

UNITED STATES **Carlsbad Field Office**
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

OCD Artesia

5. Lease Serial No. NMNM0415461
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No. 8910124050
8. Well Name and No. OLD INDIAN DRAW 3
9. API Well No. 30-015-21504-00-S1
10. Field and Pool or Exploratory Area INDIAN DRAW
11. County or Parish, State EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator CHEVRON USA INCORPORATED	
Contact: CINDY H MURILLO E-Mail: CHERRERAMURILLO@CHEVRON.COM	
3a. Address 6301 DEAUVILLE BLVD MIDLAND, TX 79706	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 19 T22S R28E NWNE 660FNL 1980FEL	

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 checked="" type="checkbox"/> Other Venting and/or Flaring
	<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 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 REQUESTS TO FLARE AT THE ABOVE LOCATION. OLD INDIAN DRAW UNIT PRODUCES AND FLARES A VERY LOW VOLUME OF SOUR GAS (-40,000 PPM H₂S CONTENT, THAT IS NOT FEASIBLE TO SWEETEN AND SELL) THROUGH AN APPROVED FLARE STACK. THIS LOW VOLUME FLARING WILL CONTINUE TO REDUCE OVER TIME, AND BE NECESSARY THROUGH THE REMAINING ECONOMIC LIFE OF THE OLD INDIAN DRAW UNIT.

CHEVRON USA INC HAS ATTACHED THEIR APPROVED NMOCD FORM C-129 (APPLICATION FOR EXCEPTION TO NO FLARE RULE) THAT IS VALID UNTIL NOVEMBER 16, 2019 AND WILL CONTINUE TO BE RENEWED IN 90 DAY INCREMENTS. *(state well only)*

WELLS INCLUDED AT THE CTB DURING THIS PERIOD ARE AS FOLLOWS:

- OLD INDIAN DRAW #3 30-015-21504
- OLD INDIAN DRAW #7 30-015-21765
- OLD INDIAN DRAW #8 30-015-21766
- OLD INDIAN DRAW #13 30-015-21957

NM OIL CONSERVATION DISTRICT
Artesia District
Accepted for record
albd/ab/ab NMOCD
SEP 23 2019

14. I hereby certify that the foregoing is true and correct.		RECEIVED
Electronic Submission #481478 verified by the BLM Well Information System For CHEVRON USA INCORPORATED, sent to the Carlsbad Committed to AFMS for processing by PRISCILLA PEREZ on 09/05/2019 (19PP3215SE)		
Name (Printed/Typed) CINDY H MURILLO	Title PERMITTING SPECIALIST	
Signature (Electronic Submission)	Date 09/03/2019	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>/s/ Jonathon Shepard</u>	Title <u>PE</u>	Date <u>SEP 12 2019</u>
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 <u>CFO</u>

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.

Additional data for EC transaction #481478 that would not fit on the form

32. Additional remarks, continued

OLD INDIAN DRAW #22 30-015-22102



C-129 for Old Indian Draw CTB

Old Indian Draw Wells

Name	API#	
Old Indian Draw Unit #3	30-015-21504	FEDERAL
Old Indian Draw Unit #7	30-015-21765	FEDERAL
Old Indian Draw Unit #8	30-015-21766	FEDERAL
Old Indian Draw Unit #13	30-015-21957	FEDERAL
Old Indian Draw Unit #22	30-015-22102	FEDERAL
Old Indian Draw Unit #14	30-015-21901	PRIVATE

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Conditions of Approval to Flare Gas

1. Approval not to exceed 180 days from date of submission.
2. All flaring under this request is considered to be "avoidably lost" per 43 CFR 3179.4(a)(2)(i – iii). Volumes for avoidably lost gas shall be reported on OGOR "B" reports as disposition code "33".

Exceptions:

- a. The first 24 hours of a temporary emergency flare is considered "unavoidably lost" and is therefore royalty free (43 CFR 3179.103(a)). Flared volumes that are considered unavoidably lost are not to be included in Sundry Notice (Form 3160-5). These Volumes are not royalty bearing and shall be reported on OGOR "B" as either disposition code "21" or "22".
- b. If the operator believes that the flared volumes were "unavoidably lost", the operator can submit a request via Sundry Notice (Form 3160-5) with justification for an exception in accordance with 43 CFR 3179.4, 3179.101 - 3179.104.