

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT ARTESIA DISTRICT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010

**SUNDRY NOTICES AND REPORTS ON WELLS 1 2015**  
*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 4

9. API Well No.  
30-015-27593-00-S1

10. Field and Pool, or Exploratory  
W SAND DUNES

11. 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	TYPE OF ACTION			
<input 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 checked="" 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 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 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 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

Last Produced Feb, 2015

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

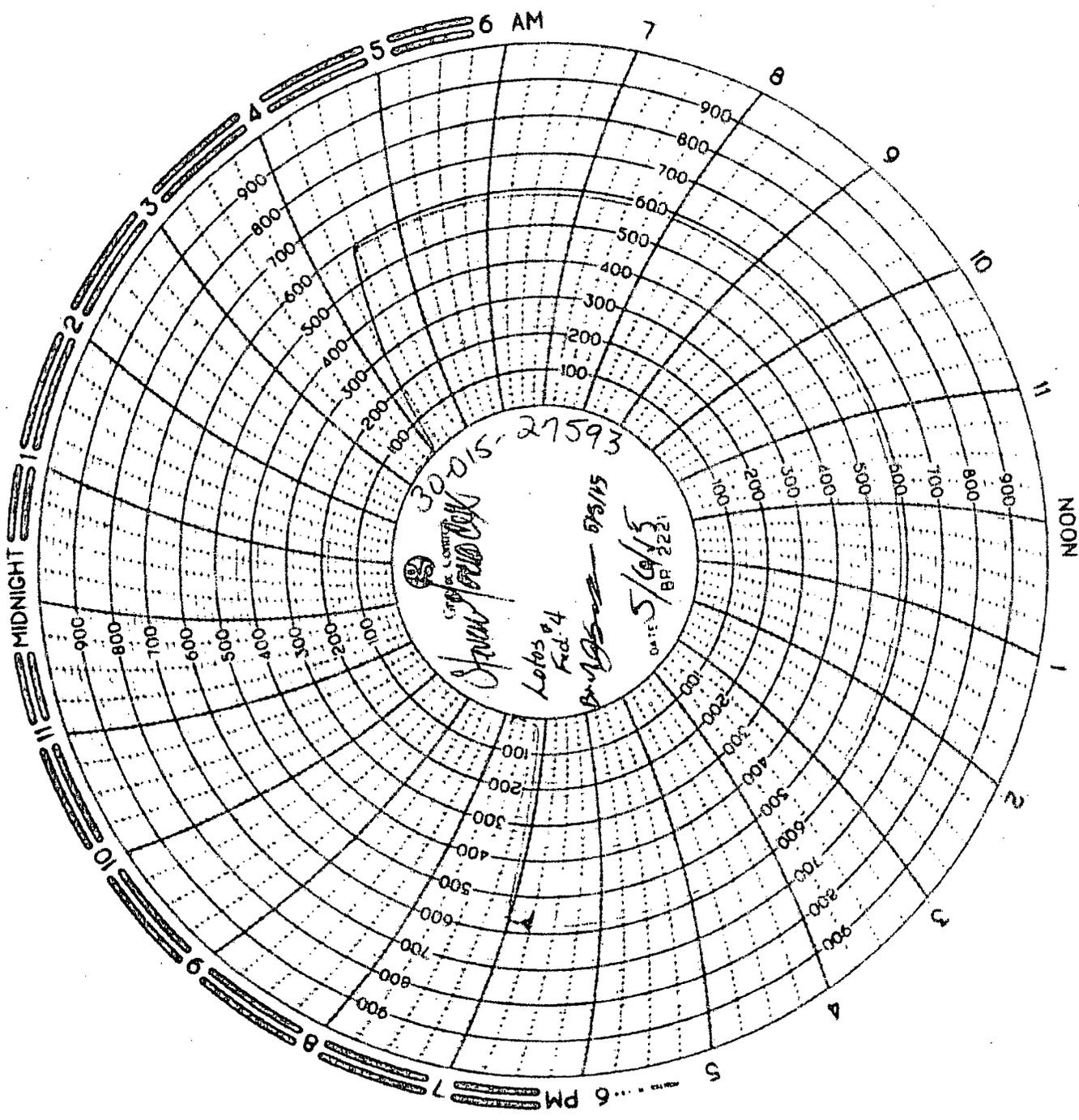
Signature (Electronic Submission) Date 09/02/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date **SEP 4 2015**  
/s/ Chris Walls

Office BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

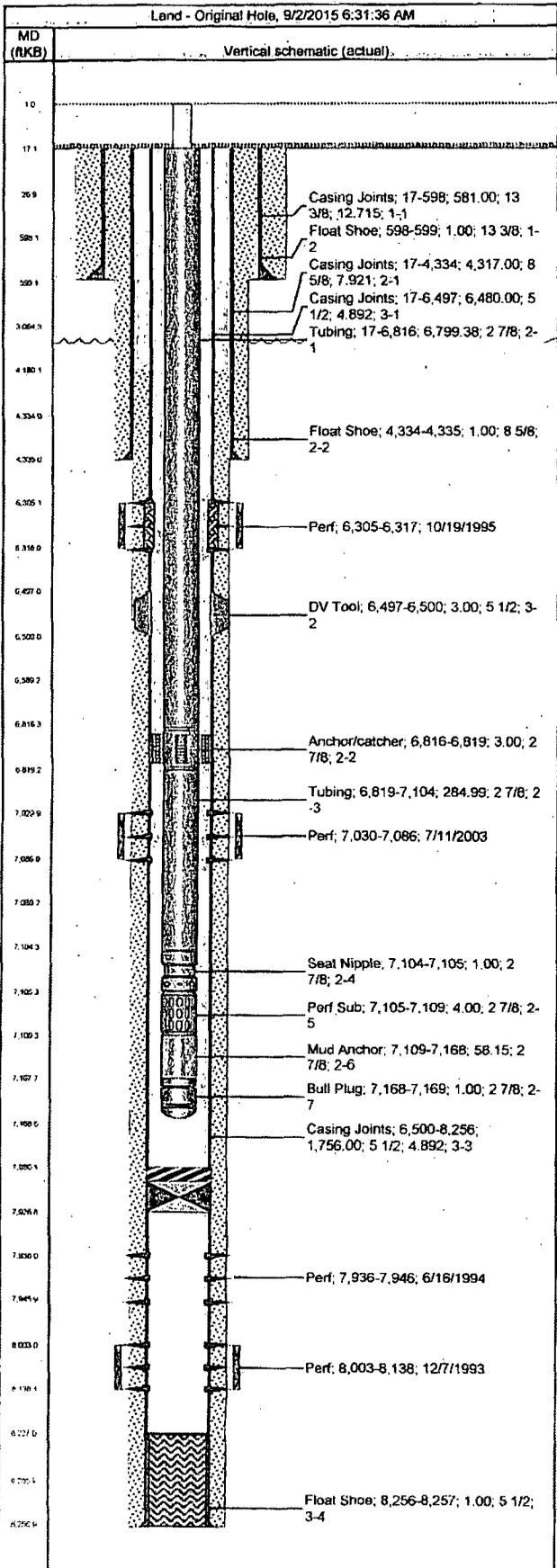
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.





# Wellbore Schematic

Well Name <b>LOTOS FEDERAL 004</b>	Lease <b>LOTOS FEDERAL</b>	Field Name <b>SAND DUNES WEST</b>	Business Unit <b>Mid-Continent</b>
---------------------------------------	-------------------------------	--------------------------------------	---------------------------------------



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/Len (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							
<b>Tubing - Production set at 7,168.5ftKB on 6/8/2010 00:00</b>							
Tubing Description	Run Date	String Length (ft)		Set Depth (MD) (ftKB)			
Tubing - Production	6/8/2010	7,151.52		7,168.5			
Item Des	Jts	OD (in)	Wt (lb/ft)	Grade	Len (ft)	Btm (ftKB)	
Tubing		2 7/8			6,799.38	6,816.4	
Anchor/catcher		2 7/8			3.00	6,819.4	
Tubing		2 7/8			284.99	7,104.4	
Seat Nipple		2 7/8			1.00	7,105.4	
Perf Sub		2 7/8			4.00	7,109.4	
Mud Anchor		2 7/8			58.15	7,167.5	
Bull Plug		2 7/8			1.00	7,168.5	
Rod Strings							
<b>Rod - Conventional on 6/8/2010 00:00</b>							
Rod Description	Run Date	String Length (ft)		Set Depth (ftKB)			
Rod - Conventional	6/8/2010	7,104.50		7,105.4			
Item Des	Jts	OD (in)	Wt (lb/ft)	Grade	Len (ft)	Btm (ftKB)	
Polished Rod		1 1/2			26.00	26.9	
Fiberglass Sucker Rod	81	1			3,037.50	3,064.4	
Sucker Rod	118	7/8			3,525.00	6,589.4	
Sinker Bar	20	1 1/2	6.01		500.00	7,089.4	
Rod Pump		1 1/2			16.00	7,105.4	
Perforations							
Date	Top (ftKB)	Btm (ftKB)	Shot Denis (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	FIELD NAME	CHEVNO NUMBER	LEASE NAME	API NUMBER
DELAWARE BASIN	HOBBS		LOTOS F 4	3001527593000
Date	Remarks	Daily Man Hours		
4/21/2015	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 BREAK MID ROD WITH SEVERE FRAYING, CONTACT PLANNER, ADVISE TO POOH WITH TBG SCANNING, CHANGE OVER TOOLS, PREP TO HUBOP FIRST THING IN THE AM, SDFH, PROJ OPS - HUBOP, POOH WITH TBG TO ROD PART, UNSEAT PUMP AND POOH WITH RODS, RU SCANNERS AND POOH SCANNING.	4		
4/22/2015	DAY 2 -- WRITE AND REVIEW JSA'S, TGSM, ATTEMPT TO HUBOP AND BRAKES ARE LOCKED ON RIG, CREW CALL OUT MECHANIC, WSM UTILIZE SWA AND CONTACT LEAD, DECIDE TO RD PU AND 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 - INSPECT REPLACEMENT RIG AT HARBORS YARD, ADDRESS ANY REPAIRS.	1		
4/28/2015	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 TOOLS, WSM ON LOC WHILE FUNCTION TESTING BOP, BLED DWN CSNG, PUMPED 20 BBW TO KILL CASING NDWH, UNSET TAC, 16 PNTS OF TEHSION, HUBOP, POOH TO ROD PART, LAID DOWN 1 FG ROD SECURED WELL AND EQUIPMENT SION, PROJ OPS: UNSEAT PUMP POOH W/RODS AND PUMP RIH W/3 JHTS OF TBG AND RESET ANCHOR NUWH.	5		
4/29/2015	DAY 4- CREW ATTENDED RCA IN HOBBS HARBORS YARD, PROJ OPS: POOH TO PART UNSEAT PUMP POOH W/RODS	9		
4/30/2015	DAY 5-WRITE AND REVIEW JSA'S AND TENENT#10, BLED DWN WELL PUMPED 20 BBW DWN CSNG, POOH W/TBG TO PART LD 2 JOINTS, CHANGED OVER TOOLS, UNSEATED PUMP, HAD 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 EQUIPMENT SION, PROJ OPS: RU SCANNERS POOH W/TBG WHILE SCANNING	9		
5/1/2015	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, 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 W/YELLOW BAND TBG, RD SCANNERS LD DWN 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	8		
5/4/2015	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 SETIING CIBP AT 6255' POOH W/WIRELINE, MADE 1 MORE RUN DUMPED 50' OF CEMENT, POOH RD WIRELINE, PU 6P AND PERF SUB RIH W/TBG AND TBG OFF RACKS CO TOOLS SECURED WELL AND EQUIPMENT SION, PROJ OPS FIN PU TBG RIH W/RODS LD ROD CIRC PACKER FLUID TEST CIBP POOH LD TBG	12		
5/5/2015	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 STRING ND BOP NUWH SDON PROJ OPS CHART TEST CSG FOR 11M OCD 500# FOR 30 MIN RD MOVE TO NEXT WELL ON QUEUE	12		
5/6/2015	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, RU PUMP TRUCK, ISSUED PTW ROSU 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 recomplete or NOI to P&A. Must be submitted by 3/4/2016
4. COA's met at this time.