Form 3160-5 (June 2015)

UNITED STATES AND CONSERVATION FOR OMB DEPARTMENT OF THE INTERIOR ARTESIA DISTRICTOR Expires BUREAU OF LAND MANAGEMENT MAR 28 2018 5. Lease Serial No.

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

| SUNDRY NOTICES AND REPORTS ON WELLS O 2010 Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals. | | | | | NMLC028772D | |
|---|---|-------------------------------------|--|------------------|---|----------------------|
| | | | | | 6. If Indian, Allottee or Tribe Name | |
| SUBMIT IN TRIPLICATE - Other instructions on page 2 | | | | | 7. If Unit or CA/Agreement, Name and/or No. 8910115910 | |
| 1. Type of Well ☐ Oil Well ☑ Gas Well ☐ Other | | | | | 8. Well Name and No. EMPIRE S DEEP 16 | |
| Name of Operator Contact: CINDY H MURILLO CHEVRON USA INCORPORATED E-Mail: CHERRERAMURILLO@CHEVRON.COM | | | | | 9. API Well No. 30-015-22241-00 | 0-S1 |
| 3a. Address 3b. Phone No 6301 DEAUVILLE BLVD Ph: 575.26 MIDLAND, TX 79706 Fx: 575.263 | | | (include area code) 3.0431 .0445 | | 10. Field and Pool or Exploratory Area EMPIRE-ABO | |
| 4. Location of Well (Footage, Sec., T | | | 11. County or Parish, State | | | |
| Sec 7 T18S R29E SWNE 198 | | | EDDY COUNTY | , NM | | |
| 12. CHECK THE AI | PPROPRIATE BOX(ES) | TO INDICA | ΓΕ NATURE O | F NOTICE, | REPORT, OR OTH | ER DATA |
| TYPE OF SUBMISSION | | TYPE OF ACTION | | | | |
| ☐ Notice of Intent | ☐ Acidize | ☐ Dee _l | oen | ☐ Product | tion (Start/Resume) | ■ Water Shut-Off |
| _ | ☐ Alter Casing | ☐ Hyd | raulic Fracturing | □ Reclam | ation | ■ Well Integrity |
| Subsequent Report Subsequent Re | Casing Repair | □ New | Construction | ☐ Recom | olete | ☐ Other |
| ☐ Final Abandonment Notice | Change Plans | Plug | and Abandon | ☐ Tempor | rarily Abandon | |
| | ☐ Convert to Injection | Plug | Back | ■ Water I | Disposal | |
| following completion of the involved testing has been completed. Final Al determined that the site is ready for f CHEVRON USA INC IS SUBN EMPIRE SOUTH DEEP UNIT | pandonment Notices must be fil inal inspection. MITTING WATER DISPO | ed only after all | requirements, includ | ling reclamation | on, have been completed a | nd the operator has |
| PLEASE FIND THE WATER DISPOSAL FORM ATTACHED. 3-2)-/8 Accepted for record - NMOCD | | | | | MAS (2 MAN AN A | 18 LIE AGEMENT |
| 14. I hereby certify that the foregoing is Con Name (Printed/Typed) CINDY H | # Electronic Submission For CHEVRON t nmitted to AFMSS for proc | JSA INCORPO | RATED, sent to SCILLA PEREZ o | the Carlsbac | (18PP0152SE) | |
| | | | | | | T |
| Signature (Electronic S | Submission) | | Date 10/02/2 | 2017 | | |
| | THIS SPACE FO | OR FEDERA | L OR STATE | OFFICE U | SE | |
| Approved By | | | 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 | | | |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent | U.S.C. Section 1212, make it a statements or representations as | crime for any pe to any matter w | rson knowingly and ithin its jurisdiction | l willfully to m | ake to any department or | agency of the United |

€mpire South Deep Unit#16API# 30-015-20492Lease # NMNM0560401

WATER DISPOSAL ONSHORE ORDER #7

The following information is needed before your method of water disposal can be considered for approval.

| 1. | Name(s) of formation (s) producing water on the lease. Empire;Morrow South | |
|----|---|-------------|
| 2. | Amount of water produced from each formation in barrels per day | |
| | Approximately 0 bbls per day | |
| 3. | How water is stored on the lease. | |
| | 1 (500 Barrel Water Tanks) | |
| 4. | How water is moved to disposal facility. Does not produce any water at this facility | |
| 5. | , | |
| | a. Lease name or well name and number: N/A | |
| | b. Location by ¼ ¼ Section, Township and Range of the disposal s | ystem : N/A |
| | | |
| | c. The appropriate NMOCD permit number: N/A | |
| | | |
| | | |

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

Disposal of Produced Water From Federal Wells Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

- 1. This agency shall be notified of any change in your method or location of disposal.
- 2. Compliance with all provisions of Onshore Order No. 7.
- 3. This agency shall be notified of any spill or discharge as required by NTL-3A.
- This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
- 5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
- This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
- If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 50 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
- 8 Disposal at any other site will require prior approval
- 9 Subject to like approval by NMOCD

4-4/2017