

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
OCD Artesia

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.  
NMLC029392B

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.

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
PRINCIPLE FEDERAL 1

2. Name of Operator  
CHEVRON USA INCORPORATED  
Contact: HOWIE LUCAS  
E-Mail: howie.lucas@chevron.com

9. API Well No.  
30-015-32616-00-S1

3a. Address  
6301 DEAUVILLE BLVD  
MIDLAND, TX 79706

3b. Phone No. (include area code)  
Ph: 832-588-4044

10. Field and Pool or Exploratory Area  
SHUGART

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 27 T18S R31E NENW 990FNL 1650FWL

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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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.

8 5/8" 32# 664' TOC surface, 5 1/2" 17# @ 6395' TOC 1870' via temp survey, Perfs 6120'-6194'

RECEIVED

Chevron respectfully requests to abandon this well as follows:

*GC 1/16/19*  
Accepted for record - NMOCD

JAN 10 2019

1. Notify BLM 24 hrs. prior to starting work (575) 234-5909.
2. MIRU, NDWH, NU BOPE, test tubing t/ 1000 psi f/ 10 min, POOH w/ rods and tubing, bubble test all casing strings and share results w/ BLM and engineer. Chevron plans to utilize Zonite after plugging up to a designated depth agreed upon by Chevron and the BLM.
3. Set CIBP at 6070', test casing t/ 1000 psi f/ 10 min, spot MLF, spot 25 sx CL "C" cmt f/ 6070' t/ 5817', do not WOC & tag if casing passed pressure test (Perfs).
4. Spot 80 sx CL "C" cmt f/ 5250' t/ 4441' (Brushy Canyon, Delaware).
5. Spot 75 sx CL "C" cmt f/ 2600' t/ 1842' (Yates, B.Salt).

DISTRICT II-ARTESIA O.C.D.  
**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

*Below ground level dry hole marker required*

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

Electronic Submission #446496 verified by the BLM Well Information System  
For CHEVRON USA INCORPORATED, sent to the Carlsbad  
Committed to AFMSS for processing by DEBORAH MCKINNEY on 12/06/2018 (19DLM0177SE)

Name (Printed/Typed) HOWIE LUCAS	Title ENGINEER
Signature (Electronic Submission)	Date 12/04/2018

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <i>James R. [Signature]</i>	Title <i>SAET</i>	Date <i>12-18-18</i>
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 <i>C/O</i>	

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 \*\***

**ENTERED**  
*1-16-19*

**Additional data for EC transaction #446496 that would not fit on the form**

**32. Additional remarks, continued**

6. Perforate casing at 714' and squeeze 170 sx CL "C" cmt f/ Surface t/ 714' (Shoe, FW, Surf).
6. Cut off wellhead 3' below grade, Verify Cement To Surface, install required dry hole marker as per COA's, turn over to reclamation.

All cement plugs will be class "C" with a closed loop system used.

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

**Permanent Abandonment of Federal Wells**  
**Conditions of Approval (LPC Habitat)**

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 the approval date of this Notice of Intent to Abandon.

If you are unable to plug 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. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. Notification: Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; 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. Based on depth, a tag of the cement may be deemed necessary.

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. Below Ground Level Cap (Lesser Prairie-Chicken Habitat): All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10<sup>th</sup> day, the BLM is to be contacted with justification to receive an extension for completing the cut off.** Upon the plugging and subsequent abandonment of wells that are located in lesser prairie-chicken habitat, the casings shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be covered with a metal plate at least ¼ inch thick and welded in place. A weep hole shall be left in the plate and/or casing.

NMOCD also requires the operator to notify NMOCD when this type of dry hole marker is used. This can be done on the subsequent report of abandonment which is submitted to the BLM after the well is plugged. State that a below ground cap was installed as required in the COA's from the BLM.

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging 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 well was plugged.

8. 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.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.

Timing Limitation Stipulation/ Condition of Approval for Lesser Prairie-Chicken:

From March 1<sup>st</sup> through June 15<sup>th</sup> annually, abandonment activities will be allowed except between the hours from 3:00 am and 9:00 am. Normal vehicle use on existing roads will not be restricted

Well: Principle F 1  
 Field: Shugart  
 Reservoir: Brushy Canyon

**Current Wellbore Diagram**

Location:

Section: 27
Township: 18
Range: 31
County: Eddy State: NM

Well ID Info:

Chevno: HJ8679
API No: 3001532616
Spud Date: 2/28/2003
Compl. Date: 4/1/03

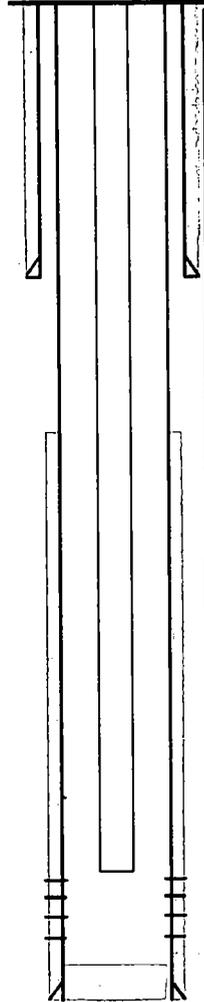
Formation	TD, ft
	Top
Base of Salt	1,980
Yates	2,550
Queen	3,300
Delaware	4,600
Brushy Canyon	5,200
Bone Spring	6,250

**History:**  
 -Significant paraffin issues noted during each workover/pull job. The rods were stuck every job and required the use of (PAO3085) paraffin

Surface Csg: 8.625" 32#, unk  
 Set: @ 664'  
 Hole Size: 12.25" **17.5**  
 Circ: Yes TOC: Surface  
 TOC By: Circulated

Prod. Csg: 5 1/2", 17#, unk  
 Set: @ 6395'  
 Hole Size: 7 7/8"  
 Circ: No TOC: 1870  
 TOC By: Temperature Survey

Brushy Perfs @ 6120'-6194'



Tubing Strings										
Tubing Description		Planned Run?		Set Depth (TVD) (ft)			Set Depth (TVS) (ft)			
Tubing		N		6,412.1						
Run Date		Run Job		Run Date			Run Job			
5/7/2013		Drill and Suspend,		2/27/2003.00:00						
Qty	Item Desc	OD (in)	ID (in)	WT (lb/ft)	Grade	Top Thread	Len (ft)	Top (ft)	Bot (ft)	Str (ft)
193	TBG 6.6# J-55	2 7/8		6.50	J-55		6,233.90	16.0	6,250.0	
1	TAC 2 7/8 X 5 1/2	2 7/8					2.70	6,250.0	6,252.7	
3	TBG 6.6# J-55	2 7/8		6.50	J-55		81.95	6,252.7	6,314.6	
2	TBG 6.6# J-55 TK-99	2 7/8		6.50	J-55		64.20	6,314.6	6,378.8	
1	CUP SN	2 7/8					1.10	6,378.8	6,379.9	
1	SLOTTED MJ	2 7/8					31.60	6,379.9	6,411.5	
1	BULL PLUG	2 7/8					0.60	6,411.5	6,412.1	

Rod Description		Planned Run?		Set Depth (TVD) (ft)			Set Depth (TVS) (ft)			
Rod Detail		N		6,350.0						
Run Date		Run Job		Run Date			Run Job			
5/10/2013										

Rod Components										
Qty	Item Desc	OD (in)	Grade	Model	Len (ft)	Top (ft)	Bot (ft)	Str (ft)		
1	HF	1 1/2	PR		26.00	0.0	26.0			
98	NORRIS	7/8	N-90		2,450.00	26.0	2,476.0			
146	NORRIS	3/4	N-90		3,650.00	2,476.0	6,126.0			
8	NORRIS	1 1/2	C		200.00	6,126.0	6,326.0			
1	NORRIS GUIDED ROD	7/8	N-90		4.00	6,326.0	6,330.0			
1	PUMP	1 1/4			20.00	6,330.0	6,350.0			

TD: 6395'

Asky 640  
 T/salt 675  
 B/salt 1980  
  
 Yates 2550  
 Qu 3300  
 Del 4600  
 Brushy 5200  
 BS 6250

Well: **Principle F 1**  
 Field: **Shugart**  
 Reservoir: **Brushy Canyon**

**Proposed Wellbore Diagram**

**Location:**  
 Section: 27  
 Township: 18  
 Range: 31  
 County: Eddy State: NM

**Well ID Info:**  
 Chevno: HJ8679  
 API No: 3001532616  
 Spud Date: 2/28/2003  
 Compl. Date: 4/1/03

Formation	T.D. ft
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