TA approval for this well.
3. Must submit NOI to recomple or NOI to P&A. Must be submitted by 3/4/2016
4. COA's met at this time.