

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.
NMNM100549

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.
NMNM138618

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. Multiple--See Attached
2. Name of Operator CHEVRON USA INCORPORATED		9. API Well No. Multiple--See Attached
Contact: LAURA BECERRA E-Mail: LBECCERRA@CHEVRON.COM		
3a. Address 6301 DEAUVILLE BLVD MIDLAND, TX 79706	3b. Phone No. (include area code) Ph: 432-687-7655	10. Field and Pool or Exploratory Area PURPLE SAGE-WOLFCAMP (GAS)
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Multiple--See Attached		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 Change to Original A PD
	<input type="checkbox"/> Change Plans	<input 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 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.

We are requesting a variance to the original APDs to utilize the spudder rig to run and set surface casing.

Est. spudder rig spud date: 7/25/2019
Est. drilling rig arrival date: 9/20/2019

See attachments for program and rig layout.

This request applies to the following wells on this pad:

HH SO 17 20 FED 002 1H - 30-015-45104

Carlsbad Field Office
OCD Artesia

RECEIVED
APR 01 2019

DISTRICT II-ARTESIA O.C.D.

Contact BIM before moving drilling rig on 9/20/19.

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

Electronic Submission #445917 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by PRISCILLA PEREZ on 12/06/2018 (19PP0523SE)

Name (Printed/Typed) LAURA BECERRA	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 11/30/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>ZOTA STEVENS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>03/07/2019</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>Carlsbad</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.

(Instructions on page 2)

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

Additional data for EC transaction #445917 that would not fit on the form

Wells/Facilities, continued

Agreement	Lease	Well/Fac Name, Number	API Number	Location
NMNM138618	NMNM100549	HH SO 17 20 FED 002 1H	30-015-45104-00-X1	Sec 17 T26S R27E NWNE 212FNL 1725FEL 32.049168 N Lat, 104.209305 W Lon
NMNM138618	NMNM100549	HH SO 17 20 FED 002 2H	30-015-45105-00-X1	Sec 17 T26S R27E NWNE 212FNL 1700FEL 32.049168 N Lat, 104.209221 W Lon
NMNM138618	NMNM100549	HH SO 17 20 FED 002 3H	30-015-45106-00-X1	Sec 17 T26S R27E NWNE 212FNL 1675FEL 32.049168 N Lat, 104.209145 W Lon
NMNM138618	NMNM100549	HH SO 17 20 FED 002 4H	30-015-45107-00-X1	Sec 17 T26S R27E NWNE 212FNL 1650FEL 32.049168 N Lat, 104.209061 W Lon
NMNM138618	NMNM100549	HH SO 17 20 FED 002 5H	30-015-45108-00-X1	Sec 17 T26S R27E NWNE 212FNL 1625FEL 32.049164 N Lat, 104.208488 W Lon
NMNM138618	NMNM100549	HH SO 17 20 FED 002 6H	30-015-45109-00-X1	Sec 17 T26S R27E NWNE 212FNL 1600FEL 32.049168 N Lat, 104.208900 W Lon

32. Additional remarks, continued

HH SO 17 20 FED 002 2H - 30-015-45105
HH SO 17 20 FED 002 3H - 30-015-45106
HH SO 17 20 FED 002 4H - 30-015-45107
HH SO 17 20 FED 002 5H - 30-015-45108
HH SO 17 20 FED 002 6H - 30-015-45109



Chevron U.S.A. Inc. (CUSA)
SUNDRY ATTACHMENT: SPUDDER RIG

DATA OPERATOR NAME: Chevron U.S.A. Inc.

1. SUMMARY OF REQUEST:

CUSA respectfully requests approval for the following operations for the surface hole in the drill plan:

1. Utilize a spudder rig to pre-set surface casing for time and cost savings.

2. Description of Operations

1. Spudder rig will move in to drill the surface hole and pre-set surface casing on the well.
 - a. After drilling the surface hole section, the spudder rig will run casing and cement following all the applicable rules and regulations (OnShore Order 2, all COAs and NMOCD regulations).
 - b. The spudder rig will utilize fresh water-based mud to drill the surface hole to TD. Solids control will be handled entirely on a closed loop basis. No earth pits will be used.
2. The wellhead will be installed and then tested offline after the WOC time has been reached.
3. An abandonment cap at the same pressure rating as the wellhead will be installed to seal the wellbore. Pressure will be monitored with needle valves installed on one wing-valve.
 - a. A means for intervention will be maintained while the drilling rig is not over the well.
4. Spudder rig operations are expected to take 2-3 days per well on the pad.
5. The BLM will be contacted and notified 24 hours prior to commencing spudder rig operations.
6. Drilling operations will begin with a larger rig and a BOP stack equal to or greater than the pressure rating that was permitted will be nipped up and tested on the wellhead before drilling operations resume on each well.
 - a. The larger rig will move back onto the location within 90 days from the point at which the wells are secured and the spudder rig is moved off location.
 - b. The BLM will be contacted / notified 24 hours before the larger rig moves back on the pre-set locations.
7. CUSA will have supervision on the rig to ensure compliance with all BLM and NMOCD regulations and to oversee operations.
8. Once the rig is removed, CUSA will secure the wellhead area by placing a guard rail around the cellar area.

Surface Rig Layout

