

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNMOCD
ArtesiaFORM 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.
NNNM29234

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.8. Well Name and No.
LOTOS 8 FEDERAL 8039. API Well No.
30-015-32758-00-S110. Field and Pool, or Exploratory
SAND DUNES11. County or Parish, and State
EDDY COUNTY, NM

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CHEVRON USA INCORPORATED

Contact: CINDY H MURILLO

E-Mail: CERRERAMURILLO@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 8 T24S R31E SENW 1980FNL 1980FWL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☒ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☐ Other

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 recompleting 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 IS REQUESTING TO TEMPORARY ABANDON THE ABOVE WELL.

THE PROCEDURE IS AS FOLLOWS:

1. PULL OUT OF HOLE WITH RODS. PUMP AND TUBING.
2. SET 5 1/2" CIBP AT 7800', CAP WITH 35' CEMENT.
3. LOAD HOLE WITH INHIBITED FLUID.
4. PRESSURE TEST CASING TO 500 PSI FOR 30 MINUTES.
5. SUBMIT A MIT CHART TO BLM.

CHEVRON IS REQUESTING FOR A 3 YEAR TA STATUS. See COAS

SEE ATTACHED FOR
CONDITIONS OF APPROVAL
NM OIL CONSERVATION
ARTESIA DISTRICT

Accepted for record

NMOCD RF 2/24/16

FEB 22 2016

RECEIVED

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

Electronic Submission #324844 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Carlsbad
Committed to AFMSS for processing by JAMIE RHOADES on 12/09/2015 (16JLR0097SE)

Name (Printed/Typed) CINDY H MURILLO

Title PERMITTING SPECIALIST

Signature (Electronic Submission)

Date 11/30/2015

THIS SPACE FOR FEDERAL OR STATE OFFICE USE
FEB 12 2016

Approved By

Title

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

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

Approved for a period of 12 months ending 02/12/2017 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 8 Federal 803

1. Well is approved to be TA/SI for a period of 12 months or until 02/12/2017
2. This will be the last TA approval for this well.
3. Must submit NOI to recompleat or NOI to P&A. Must be submitted by 02/12/2017
4. COA's met at this time.

- NO MIT CHART REVIEWED BY MMOCD.

RI 2/24/16