

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**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.
NMNM118108

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other8. Well Name and No.
HH SO 8 P2 13H2. Name of Operator
CHEVRON U.S.A. INC. <4323>Contact: DORIAN K FUENTES
E-Mail: djvo@chevron.com9. API Well No.
30-015-439333a. Address
6301 DEAUVILLE BLVD
MIDLAND, TX 797063b. Phone No. (include area code)
Ph: 432-687-763110. Field and Pool or Exploratory Area
PURPLE SAGE;WOLFCAMP (GAS

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

Sec 17 T26S R27E Mer NMP NWNW 305FNL 960FWL
32.048937 N Lat, 104.217787 W Lon

11. County or Parish, State

EDDY COUNTY, NM

12. CHECK THE 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"/> Hydraulic Fracturing	<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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original APD
	<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 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.

Chevron respectfully requests the Frac Ponds included in this APD will to be expanded due to NMOSE Dam restrictions. Chevron has re-designed the Frac Ponds in the HH Development Area.

Chevron requests the Frac Ponds to be expanded from 650' X 650' to 750' X 900'. An on-site was performed on October 18th by Mr. Paul Murphy, Stan Allison, and Chelsie Dugan, and the location was acceptable to BLM so long as Range approved of a movement of a fence on the site. Approval was given 11/3 by Steve Daly, subject to written approval by surface tenants. Please refer to the attached plat.

Should any questions arise to this request, please contact Kevin Dickerson @ 432-687-7104.

NM OIL CONSERVATION
ARTESIA DISTRICT

APR 17 2017

RECEIVED

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

Electronic Submission #371513 verified by the BLM Well Information System
For CHEVRON U.S.A. INC. <4323>, sent to the Carlsbad

Name (Printed/Typed) DORIAN K FUENTES

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 03/29/2017

Accepted for record - NM OIL CONSERVATION
4-18-17**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

FIELD MANAGER

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 entitle the applicant to conduct operations thereon.

Office

CARLSBAD FIELD 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.

(Instructions on page 2)

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

BLM LEASE NUMBER: NMNM118108

COMPANY NAME: Chevron

ASSOCIATED WELL NAME: HH SO 8 P2 13H

PRODUCED WATER FRAC POND CONDITIONS OF APPROVAL

A copy of the application (APD, Grant, or Sundry Notice) and attachments, including stipulations, survey plat and diagram, will be on location during construction. BLM personnel may request to see a copy of your permit during construction to ensure compliance with all conditions of approval. Construction will cease until the permit is on location.

Holder agrees to comply with the following conditions of approval to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this permit.

2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated.

3. Required Standard Conditions of Approval:

a. **Notification**

Contact the Supervisory Environmental Protection Specialist, Jim Amos, at 575-234-5909 at least 24 hours prior to starting construction.

b. **Contamination**

The operator will preclude releases of oil into open ponds. The operator must remove any accumulation of oil, condensate, or contaminant in a pond within 48 hours of discovery.

c. **Authorized Disturbance**

Confine all construction and maintenance activity to the approved authorized area applied for in the application.

d. **Liner**

The pond must have at least two 60 mil liners. The pond liner shall be maintained in good working condition, with no tears or holes, until the pond is closed. No trash, pipe, barrels, wireline, or metal equipment is permitted in the pond.

e. **Freeboard**

Ponds shall be constructed to preclude the accumulation of precipitation runoff and maintain a minimum of 2 feet of freeboard between the maximum fluid level and the lowest point of containment at all times. If pond fluids threaten to rise to a level allowing less than 2 feet of freeboard, steps shall immediately be taken to prevent introduction of additional fluids until sufficient pond capacity has been restored through fluid removal or an alternative containment method is approved and installed.

f. **Monitor:**

Personnel or a monitor must be onsite when the pond is in use.

g. **Escape Ramps**

The operator will construct and maintain frac ponds to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in frac ponds. Escape ramps must be installed at every corner of the frac pond and in the center of each side if that side exceeds 100 feet in length. Escape ramps must be in contact with the side of the frac pond, bottom of the frac pond, and the top of the frac pond berm. Escape ramps cannot be made of metal and cannot be steeper than a 3:1 slope (Horizontal Distance: Vertical Distance) or 30% slope. (*Examples of escape ramps: 12" wide wooden planks wrapped in matting, felt lining, etc.*)

h. **Exclosure Netting**

The operator will prevent humans, wildlife (including avian wildlife), and livestock access to fluid ponds that contain or have potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will install approved netting over ponds containing fluid in accordance with the requirements below. (*Note: The BLM does not approve of the use of flagging, strobe lights, metal reflectors, or noise makers as techniques for deterring wildlife.*)

Minimum Netting Requirements - The operator will:

- Construct a rigid structure made of steel tubing or wooden posts with cable strung across the pond at no more than seven (7) foot intervals along the X- and Y-axes to form a grid of 7 foot squares.
- Suspend netting a minimum of 2 feet above the fluid surface.
- Use a maximum netting mesh size of 1 ½ inches to exclude most birds.
- Cover the top and all sides of the netting support frame with netting and secure the netting at the ground surface around the entire pond to prevent wildlife entry at the netting edges. (***Note:** Hog wire panels or other wire mesh panels or fencing used on the sides of the netting support frame is ineffective in excluding small wildlife and birds unless covered by the smaller mesh netting.*)
- Installation of the net must commence immediately after high activity operations cease. High activity operations include drilling operations and fracturing operations.
- Monitor and maintain the netting sufficiently to ensure the netting is functioning as intended, has not entrapped wildlife, and is free of holes and gaps greater than 1 ½ inches.
- Flagging or tags must be installed on the net in the center of the pond.

i. **Mineral Material from Excavation**

Mineral materials extracted during construction of the frac pond will be stored on-location and/or used for constructing the frac pond.

j. **Topsoil Stockpile**

The operator shall strip at least the top 6 inches of soil (root zone) from the entire frac pond area and stockpile the topsoil approximately 25 feet outside the bermed perimeter of the pond in a low profile manner, reasonably protected from wind and water erosion. Topsoil shall not be used for constructing the produced water pond. The topsoil will be used for final reclamation purposes only.

k. **Frac Pond Fence**

The operator will install and maintain enclosure fencing on all sides of the frac pond to prevent access to public, livestock, and large forms of wildlife. The fence shall be installed at the base of the berm and never on top of the berm.

Construction of the fence shall consist of steel and/or wooden posts set firmly into natural ground. Hog panel or chain-link fencing must be used as the fence and tied securely to the fence posts. Barbed-wire fencing or electric fences shall not be used. The fence height shall not be shorter than six (6) feet. The erected fence shall be maintained in adequate condition until the frac pond is reclaimed.

l. **Erosion Prevention**

Install earthen erosion-control structures as are suitable for the specific terrain and soil conditions.

m. **Reclamation Start**

- I. Reclamation efforts will commence immediately after the frac pond is no longer needed for the purpose of completing wells.
- II. Within 3 months of completion of frac operations on associated wells, all earthwork and final reclamation must be completed. This includes reclaiming and/or removal of:
 - i. Any roads approved for use with the pond
 - ii. Surface water lines
 - iii. Tanks, pumps, fencing etc.

Requirements for Operations and Final Reclamation:

4. If, during any phase of the construction, operation, maintenance, or termination of the frac pond, any pollutant should be released from the contaminated frac pond, the control and total removal, disposal, and cleaning up of such pollutant, wherever found, shall be the responsibility of holder, regardless of fault.

Upon failure of holder to control, dispose of, or clean up such discharge, or to repair all damages resulting there-from, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to

determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

6. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

7. After all disturbed areas have been satisfactorily contoured and prepared for seeding the location needs to be revegetated with the seed mixture provided. Seeding may need to be repeated until revegetation is successful. Operators shall contact Jim Amos, Supervisor, Environmental Protection – (575)234-5909, **prior** to beginning surface reclamation operations.

8. Seeding is required: Use the following seed mix.

- | | |
|---|--|
| <input type="checkbox"/> seed mixture 1 | <input type="checkbox"/> seed mixture 3 |
| <input type="checkbox"/> seed mixture 2 | <input checked="" type="checkbox"/> seed mixture 4 |
| <input type="checkbox"/> LPC mixture | <input type="checkbox"/> Aplomado Falcon mix |