

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No 1004-0137
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.
NMNM0542015

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

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

1. Type of Well

Oil Well Gas Well Other

8. Well Name and No.
South Culebra Bluff 7

2. Name of Operator
CHEVRON USA INC

9. API Well No.
30-015-23811-00

3a. Address
6301 DEAUVILLE BLVD. RM. N4707
MIDLAND, TX 79706

3b. Phone No. (include area code)
432-687-7786

10. Field and Pool or Exploratory Area
Loving; Brushy Canyon, East

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 14, T23S, R28E, NWNE, 660' FNL, 1740' FEL

11. Country 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"/> 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 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.)

Chevron USA, Inc respectfully requests to abandon this well as follows:

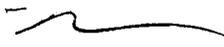
1. Notify BLM 24 hours prior to MIRU, in accordance with applicable COAs
 2. MIRU, pull rods, NU BOP, pull tubing
 3. Set CIBP @ 4670', circulate fresh water, pressure test casing to 500 psi for 10 minutes - if successful, spot MLF
 4. Spot 25 sx CL C cement f/ 4670' t/ 4443' (Brushy Canyon). If pressure test in Step 3 was successful, do not WOC & tag. If pressure test in Step 3 was unsuccessful, WOC, tag, & pressure test to 500 psi for 10 minutes - if successful, spot MLF; if unsuccessful, contact engineer & BLM
 5. Spot 45 sx CL C cement f/ 2667' t/ 2268' (Bell Canyon, Delaware, B. Salt)
 6. Spot 60 sx CL C cement f/ 550' t/ surface (Shoe, T. Salt, Fresh Water)
 7. 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" or "H" with a closed loop system used.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Nick Glann

Title P&A Engineer/Project Manager

Signature



Date 04/12/2019

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by



Title SPET

Date 6-15-19

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 CFO

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.

SCBU #7
Loving East: API #30-015-23811
Eddy County, NM

Unit B; Sec 14; T23S, R28E; 660' FNL & 1740' FEL
 CURRENT COMPLETION: Updated by RJ DeBruin 4/6/2019

KB: 2992'
 GL: 2978'

TOC @ surf
 8-5/8" csg @ 500'
 11" hole

Ready mix surf

CASING PROGRAM			
<u>Depth</u>	<u>Size</u>	<u>Weight</u>	<u>Grade</u>
500'	8 5/8"	24#	K-55
7478'	5 1/2"	17#	N-80

Cement

Surface: 235 sx Class 'C', filled annular space w/ ready mix, TO
Production: 1100 sx 50-50 poz, 1350 sx Halliburton lite & 100 sx C
 275 sx Class 'C', TOC @ surf.

TUBING & ROD DETAIL

From May 14, 2010 Tubing Replacement Report (Range Resources)

Reason for work - Tubing leak
 Rig crew to location. BWD. Opened BOP. PU & RIH w/ 3 jts of 2-7/8" 6240'. LD 3 jts of tbg. Tally OOH w/ 146 jts of 2-7/8" tbg, TAC, 51 jt testers. RBIH w/ SN, 51 jts of 2-7/8" tbg, TAC, & 146 jts of 2-7/8" tb Found split on 155th jt from surface. Busted #7 & 45th jts from surf. RDMO tbg testers. ND BOP. NU WH. Set TAC w/ 14,000 # tension 2-1/2" x 1-1/4" x 20' RHAC HVR Pump, 180 x 3/4" grade D rods, 92 pony rods, & PR/LNR w/ stuffing box. Hang well on. Load tbg w/ 24 800 psi. Good test. Released pressure. Turned on P.J. Well pumpin Turned well to sales. SDFD. 3 day well test to follow.

Comments: Downsized pump from 1-1/2" to 1-1/4" pump.
 All 7/8" rods had 4 molded rod guides & 3 snowballs per rod. Insta 3/4" rods from TAC down to top of pump (64 rods total).

This wellbore diagram is based on the most recent information regarding wellbore configuration & equipment that could be found in the Midland Office well files & computer / online databases as of the last update.

Formation Tops

T. Salt	479'
B. Salt	2368
Delaware	2587
Bell Canyon	2617
Brushy Canyon	4722
Bone Spring	6183

7 7/8" hole
5 1/2" 17#
TO 7478
TOC 723
 CIBP @ 6250',
 50' cmt on top
1" surf.

Brushy Canyon
 4720' - 4750'
 4756' - 4770' 92 holes

Brushy Canyon
 6079' - 6155', 20 shots

Bone Spring
 6282' - 6296', 29 shots
 6430' - 7100', 21 shots
 7270' - 7404', 17 shots

10/87 - Frac'd 727C
 ISIP=1280#.
 10/87 - Frac'd 643C
 ISIP=3650#.
 10/87 - Frac'd 6282
 ISIP=7200#.

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

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 90th day provide this office, prior to the 90th 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. Dry Hole Marker: 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 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

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.