

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

FORM APPROVED
OMB No. 1004-0137
Expires: October 31, 2014

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. NUMM86172
6. If Indian, Allottee or Tribe Name _____

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other
2. Name of Operator
CHEVRON U.S.A. INC.
3a. Address
15 SMITH ROAD
MIDLAND, TEXAS 79705
3b. Phone No. (include area code)
432-687-7375
4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL, & 660' FEL, UL: I, SEC 17, T-20S, R-35E

7. If Unit of CA/Agreement, Name and/or No. _____
8. Well Name and No.
APPLESEED SWD FEDERAL #2
9. API Well No.
30-025-03352
10. Field and Pool or Exploratory Area
SWD; YATES - 7 RIVERS
11. County or Parish, State
LEA COUNTY, NEW MEXICO

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 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.)

This well was originally turned in for hole in the tubing. As we were pulling tubing out of the well and pressure testing back in the hole with the packer, it was noticed that this well had a casing leak about halfway down. We were asked to rig down and not to perform any more work on it because this needed to be handled by our drilling and completions group so they could find the casing leaks & cement squeeze. We ran in with a RBP & set it. This well is in a Temporarily Abandoned state. Engineers are evaluating economics and planning the way forward.

11/21/2013: MIRU. Nipple down wellhead and nipped up BOP. Unset the pkr. POOH w/42 jts. While scanning 30 pins were pitted & decided to lay down strings & pkr. RIH w/kill string & shut down for the day.
11/22/2013: POOH LD kill string. Move old tbg out new tbg in tally.
11/26/2013: RU pkr & tbg & test in hole. Loaded tbg. Set pkr @ 3870. Pressure tested csg to 500 psi & leak off to 300 psi in 10 seconds. Retested w/same results. Release pkr & LD 1 jt. Set pkr & test csg to 500 psi. Would not hold. DECIDED TO TA WELL & TURN OVER TO DRILLING & COMPLETIONS. Came out of hole laying dn tbg.
11/27/2013: POOH & LD tbg w/pkr. PU & run bridge plug in hole & set @ 3869 (wireline set). Second RBP was missing pins. Decided to run a manual & RD wireline. PU second RBP w/30 stands & set @ 1000' (tbg set) Dropped 2 bags of 20/40 sand. RU pump truck. Test @ 500 psi. held good. NDBOP. NUWH.

08/08/2014: RAN CHART. PRESS TO 520 PSI FOR 30 MINUTES
ORIGINAL CHART & COPY OF CHART ATTACHED.
TEMPORARILY ABANDONED

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
DENISE PINKERTON
Signature Denise Pinkerton
Title TA status NOT BLM approved
REGULATORY SPECIALIST
see attached OAO
Date 07/23/2014 / 08/21/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____
Title _____
Office _____
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.

ACCEPTED FOR RECORD
Date
DEC - 4 2014
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 to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

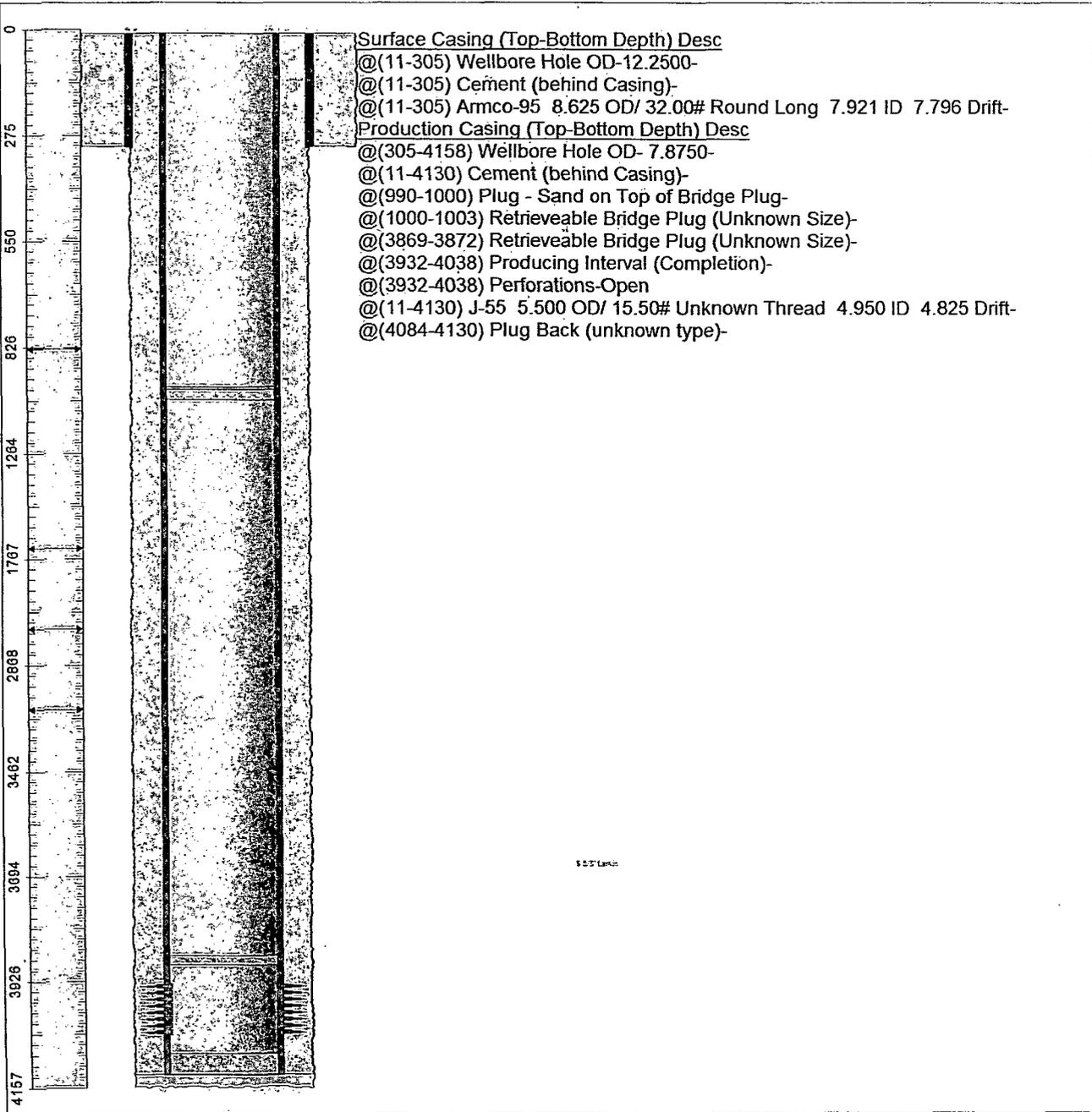
(Instructions on page 2)

Accepted for Record Only
MSB/OCD 12/9/2014

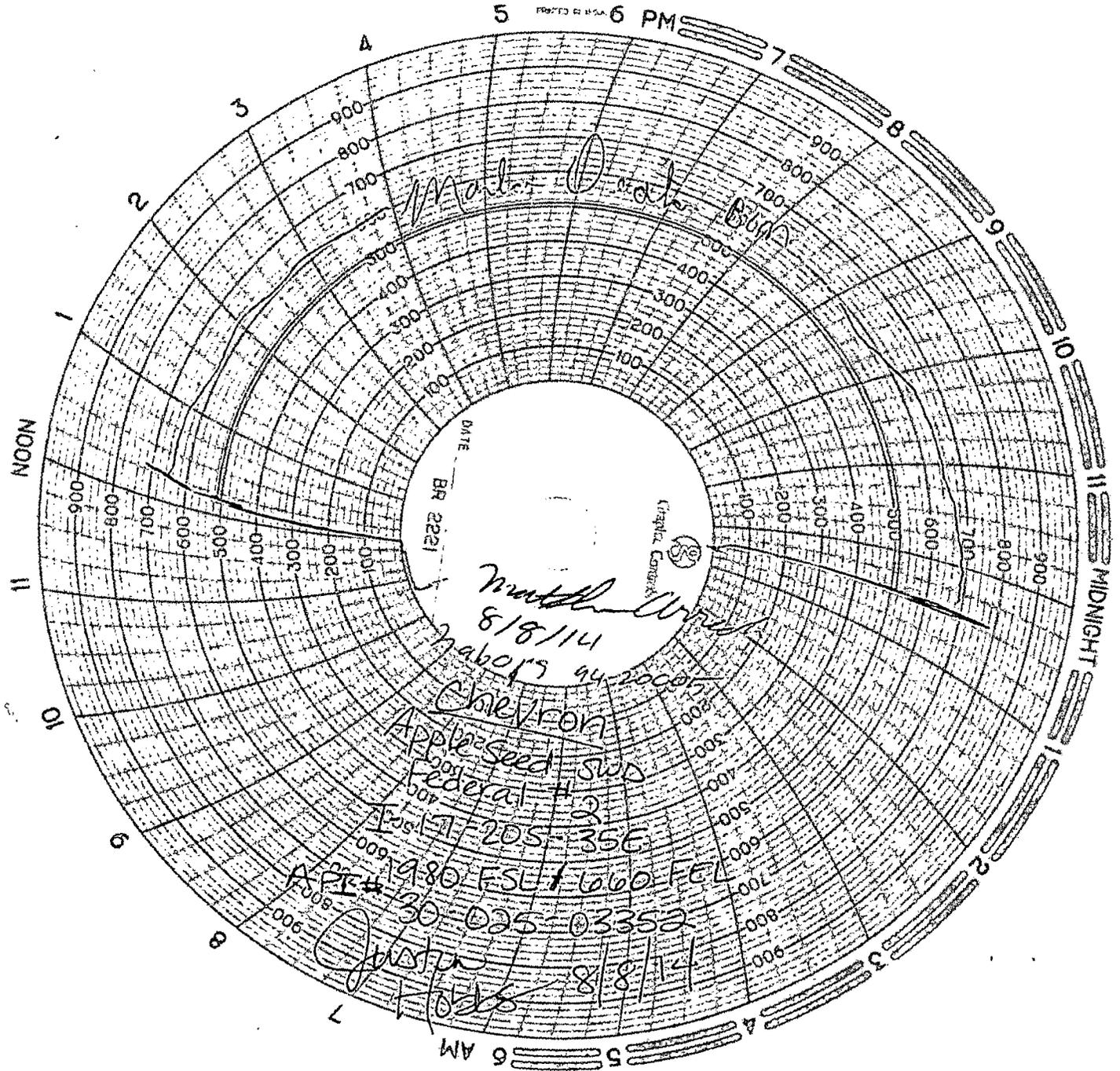
DEC 10 2014

Chevron U.S.A. Inc. Wellbore Diagram : ASD SWD F 2

Lease: OEU EUNICE FMT	Well No.: APPLESEED SWD FEDERAL 2 SWD 2	Field: BURTON FLAT	
Location: 1980FSL660FEL	Sec.: N/A	Blk:	Survey: N/A
County: Lea	St.: New Mexico	Refno: FA4504	API: 3002503352
Section: E035	Township: 17	Range: S020	
Current Status: ACTIVE		Dead Man Anchors Test Date: NONE	
Directions:			



Ground Elevation (MSL): 0.00	Spud Date: 07/10/1970	Compl. Date: 07/20/1960
Well Depth Datum: Kelly Bushing	Elevation (MSL): 3710.00	Correction Factor: 11.00
Last Updated by: fitcl	Date: 06/09/2014	



Order of Authorized Officer

Chevron U.S.A. Inc.
Appleseed SWD - 02, API 3002503352
T20S-R35E, Sec 17, 1980FSL & 660FEL
December 04, 2014

BLM IS NOT APPROVING a TA status for this well.

An inactive/shut-in well bore is a non-producing completion that is capable of production in paying quantities or of service use.

Temporary abandonment status will be granted **only after justification of impending “beneficial use”**, the well has been plugged back per Onshore Order #2.III.G. and N.M.O.C.D. plugging guidelines, and has passed a mechanical integrity test.

The wellbore configuration as of 11/27/2013 is not acceptable preparation for granting TA status per BLM guidelines. Per injection reports the well has been inactive for over a year.

As the current operator you are required to: **Prove the production casing integrity from no more than 100 feet above the perforations or open hole with a documented minimum pressure test of 500psig for 30 minutes.**

1. Document the pressure test on a one hour full rotation calibrated (within 6 months) recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed MIT. Verify all annular casing vents are plumbed to surface and those valves open to the surface during this pressure test. Pressure leakoff will be evaluated site specifically and may restrict continued operation approval. Twenty four hours before the test contact BLM to witness; 575-200-7902 Eddy Co., if there is no response, 575-361-2822 or 575-393-3612 Lea Co as work begins. Procedures are to be witnessed. If no answer, leave a voice mail with the API#, workover purpose, and a call back phone number. Include a copy of the chart in the subsequent sundry for this workover.
2. **Before casing or a liner is added, replaced, or repaired prior BLM approval of the design is required. Use notice of intent Form 3160-5.**

Should the mechanical integrity test fail or not be conducted submit a procedure to plug and abandon the well for BLM approval on or before 02/28/2015.

References: 43 CFR 3162.1(a), 43 CFR 3162.3-2, 43 CFR 3162.3-4, 43 CFR 3162.4-1, Onshore Oil and Gas Order #1.X., & Onshore Oil and Gas Order #2.III.G.

Access information for use of Form 3160-5 “Sundry Notices and Reports on Wells”

NM Fed Regs & Forms - http://www.blm.gov/nm/st/en/prog/energy/oil_and_gas.html

§ 43 CFR 3162.3-2 Subsequent Well Operations.

§ 43 CFR 3160.0-9 (c)(1) Information collection.

§ 3162.4-1 (c) Well records and reports.