

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM 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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. CODORNIZ 28 FEDERAL 2	
2. Name of Operator CHEVRON U.S.A. INC.		Contact: DENISE PINKERTON E-Mail: leakejd@chevron.com	9. API Well No. 30-025-36196
3a. Address 15 SMITH ROAD MIDLAND, TX 79705		3b. Phone No. (include area code) Ph: 432-687-7375	10. Field and Pool, or Exploratory QUAIL RIDGE; MORROW
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 28 T19S R34E Mer NMP 1980FSL 660FWL			11. County or Parish, and State LEA COUNTY, NM

HOBBS OCD
MAY 13 2013
RECEIVED

12. CHECK 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 type="checkbox"/> Plug and Abandon	<input checked="" 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 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 U.S.A. IS REQUESTING A 1 YR TA STATUS FOR THE SUBJECT WELL. BASED ON THE UPHOLE POTENTIAL IN THE DELAWARE, BONE SPRING, & WOLFCAMP ZONES INDICATED IN THE WELL'S ORIGINAL DRILLING APPLICATION, CHEVRON REQUESTS TA STATUS TO FULLY EVALUATE THE RECOMPLETION OPPORTUNITIES OR CONVERT THIS WELL TO A SWD. THE CURRENT STATUS OF THE WELL IS SHUT-IN. IN DECEMBER, 2008, THE WELL WAS SWABBED. NO RESULTS.

INTENDED PROCEDURE:

POH w/2 7/8" tbg standing back and lay down any DH eqpt. If no eqpt is in wellbore, PU 2 7/8" tbg & TIH w/5-1/2" scrapper & bit to 13,300' & verify csg is clean to that depth. TIH w/5 1/2" CIBP & set @ 13,278'. Spot cmt on top of CIBP to 13,243'(35'). Notify BLM 48 hrs prior to testing to witness the MIT. Monitor chart & record for 30 minutes. TIH w/tbg & circulate wellbore w/inh pkr fluid for future wellbore re-entry. POH w/tbg & lay down.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

**Electronic Submission #202443 verified by the BLM Well Information System
For CHEVRON U.S.A. INC., sent to the Hobbs**

Name (Printed/Typed) DENISE PINKERTON	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 03/25/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>[Signature]</i>	Title	Date
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	

APPROVED
MAY 8 2013
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD 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 any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

**SUBJECT TO LIKE
APPROVAL BY STATE**

PM

MAY 21 2013

Additional data for EC transaction #202443 that would not fit on the form

32. Additional remarks, continued

FIND ATTACHED, THE WELLBORE DIAGRAM.

CODORNIZ 28 FED #2:

CODORNIZ 28 FEDERAL #2 (gas well)			
Status	Active (Last produced 7/1/2010)	Top (ft)	Bottom (ft)
<i>Current Zone</i>	Morrow (Gas)	13296	13410
<i>Isolated Zone (CIBP)</i>	Morrow (Gas)	13553	13558
<i>Future Zones (data from well log)</i>	Delaware (oil)	5746	-
	Bone Spring (oil)	8151	-
	Wolfcamp (oil)	10759	-
	Strawn (gas)	12221	-
	Atoka (gas)	12506	-
	TD	13751	-
<i>TA Status Justification</i>	<p>Based on the uphole potential in the Delaware, Bone Spring and Wolfcamp zones indicated in the Codorniz 28 Fed #2 original drilling application, Chevron requests TA status to fully evaluate the recompletion opportunities or convert this well to a SWD.</p>		

Current Wellbore Schematic

WELL (PN): CODORNIZ 28 FEDERAL 2(CVX) (890781)
 FIELD OFFICE: HOBBS
 FIELD: QUAIL RIDGE MORROW
 STATE / COUNTY: NEW MEXICO / LEA
 LOCATION: SEC 28-19S-34E, 1980 FSL & 660 FWL
 ROUTE: HOB-NM-ROUTE 04- CONTRACT
 ELEVATION: GL: 3,691.0 KB: 3,712.0 KB Height: 21.0
 DEPTHS: TD: 13,751.0



API #: 3002636196
 Serial #:
 SPUD DATE: 7/6/2003
 RIG RELEASE: 9/9/2003
 1ST SALES GAS: 10/16/2003
 1ST SALES OIL:
 Current Status: SHUTIN

Original Hole: 3/21/2013 2:44:31 PM		Surface Casing; Set @ 515.0 ftKB ; Original Hole																																																																																
MD (ftKB)	B)	Vertical schematic (actual)																																																																																
		<p>Casing Joints: 21.0-514.0; 493.00; 133/8; 12.715; 1-1 Float Shoe: 514.0-515.0; 1.00; 133/8; 1-2 Casing Joints: 21.0-3,491.0; 3,470.00; 85/8; 7.921; 2-1 DV Tool: 3,491.0-3,494.0; 3.00; 85/8; 2-2 Casing Joints: 3,494.0-3,965.0; 471.00; 85/8; 7.921; 2-3 Casing Joints: 3,965.0-5,250.0; 1,315.00; 85/8; 7.921; 2-4 Casing Joints: 21.0-10,499.0; 10,475.00; 5 1/2; 4.892; 3-1 Float Shoe: 5,250.0-5,281.0; 1.00; 85/8; 2-5 DV Tool: 10,499.0-10,499.0; 3.00; 5 1/2; 3-2 Casing Joints: 10,499.0-13,750.0; 3,251.00; 5 1/2; 4.892; 3-3 Perf: 13,296.0-13,304.0; 10/24/2003 Perf: 13,328.0-13,334.0; 10/24/2003 Perf: 13,356.0-13,360.0; 10/8/2003 Perf: 13,406.0-13,410.0; 10/8/2003 Perf: 13,553.0-13,558.0; 10/1/2003 Float Shoe: 13,750.0-13,751.0; 1.00; 5 1/2; 3-4</p>																																																																																
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Item Des</th> <th>OD (in)</th> <th>ID (in)</th> <th>Drift (in)</th> <th>Wt (lb/ft)</th> <th>Grade</th> <th>Top Thread</th> <th>Top (ftKB)</th> <th>Btm (ftKB)</th> <th>Len (ft)</th> </tr> </thead> <tbody> <tr> <td>Casing</td> <td>13 3/8</td> <td>12.715</td> <td>12.559</td> <td>45.00</td> <td>H-40</td> <td>ST&C</td> <td>21.0</td> <td>514.0</td> <td>493.00</td> </tr> <tr> <td>Float Shoe</td> <td>13 3/8</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>514.0</td> <td>515.0</td> <td>1.00</td> </tr> </tbody> </table>										Item Des	OD (in)	ID (in)	Drift (in)	Wt (lb/ft)	Grade	Top Thread	Top (ftKB)	Btm (ftKB)	Len (ft)	Casing	13 3/8	12.715	12.559	45.00	H-40	ST&C	21.0	514.0	493.00	Float Shoe	13 3/8						514.0	515.0	1.00																																									
Item Des	OD (in)	ID (in)	Drift (in)	Wt (lb/ft)	Grade	Top Thread	Top (ftKB)	Btm (ftKB)	Len (ft)																																																																									
Casing	13 3/8	12.715	12.559	45.00	H-40	ST&C	21.0	514.0	493.00																																																																									
Float Shoe	13 3/8						514.0	515.0	1.00																																																																									
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="11" style="text-align: center;">Intermediate Casing; Set @ 5,281.0 ftKB ; Original Hole</th> </tr> <tr> <th>Item Des</th> <th>OD (in)</th> <th>ID (in)</th> <th>Drift (in)</th> <th>Wt (lb/ft)</th> <th>Grade</th> <th>Top Thread</th> <th>Top (ftKB)</th> <th>Btm (ftKB)</th> <th>Len (ft)</th> </tr> </thead> <tbody> <tr> <td>Casing</td> <td>8 5/8</td> <td>7.921</td> <td>7.756</td> <td>32.00</td> <td>J-55</td> <td>ST&C</td> <td>21.0</td> <td>3,491.0</td> <td>3,470.00</td> </tr> <tr> <td>DV Tool</td> <td>8 5/8</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>3,491.0</td> <td>3,494.0</td> <td>3.00</td> </tr> <tr> <td>Casing</td> <td>8 5/8</td> <td>7.921</td> <td>7.756</td> <td>32.00</td> <td>J-55</td> <td>ST&C</td> <td>3,494.0</td> <td>3,965.0</td> <td>471.00</td> </tr> <tr> <td>Casing</td> <td>8 5/8</td> <td>7.921</td> <td>7.756</td> <td>32.00</td> <td>K-55</td> <td>ST&C</td> <td>3,965.0</td> <td>5,250.0</td> <td>1,315.00</td> </tr> <tr> <td>PROPSHoe</td> <td>8 5/8</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>5,250.0</td> <td>5,281.0</td> <td>1.00</td> </tr> </tbody> </table>										Intermediate Casing; Set @ 5,281.0 ftKB ; Original Hole											Item Des	OD (in)	ID (in)	Drift (in)	Wt (lb/ft)	Grade	Top Thread	Top (ftKB)	Btm (ftKB)	Len (ft)	Casing	8 5/8	7.921	7.756	32.00	J-55	ST&C	21.0	3,491.0	3,470.00	DV Tool	8 5/8						3,491.0	3,494.0	3.00	Casing	8 5/8	7.921	7.756	32.00	J-55	ST&C	3,494.0	3,965.0	471.00	Casing	8 5/8	7.921	7.756	32.00	K-55	ST&C	3,965.0	5,250.0	1,315.00	PROPSHoe	8 5/8						5,250.0	5,281.0	1.00
Intermediate Casing; Set @ 5,281.0 ftKB ; Original Hole																																																																																		
Item Des	OD (in)	ID (in)	Drift (in)	Wt (lb/ft)	Grade	Top Thread	Top (ftKB)	Btm (ftKB)	Len (ft)																																																																									
Casing	8 5/8	7.921	7.756	32.00	J-55	ST&C	21.0	3,491.0	3,470.00																																																																									
DV Tool	8 5/8						3,491.0	3,494.0	3.00																																																																									
Casing	8 5/8	7.921	7.756	32.00	J-55	ST&C	3,494.0	3,965.0	471.00																																																																									
Casing	8 5/8	7.921	7.756	32.00	K-55	ST&C	3,965.0	5,250.0	1,315.00																																																																									
PROPSHoe	8 5/8						5,250.0	5,281.0	1.00																																																																									
		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="11" style="text-align: center;">Production Casing; Set @ 13,751.0 ftKB ; Original Hole</th> </tr> <tr> <th>Item Des</th> <th>OD (in)</th> <th>ID (in)</th> <th>Drift (in)</th> <th>Wt (lb/ft)</th> <th>Grade</th> <th>Top Thread</th> <th>Top (ftKB)</th> <th>Btm (ftKB)</th> <th>Len (ft)</th> </tr> </thead> <tbody> <tr> <td>Casing</td> <td>5 1/2</td> <td>4.892</td> <td>4.767</td> <td>17.00</td> <td>LS-</td> <td>LT&C</td> <td>21.0</td> <td>10,496.0</td> <td>10,475.00</td> </tr> <tr> <td>DV Tool</td> <td>5 1/2</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>10,496.0</td> <td>10,499.0</td> <td>3.00</td> </tr> <tr> <td>Casing</td> <td>5 1/2</td> <td>4.892</td> <td>4.767</td> <td>17.00</td> <td>LS-</td> <td>LT&C</td> <td>10,499.0</td> <td>13,750.0</td> <td>3,251.00</td> </tr> <tr> <td>Float Shoe</td> <td>5 1/2</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>13,750.0</td> <td>13,751.0</td> <td>1.00</td> </tr> </tbody> </table>										Production Casing; Set @ 13,751.0 ftKB ; Original Hole											Item Des	OD (in)	ID (in)	Drift (in)	Wt (lb/ft)	Grade	Top Thread	Top (ftKB)	Btm (ftKB)	Len (ft)	Casing	5 1/2	4.892	4.767	17.00	LS-	LT&C	21.0	10,496.0	10,475.00	DV Tool	5 1/2						10,496.0	10,499.0	3.00	Casing	5 1/2	4.892	4.767	17.00	LS-	LT&C	10,499.0	13,750.0	3,251.00	Float Shoe	5 1/2						13,750.0	13,751.0	1.00										
Production Casing; Set @ 13,751.0 ftKB ; Original Hole																																																																																		
Item Des	OD (in)	ID (in)	Drift (in)	Wt (lb/ft)	Grade	Top Thread	Top (ftKB)	Btm (ftKB)	Len (ft)																																																																									
Casing	5 1/2	4.892	4.767	17.00	LS-	LT&C	21.0	10,496.0	10,475.00																																																																									
DV Tool	5 1/2						10,496.0	10,499.0	3.00																																																																									
Casing	5 1/2	4.892	4.767	17.00	LS-	LT&C	10,499.0	13,750.0	3,251.00																																																																									
Float Shoe	5 1/2						13,750.0	13,751.0	1.00																																																																									
		<p>Description: Surface Casing Cement 21.0-515.0 Top of Cement (ftKB): 21.0 Top Measurement Method:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Fluid</th> <th>Pump Start Date</th> <th>Amount (sacks)</th> <th>Class</th> <th>Dens (lb/gal)</th> <th>Vol Pumped (bbf)</th> <th>Yield (ft/sack)</th> </tr> </thead> <tbody> <tr> <td>Lead</td> <td>7/6/2003</td> <td>200</td> <td>C</td> <td>14.51</td> <td></td> <td>1.34</td> </tr> <tr> <td>Tail</td> <td>7/6/2003</td> <td>200</td> <td>C</td> <td>14.60</td> <td></td> <td>1.34</td> </tr> </tbody> </table>										Fluid	Pump Start Date	Amount (sacks)	Class	Dens (lb/gal)	Vol Pumped (bbf)	Yield (ft/sack)	Lead	7/6/2003	200	C	14.51		1.34	Tail	7/6/2003	200	C	14.60		1.34																																																		
Fluid	Pump Start Date	Amount (sacks)	Class	Dens (lb/gal)	Vol Pumped (bbf)	Yield (ft/sack)																																																																												
Lead	7/6/2003	200	C	14.51		1.34																																																																												
Tail	7/6/2003	200	C	14.60		1.34																																																																												
		<p>Description: Intermediate Casing Cement 3,550.0-5,281.0 Top of Cement (ftKB): 3,550.0 Top Measurement Method: Volume Calculations</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Fluid</th> <th>Pump Start Date</th> <th>Amount (sacks)</th> <th>Class</th> <th>Dens (lb/gal)</th> <th>Vol Pumped (bbf)</th> <th>Yield (ft/sack)</th> </tr> </thead> <tbody> <tr> <td>Lead</td> <td>7/23/2003</td> <td>450</td> <td>C</td> <td>12.40</td> <td></td> <td>2.10</td> </tr> <tr> <td>Tail</td> <td>7/23/2003</td> <td>200</td> <td>C</td> <td>14.60</td> <td></td> <td>1.33</td> </tr> </tbody> </table>										Fluid	Pump Start Date	Amount (sacks)	Class	Dens (lb/gal)	Vol Pumped (bbf)	Yield (ft/sack)	Lead	7/23/2003	450	C	12.40		2.10	Tail	7/23/2003	200	C	14.60		1.33																																																		
Fluid	Pump Start Date	Amount (sacks)	Class	Dens (lb/gal)	Vol Pumped (bbf)	Yield (ft/sack)																																																																												
Lead	7/23/2003	450	C	12.40		2.10																																																																												
Tail	7/23/2003	200	C	14.60		1.33																																																																												
		<p>Description: Production Casing Cement 10,499.0-13,751.0 Top of Cement (ftKB): 10,499.0 Top Measurement Method:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Fluid</th> <th>Pump Start Date</th> <th>Amount (sacks)</th> <th>Class</th> <th>Dens (lb/gal)</th> <th>Vol Pumped (bbf)</th> <th>Yield (ft/sack)</th> </tr> </thead> <tbody> <tr> <td></td> <td>10/2/2003</td> <td>1,000</td> <td>H</td> <td>14.20</td> <td></td> <td>1.30</td> </tr> </tbody> </table>										Fluid	Pump Start Date	Amount (sacks)	Class	Dens (lb/gal)	Vol Pumped (bbf)	Yield (ft/sack)		10/2/2003	1,000	H	14.20		1.30																																																									
Fluid	Pump Start Date	Amount (sacks)	Class	Dens (lb/gal)	Vol Pumped (bbf)	Yield (ft/sack)																																																																												
	10/2/2003	1,000	H	14.20		1.30																																																																												
		<p>Description: Production Casing Cement 21.0-10,499.0 Top of Cement (ftKB): 21.0 Top Measurement Method:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Fluid</th> <th>Pump Start Date</th> <th>Amount (sacks)</th> <th>Class</th> <th>Dens (lb/gal)</th> <th>Vol Pumped (bbf)</th> <th>Yield (ft/sack)</th> </tr> </thead> <tbody> <tr> <td>Lead</td> <td>10/2/2003</td> <td>1,550</td> <td>H</td> <td>12.40</td> <td></td> <td>2.10</td> </tr> <tr> <td>Tail</td> <td>10/2/2003</td> <td>100</td> <td>H</td> <td>15.60</td> <td></td> <td>1.18</td> </tr> </tbody> </table>										Fluid	Pump Start Date	Amount (sacks)	Class	Dens (lb/gal)	Vol Pumped (bbf)	Yield (ft/sack)	Lead	10/2/2003	1,550	H	12.40		2.10	Tail	10/2/2003	100	H	15.60		1.18																																																		
Fluid	Pump Start Date	Amount (sacks)	Class	Dens (lb/gal)	Vol Pumped (bbf)	Yield (ft/sack)																																																																												
Lead	10/2/2003	1,550	H	12.40		2.10																																																																												
Tail	10/2/2003	100	H	15.60		1.18																																																																												

Current Wellbore Schematic

WELL (PN): CODORNIZ 28 FEDERAL 2(CVX) (890781)
 FIELD OFFICE: HOBBS
 FIELD: QUAIL RIDGE MORROW
 STATE / COUNTY: NEW MEXICO / LEA
 LOCATION: SEC 28-19S-34E, 198D FSL & 660 FWL
 ROUTE: HOB-NM-ROUTE 04 CONTRACT
 ELEVATION: GL: 3,691.0 KB: 3,712.0 KB Height: 21.0
 DEPTHS: TD: 13,751.0

Chesapeake
 API #: 3002536196
 Serial #:
 SPUD DATE: 7/6/2003
 RIG RELEASE: 9/9/2003
 1ST SALES GAS: 10/16/2003
 1ST SALES OIL:
 Current Status: SHUTIN

Original Hole 3/21/2013 2:44:13 PM		Tubing String: Tubing - Production									
MD (ftKB)	B)	Run Date		Run Date		Run Date		Run Date		Run Date	
		13,214.0	Original Hole	6/23/2006	11/7/2012						
Vertical schematic (actual)		Item Des	OD (in)	ID (in)	Drift (in)	Wt (lb/ft)	Grade	Top (ftKB)	Botm (ftKB)	Len (ft)	Jts
		Tubing	2 7/8					21.0	13,211.0	13,190.00	
		Packer	2 7/8					18,211.0	13,214.0	3.00	
Perforations											
		Date	Zone	Top (ftKB)	Botm (ftKB)	Shot Dens (shots/ft)	Current Status				
		10/24/2003	MORROW, Original Hole	13,256.0	13,304.0	4.0					
		10/24/2003	MORROW, Original Hole	13,328.0	13,334.0	4.0					
		10/8/2003	MORROW, Original Hole	13,356.0	13,360.0	4.0					
		10/8/2003	MORROW, Original Hole	13,406.0	13,410.0	4.0					
		10/1/2003	MORROW LWR, Original Hole	13,553.0	13,555.0	4.0					
Stimulations & Treatments											
<Zone/Formation?>, <Stage Number?>, Acidizing, 6/23/2005											
		Top	Botm	Rate	Avg Pres	C Pres	Avg	Per	SP	Com	
		13,256.0	13,334.0	47.62	7.720.0	3.60	3.583.0				
<Zone/Formation?>, <Stage Number?>, Acidizing, 6/19/2005											
		Top	Botm	Rate	Avg Pres	C Pres	Avg	Per	SP	Com	
		13,256.0	13,334.0	47.62							
<Zone/Formation?>, <Stage Number?>, Sand Frac, 10/14/2003											
		Top	Botm	Rate	Avg Pres	C Pres	Avg	Per	SP	Com	
		13,356.0	13,410.0	518.00	10,900.0	8.40	7.425.0				
		Sand Size	Type	Amount	Conc (lb/gal)						
		20/40	Brown Sand	38,000.0							
<Zone/Formation?>, <Stage Number?>, Acidizing, 10/11/2003											
		Top	Botm	Rate	Avg Pres	C Pres	Avg	Per	SP	Com	
		13,356.0	13,410.0	95.24	8,400.0	3.20					
<Zone/Formation?>, <Stage Number?>, Acidizing, 10/3/2003											
		Top	Botm	Rate	Avg Pres	C Pres	Avg	Per	SP	Com	
		13,553.0	13,555.0	47.62	8,000.0	3.00	7,530.0				
Well Notes											
Date	Type 1	Type 2	Com								
10/1/2003	Schematic	Notes	PERF @ 13553-555 w/ 4 jspl.								
10/3/2003	Schematic	Notes	ACDZ w/ 2000 gal blera w/ 1430 scf/bbl N2.								
10/8/2003	Schematic	Notes	PERF @ 13356-60 & 13406-10 w/ 4 jspl.								
10/11/2003	Schematic	Notes	ACDZ w/ 4000 gal 7.5% HCl.								
10/14/2003	Schematic	Notes	FRAC w/ 318 bbl 700 Binary foam & 38000# 20/40 scf.								
10/24/2003	Schematic	Notes	PERF @ 13256-304 & 13325-334 w/ 4 jspl.								
6/19/2005	Schematic	Notes	ACDZ Morrow Bw/ 2000 gal 7.5% HCl w/ 15% methanol & 6800 scf N2, pump 37000 scf N2 and 672 gal HCl.								
6/23/2005	Schematic	Notes	ACDZ 13256-13334 w/ 2000 gal 7.5% HCl w/ 15% methanol and 118000 scf N2.								

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

**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.
 - 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 with a 10% allowable leakoff.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. An MIT 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 Mechanical 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.**

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.

Codorniz 28 Federal #2 well may be approved to be TA/SI for a period of 12 months until 5/7/2014 after successful MIT and subsequent report is submitted. This will be the last and only TA/SI approval. NOI to P&A or plans to use well must be submitted by 2/7/2014. If well is to be used as an Injection well, no bleed off is allowed on WIW MIT