

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		5. Lease Serial No. NMMN96855
2. Name of Operator CHEVRON U.S.A. INC. ✓		6. If Indian, Allottee or Tribe Name
3a. Address 15 SMITH ROAD MIDLAND, TX 79705		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 432-687-7375		8. Well Name and No. CROSS BONES 1-29 2H ✓
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T18S R32E Mer NMP NWSW 1980FSL 990FWL ✓		9. API Well No. 30-025-40711 ✓
		10. Field and Pool, or Exploratory LUSK Bone Spring North
		11. County or Parish, and State LEA COUNTY, NM

## 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Venting and/or Flaring
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

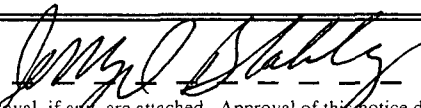
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths 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.)

After flaring due to lack of a sales gas line, which commenced on March 14, 2013, and was requested through September 10, 2013, Chevron is requesting to flare an additional 90 days due to an increase in sales line pressure and off spec gas. Gas is being sold intermittently, but we anticipate continued flaring. Since the last request, a chemical skid was installed which is successfully removing H<sub>2</sub>S. Also, Chevron has implemented 24 hour surveillance to monitor gas quality and sell gas as conditions allow. Negotiations are under way with an alternate gas gatherer to accept this gas. Additionally, Chevron is coordinating gas reinjection facilities to eliminate future flaring events.

Chevron is hereby requesting that it be allowed to flare the casinghead gas from this well for an additional 90 days, or until December 9, 2013.

SEE ATTACHED FOR  
CONDITIONS OF APPROVALSUBJECT TO LIKE  
APPROVAL BY STATE

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #216505 verified by the BLM Well Information System For CHEVRON U.S.A. INC., sent to the Hobbs Committed to AFMSS for processing by JOHNNY DICKERSON on 08/13/2013 ()	
Name (Printed/Typed) DENISE PINKERTON	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 08/08/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE		APPROVED	
Approved By 	Title	MAR 11 2014	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		
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 or fraudulent statements or representations as to any matter within its jurisdiction.		BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE	

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

BS MAR 18 2014

**Additional data for EC transaction #216505 that would not fit on the form**

**32. Additional remarks, continued**

Chevron will continue to measure flared gas volumes and report accordingly to the BLM for royalty payments.

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

**3/11/2014 Approved subject to Conditions of Approval. JDB**

**Condition of Approval to Flare Gas**

1. Report all volumes on OGOR reports.
2. Comply with NTL-4A requirements
3. Subject to like approval from NMOCD
4. **Flared volumes will still require payment of royalties**
5. Install gas meter on vent/flare line to measure gas prior to venting/flaring operations if it is not equipped as such at this time. Gas meter to meet all requirements for sale meter as Federal Regulations and Onshore Order #5. Include meter serial number on sundry.
6. This approval does not authorize any additional surface disturbance.
7. Submit updated facility diagram as per Onshore Order #3.
8. Approval not to exceed 90 days for date of approval.
9. Submit Subsequent Report to this sundry with actual volumes of gas flared monthly on 3160-5 (sundry notice).
10. If flaring is still required past 90 days submit new request for approval.
11. If a portable unit is used to flare gas it must be monitored at all times.
12. Comply with any restrictions or regulations when on State or Fee surface.

JDB