

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT-" for such proposals

SUBMIT IN TRIPLICATE

1. Type of well
☒ Oil ☐ Gas ☐ Other

2. Name of Operator
Chevron USA Inc.

3. Address and Telephone No. 11111 South Wilcrest Houston, Texas 77099
Attn: Stephen Cooper (281) 561-3626

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

5. Lease Designation and Serial No.
NM92770 NM 9020

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.
Scott "E" Federal # 1

9. API Well No.
30-025-27442

10. Field and Pool, or Exploratory Area
North Lusk

11. County or Parish, State
Lea County, New Mexico

Unit Letter K NE/4SW/4 Sec 28 T18S R32E

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| 12 TYPE OF SUBMISSION | TYPE OF ACTION |
|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Abandonment |
| <input type="checkbox"/> Subsequent Report | <input type="checkbox"/> Recompletion |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Plugging Back |
| | <input type="checkbox"/> Casing Repair |
| | <input type="checkbox"/> Altering Casing |
| | <input checked="" type="checkbox"/> Other |

Variance request to change from quarterly meter calibration to semi-annual due to <100 mcf volume.

☐ Change of Plans

☐ New Construction

☐ Non-Routine Fracturing

☐ Water Shut-Off

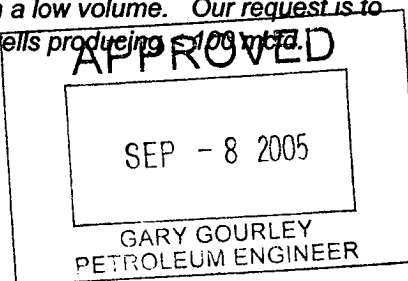
☐ Conversion to Injection

☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recognition Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimate date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

The Scott "E" Federal and the Spear Federal (API # 30-025-33645) are commingled through a common sales point. Their production combined is appx. 90 mcf through a common sales point. Sales are with Duke Energy Field Services meter no. 76899-00. With our production being <100 mcf, Chevron request a variance from quarterly meter calibration to semi-annual calibration. This request is based upon cost reduction in manpower required to test and witness by Chevron, the BLM, and the PL Company. Even though these are low volume wells, they will be monitored by our lease operators for possible errors so potential problems still can be caught and volumes adjusted on a timely basis. Another reason is with Daniel's Junior meter runs, we have to totally vent to the atmosphere the meter run before we can pull the plate. With EFM meters installed, precise hourly data, events files, and characteristics reports are all available for review. This area does not have a history of plate problems especially with such a low volume. Our request is to change from Quarterly meter calibrations to semi-annual meter calibrations on wells producing <100 mcf.



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

Signed

Title

Date

(This space for Federal or State office use)

Approved by

Title

Date

Conditions of approval, if any:

GW