

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

NMOC  
Artesia

FORM 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.  
NMLC064637

6. If Indian, Allottee or Tribe Name

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

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
HENSHAW 23 FEDERAL 1

2. Name of Operator  
CHEVRON USA INCORPORATED

Contact: CINDY H MURILLO  
E-Mail: CHERRERAMURILLO@CHEVRON.COM

9. API Well No.  
30-015-34448-00-S1

3a. Address  
15 SMITH ROAD  
MIDLAND, TX 79705

3b. Phone No. (include area code)  
Ph: 575-263-0431  
Fx: 575-263-0445

10. Field and Pool, or Exploratory  
HENSHAW-WOLFCAMP

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 23 T16S R30E NWNE 660FNL 1980FEL

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 checked="" type="checkbox"/> Recomplete	<input 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 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 APPROVAL TO RECOMPLETE THE ABOVE WELL TO THE YESO FORMATION. PLEASE FIND ATTACHED A PROPOSED PROCEDURE AND WELLBORE DIAGRAM.

*See COAs plug missing.  
Operator is to confirm cement on behalf  
Pipe after remediation.*

BUREAU OF LAND CONSERVATION  
ARTESIA DISTRICT

JAN 19 2016

RECEIVED

SUBJECT TO LIKE  
APPROVAL BY STATE

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

Accepted for record

(CD) NMOC 1/20/16

*Provide OCS w/C102*

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

Electronic Submission #281337 verified by the BLM Well Information System  
For CHEVRON USA INCORPORATED, sent to the Carlsbad  
Committed to AFMSS for processing by CATHY QUEEN on 06/22/2015 (15CQ0399SE)

Name (Printed/Typed) CINDY H MURILLO

Title PERMITTING SPECIALIST

Signature (Electronic Submission)

Date 11/24/2014

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

JAN 11 2016

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

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.

\*\* BLM REVISED \*\*

# Henshaw 23 Federal #1 Recomplete to Yeso

## Proposed Procedure

- 1 MIRU. POOH with rods and pump.
- 2 Install BOP. Release TAC @ 7760' and POOH scanning existing 2 7/8" tubing.
- 3 RIH with gauge ring and junk basket to 7770'. Set CIBP above Abo @ 7750' and dump bail 35' cement on top. Perforate 4 squeeze perfs @ 6460'.
- 4 Run packer on 2 7/8" tubing to 6360' and set. Open intermediate and production string annuli. Establish circulation and injection rate between 5 1/2" x 8 5/8" annulus.  
*See logs*  
POOH with packer. Run CICR and set @ 6360'. Confirm circulation and cement with 1162 sx. class C cement mixed 14.8 PPG with 1/8# celloflake per sack. Displace with 35 bbls, leaving 1.8 bbls cement in tubing. Sting out of retainer and dump extra cement on top of retainer.
- 6 *See log plug missing.*  
Pull tubing up to 5810' and reverse circulate 70 BBLs of water. Spot 500 gal. Acetic acid. POOH with tubing. WOC 24 hours.
- 7 Pressure test casing to 5000# and chart to ensure integrity for the frac.
- 8 Rig up wireline and lubricator. Test lubricator to 1000#. Run GR/CBL/CCL from PBTD to surface.
- 9 Perforate casing 5790'-5804' w/ 2 spf and 90 degree phasing (28 holes).
- 10 Run tubing and packer. Acidize perfs 5790'-5804' w/ 1000 gal. 15% NEFE HCL at 7 BPM.
- 11 Prepare location for frac.
- 12 Rig up frac equipment. Frac perfs 5790'-5804' down casing with 1000 gal. 15% NEFE HCL spearhead followed by 50,000# 20/40 and 10,000# 20/40 CRC @ 20 BPM. Monitor and record 8 5/8" x 5 1/2" casing pressure during job. Upon completion, a copy will be sent to BLM.
- 13 RU wireline. NU lubricator and test to 1000#. PU flow through CBP and perforating guns. Set CBP @ 5200'. Perforate casing at the following depths select fire w/ 1 spf .41" EHD (21 holes):  
4810', 4813', 4818', 4838', 4843', 4850', 4906', 4910', 4919', 4928', 4937', 4963', 4969', 4999', 5002', 5009', 5044', 5053', 5058', 5089', 5093'.
- 14 Frac Stage 2 perfs down the casing with 1000 gal. 15% NEFE HCL spearhead followed by 100,000# 20/40 and 20,000# 20/40 CRC at 40 BPM. Monitor and record 8 5/8" x 5 1/2" casing annulus pressure during job. Upon completion, a copy will be sent to the BLM.
- 15 RU wireline. NU lubricator and test to 1000#. PU flow through CBP and perforating guns. Set CBP @ 4700'. Perforate casing at the following depths select fire w/ 1 spf .41" EHD (13 holes):

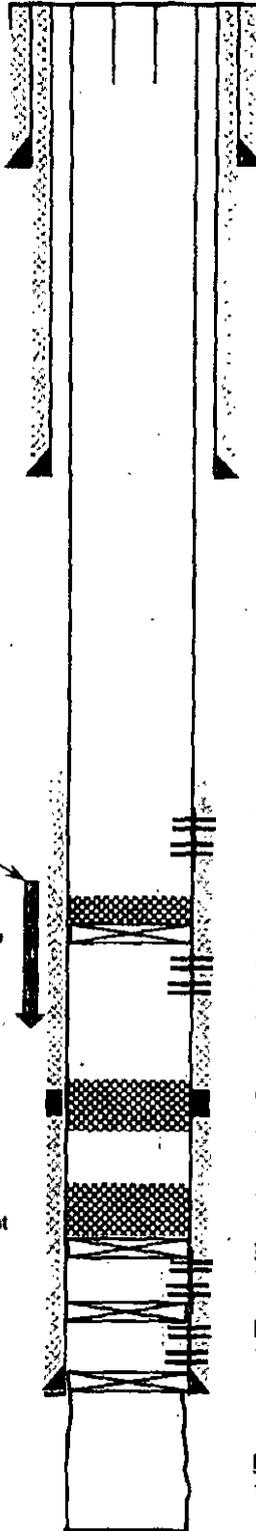
4457', 4465', 4467', 4474', 4479', 4481', 4491', 4492', 4511', 4541', 4543', 4571', 4574'.

- 16 Frac Stage 3 perms down casing with 1000 gal. 15% NEFE HCl spearhead followed by 100,000# 20/40 and 20,000# 20/40 CRC sand at 25 BPM. Monitor 8 5/8" x 5 1/2" casing annulus pressure during job. Upon completion, a copy will be sent to the BLM.
- 17 Rig down frac equipment and SI well overnight.
- 18 Record SI pressures and flow well back if needed.
- 19 Move in pulling unit and ND Goat Head. Kill well with 10# brine if needed. ND frac valve when well is static. Install BOP and test.
- 20 RIH with 4 5/8" bit, 6- 3 1/8" DC and 2 7/8" tubing. Clean out wellbore to PBTD.
- 21 POOH and lay down DC's and bit.
- 22 Run in hole with 2 7/8" rod pumping BHA.
- 23 ND BOP and NU wellhead. Run pump and rods.
- 24 Place on production.

**Lease Name:** Henshaw Federal 23  
**Well No.:** 1  
**Location:** 660' FNL & 1,980' FEL  
**Sec.:** #  
**TwN:** 16S  
**Range:** 30E  
**Cost Center:**

**Field:** Henshaw  
**Reservoir:**  
**GL:** 3828'  
**KB:** 3848'  
**DF:**  
**Status:**

**API No.:** 30-015-34448  
**REFNO:** JZ8802  
**Spud Date:** 10/6/2008  
**Comp. Date:** 3/8/2007  
**County:** Eddy  
**State:** New Mexico  
**Type Lease:** Federal



20" Conductor @  
40'

Hole Size: 17 1/2"  
 Csg. Size: 13 3/8" 48# H-40  
 Set @: 342'  
 Sks. Cmt.: 900 sk. (Initial 330 sk., then 1")  
 TOC @: Surface  
 Circ: Y/N: Not initially  
 Also 100 sk more at shoe.

Hole Size: 11"  
 Csg. Size: 8 5/8" 32# J-55  
 Set @: 3815'  
 Sks. Cmt.: 1025 sk.  
 TOC @: Surface  
 Circ: Y/N: Y

Orig. TOC  
7650' by CBL

Stuck drlg BHA  
8419'-9308'

CIBP @ 8650'  
w/ 35' cmt. On top

60 sks.cmt Plug  
10,080'-10,670'

CIBP @  
12,460' + 1 sk. cmt  
plus 55 sk. on top

CIBP @  
12,550'

CIBP @  
12,614'

4 5/8" OH

2 7/8" L-80 production tubing  
 208 - 7/8" Rods - Norris 97  
 94 - 3/4" rods - Norris 97  
 12- k bars  
 1.5x24' pump

**Abo Perfs**

7810'-20'  
7840'-50'  
7860'-70'

**Wolfcamp Perfs**

8713'-22', 8766'-68',  
8795'-8802', 8808'-11',  
8837'-38', 8853'-55'

DV Tool @  
10,242'

11,906' top of cmt.

**Simson Perfs**

12,505'-515'

**Ellenburger Perfs**

12,570'-610'

**Ellenburger OH**

12,620'-800'

Hole Size: 7 7/8"  
 Csg. Size: 5 1/2" 20# L-80  
 Set @: 12,620'  
 Sks. Cmt.: 1870 sk.  
 TOC @: 7650' Orig  
 Circ: Y/N: N

PBTD: 8615'  
TD: 12,800'

Updated: 9/2/2014

By: mmke

**Henshaw 23 Federal 1  
30-015-34448  
Chevron USA Incorporated  
January 11, 2016  
Conditions of Approval**

**Work to be completed by April 11, 2016.**

**Notify BLM at 575-361-2822 a minimum of 24 hours prior to commencing work.**

- 1. Operator shall set CIBP at 7,750' (50'-100' above current perms) with a minimum of 35' Class H cement on top. WOC and tag required.**
- 2. Operator is approved to perform cement remediation as proposed. Operator must confirm cement is behind pipe before continuing.**
- 3. Operator shall place solid Class C cement plug from 6,435' - 6,270' to seal the Abo formation.**
- 4. Must conduct a casing integrity test before perforating and fracturing. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails.**
- 5. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.**
- 6. Surface disturbance beyond the originally approved pad must have prior approval.**
- 7. Closed loop system required.**
- 8. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.**
- 9. Operator to have H2S monitoring equipment on location.**

10. A minimum of a **3000 (3M)** BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (3M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
11. **Subsequent sundry required detailing work done, new C-102, and completion report for the new formation. Operator to include well bore schematic of current well condition when work is complete.**
12. **See attached for general requirements.**

**JAM 011116**

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

**Permanent Abandonment of Production Zone Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from this approval.

**If you are unable to plug back the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged back. Failure to do so will result in enforcement action.**

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plug back operations. For wells in Eddy County, call 575-361-2822. For wells in Lea County, call 575-393-3612

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of brine water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either **Neat Class "C"**, for up to 7,500 feet of depth or **Neat Class "H"**, for deeper than 7,500 feet plugs.

6. **Subsequent Plug back Reporting:** Within 30 days after plug back work is completed, file one original and three copies of the Subsequent Report, Form 3160-5 to BLM. The report should give in detail the manner in which the plug back work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date work was completed.**

7. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.