

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.
NMNM025503

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.7. If Unit or CA/Agreement, Name and/or No.
NMNM88499X

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: UNKNOWN OTH8. Well Name and No.
BENSON SHUGART WFU 62. Name of Operator
CHEVRON USA INCContact: CINDY H MURILLO
E-Mail: CHERRERAMURILLO@CHEVRON.COM9. API Well No.
30-015-276443a. Address
15 SMITH RD
MIDLAND, TX 797053b. Phone No. (include area code)
Ph: 575-263-0431
Fx: 575-391-667910. Field and Pool, or Exploratory
SHUGART

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

Sec 26 T18S R30E 2254FNL 1044FEL

11. County or Parish, and State
EDDY COUNTY, NM

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 checked="" type="checkbox"/> Other
	<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 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 INTENT TO SURFACE PRODUCTION EQUIPMENT ON ABOVE WFU.
PLEASE SEE ATTACHED SURVEY. PROPOSED FLOWLINE WILL INVOLVE LAYING 950' OF NEW PIPE TO CARRY FLUID TO THE BENSON SHUGART WFU#6. THIS INJECTION LINE WILL TIE INTO THE MAIN INJECTION TRUCK LINE THAT WAS RECENTLY APPROVED. THIS LEG WILL TIE INTO THE MAIN LINE AT A RISER LOCATED AT L6 LOCATED ON THE ATTACHED SURVEY. THE PIPING WILL BE BURIED AT A MINIMUM DEPTH OF 36' BELOW THE SURFACE. THE CONSTRUCTION METHODS WILL FOLLOW THE RECOMMENDATIONS GIVEN BY THE ARCHEOLOGICAL CONSULTANTS AS PRESCRIBED IN SECTION 7 OF THE ATTACHED SURVEY.
OPERATIONS WILL COMMENCE UPON APPROVAL.

Accepted for record

TES NMOC

3/14/14

RECEIVED

MAR 12 2014

NMOC ARTESIA

OK - TEN 3/5/14 - see COAs

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

Electronic Submission #232080 verified by the BLM Well Information System
For CHEVRON USA INC, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH HAM on 01/22/2014 ()

Name (Printed/Typed) CINDY H MURILLO

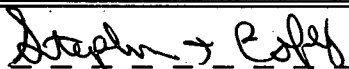
Title PERMITTING SPECIALIST

Signature (Electronic Submission)

Date 01/14/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By



For FIELD MANAGER

Date

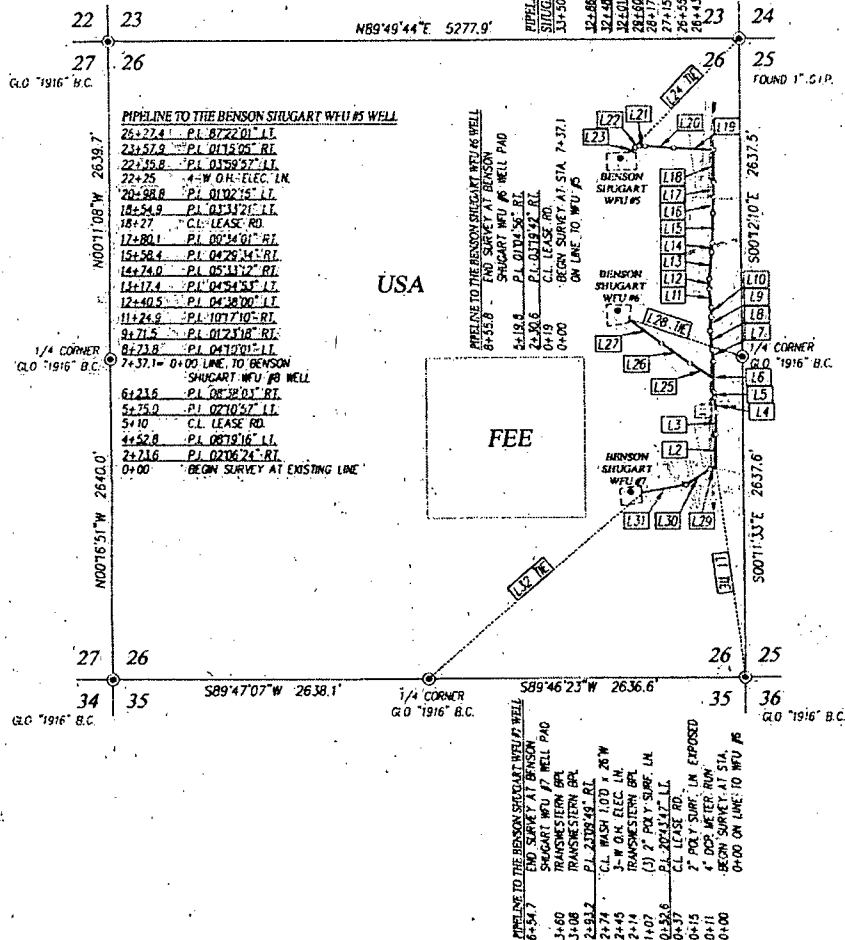
MAR 6 2014

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.

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



LINE	BEARING	DISTANCE
L1 RE	N07°38'45"W	1740.0'
L2	N00°27'01"W	273.6'
L3	N01°39'23"E	179.2'
L4	N06°39'53"W	122.2'
L5	N08°30'50"W	48.6'
L6	N00°12'44"W	250.2'
L7	N04°22'45"W	97.7'
L8	N05°46'03"W	153.4'
L9	N04°31'07"E	115.6'
L10	N02°06'53"W	76.9'
L11	N05°01'46"W	156.6'
L12	N00°31'26"E	184.4'
L13	N05°01'00"E	221.7'
L14	N05°35'01"E	74.8'
L15	N02°01'40"E	243.9'
L16	N03°03'55"E	137.0'
L17	N00°56'02"W	122.2'
L18	N00°19'03"E	269.5'
L19	N07°02'58"W	332.6'
L20	N05°22'42"W	241.1'
L21	N09°22'25"W	47.0'
L22	S70°28'42"W	38.1'
L23	S51°59'06"W	63.9'
L24 RL	N44°16'37"E	1321.2'
L25	N58°07'22"W	230.6'
L26	N54°47'40"W	289.2'
L27	N53°42'44"W	336.0'
L28 RL	S71°50'13"E	394.1'
L29	S77°51'06"W	52.6'
L30	S57°07'19"W	240.6'
L31	S80°17'08"W	361.5'
L32 RL	N49°31'07"E	2360.3'

30 DESCRIPTION

SURVEY OF A STRIP OF LAND ~~800~~ FEET WIDE AND 4860.6 FEET OR 0.921 MILES IN LENGTH CROSSING USA LAND IN SECTION 26, TOWNSHIP 18 SOUTH, RANGE 30 EAST, N.M.P.M., EDDY COUNTY, NEW MEXICO, AND BEING 25.0 FEET LEFT AND 25.0 FEET RIGHT OF THE ABOVE PLATTED CENTERLINE SURVEY.

NOTE

BEARINGS SHOWN HEREON ARE MERCATOR GRID AND CONFORM TO THE NEW MEXICO COORDINATE SYSTEM "NEW MEXICO EAST ZONE" NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.

I, RONALD J. EIDSON, NEW MEXICO PROFESSIONAL SURVEYOR No. 3239, DO HEREBY CERTIFY THAT THIS SURVEY PLAT AND THE ACTUAL SURVEY ON THE GROUND UPON WHICH IT IS BASED WERE PERFORMED BY ME OR UNDER MY DIRECT SUPERVISION, THAT I AM A LICENSEE FOR THIS SURVEY, THAT THIS SURVEY MEETS THE MINIMUM STANDARDS FOR SURVEYING IN NEW MEXICO, AND THAT IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

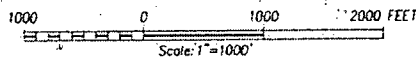
RONALD J. EIDSON, PROFESSIONAL SURVEYOR
DATE: 08/21/13



PROVIDING SURVEYING SERVICES
SINCE 1946
JOHN WEST SURVEYING COMPANY
412 N. DAL PASO
HOBBS, N.M. 88240
(575) 393-3117

LEGEND

- ⊙ DENOTES FOUND CORNER AS NOTED
- ⊙ DENOTES CALCULATED CORNER



CHEVRON USA INC.

SURVEY FOR PIPELINES
CROSSING SECTION 26, TOWNSHIP 18 SOUTH,
RANGE 30 EAST, N.M.P.M.
EDDY COUNTY, NEW MEXICO.

Survey Date: 8/21-22/13 CAD Date: 8/30/13 Drawn By: ACK
W.O. No.: 13110950 Rev.: Rel. W.O.: Sheet: 1 of 1

Bureau of Land Management, Carlsbad Field Office

620 E. Greene Street Carlsbad, NM 88220

Cultural and Archaeological Resources

Conditions of Approval

Historic properties in the vicinity of this project are protected by federal law. In order to ensure that they are not damaged or destroyed by construction activities, the project proponent and construction supervisors shall ensure that the following stipulations are implemented.

Date of Issue: 2/19/2014 **BLM Report No.:** 14-0240

Project Name: benson shugart injection line

1. Professional archaeological monitoring. Contact your project archaeologist, or BLM's Cultural Resources Section at (575) 234-5986.

These stipulations must be given to your monitor at least 5 days prior to the start of pipeline construction

No construction, including vegetation removal or other site prep may begin prior to the arrival of the monitor

2. The archaeological monitor

Observe all ground-disturbing activities within 100 feet of cultural site no. LA:LA 20166

Ensure that all routes are adhered to avoid cultural site no.(s) LA 20166

Other

LA 20166 was updated and the potential impact of the project on the site was assessed during the survey. After assessing the site and consulting with Kevin Dickerson of Chevron USA, Inc, it was determined if the project is approved the pipeline will be trenched from the existing access road which runs along the entirety of the proposed project. Soil from the trenching will be deposited on the existing access road. No blading of the project area will occur prior to trenching. Archaeological monitoring is recommended during all construction activities within 100 ft of the site.

Site Protection and Employee Education: It is the responsibility of the project proponent and his construction supervisor to inform all employees and subcontractors that cultural and archaeological sites are to be avoided by all personnel, vehicles, and equipment; and that it is illegal to collect, damage, or disturb cultural resources on Public Lands.

For assistance, contact BLM Cultural Resources:

Martin Stein (575) 234-5967
Stacy Galassini (575) 234-5986

Bruce Boeke (575) 234-5917
Laura Hronec (575) 627-0263

BLM SERIAL #: NMNM025503
COMPANY REFERENCE: Chevron USA, Inc.
WELL # & NAME: Benson Shugart WFU 6

Seed Mixture 2, for Sandy Sites

The holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed will be tested and the viability testing of seed will be done in accordance with State law (s) and within nine (9) months prior to purchase. Commercial seed will be either certified or registered seed. The seed container will be tagged in accordance with State law(s) and available for inspection by the authorized officer.

Seed will be planted using a drill equipped with a depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture will be evenly and uniformly planted over the disturbed area (smaller/heavier seeds have a tendency to drop the bottom of the drill and are planted first). The holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed will be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre are to be doubled. The seeding will be repeated until a satisfactory stand is established as determined by the authorized officer. Evaluation of growth will not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

<u>Species</u>	<u>lb/acre</u>
Sand dropseed (<i>Sporobolus cryptandrus</i>)	1.0
Sand love grass (<i>Eragrostis trichodes</i>)	1.0
Plains bristlegrass (<i>Setaria macrostachya</i>)	2.0

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed

BLM LEASE NUMBER: NMNM025503

COMPANY NAME: Chevron USA, Inc.

ASSOCIATED WELL NAME: Benson Shugart WFU 6

BURIED PIPELINE STIPULATIONS

A copy of the application (Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations 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 grant.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.
4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other 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 on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, 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. All construction and maintenance activity will be confined to the authorized right-of-way.
6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.
7. The maximum allowable disturbance for construction in this right-of-way will be 30 feet:
- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed 20 feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)
 - Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed 30 feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.) intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.*)
 - The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)
8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.
9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.
10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.
11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.
12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix:

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

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land 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.

17. 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 associated roads, 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.

18. Special Stipulations:

Lesser Prairie-Chicken

Oil and gas activities will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, geophysical exploration other than 3-D operations, and pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 ft. from the source of the noise.

Dunes Sagebrush Lizard Trench Stipulation

- Pre-construction contact with a BLM wildlife biologist is required before any ground disturbing activities associated with the project occurs.

- Successful completion of the BLM Trench Stipulation Workshop is required for a non-agency person to be approved as a monitor.
- Any trench left open for (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, an agency approved monitor shall walk the entire length of the open trench and remove all trapped vertebrates. The bottom surface of the trench will be disturbed a minimum of 2 inches in order to arouse any buried vertebrates. All vertebrates will be released a minimum of 100 yards from the trench.
- For trenches left open for eight (8) hours or more the following requirements apply:
 - Earthen escape ramps and/or structures (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench. Metal structures will not be authorized. Options will be discussed in detail at the required Trench Stipulation Workshop.
 - One approved monitor shall be required to survey up to three miles of trench between the hours of 11 AM-2 PM. A daily report (consolidate if there is more than one monitor) on the vertebrates found and removed from the trench shall be provided to the BLM (email/fax is acceptable) the following morning.
 - Prior to backfilling of the trench all structures used as escape ramps will be removed and the bottom surface of the trench will be disturbed a minimum of 2 inches in order to arouse any buried vertebrates. All vertebrates will be released a minimum of 100 yards from the trench.
- This stipulation shall apply to the entire length of the project in the DSL habitat polygon regardless of land ownership or CCA/CCAA enrollment status.
- A project closeout will be required within three business days of the completion of the project.

Arch Stipulation:

See Attachment.