Form 3160-5
(August 2007)

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.

HOBBS OCD

DEC 21 2015

RECEIVED

5. Lease Serial No.
NMNM27506

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
SALADO DRAW 29 26 33 FED COM 1H

2. Name of Operator
CHEVRON USA INCORPORATED
Contact: CINDY H MURILLO
E-Mail: CHERRERAMURILLO@CHEVRON.COM

9. API Well No.
30-025-42629-00-X1

3a. Address
15 SMITH ROAD
MIDLAND, TX 79705

3b. Phone No. (include area code)
Ph: 575-263-0431
Fx: 575-263-0445

10. Field and Pool, or Exploratory
WC-025 G06 S263319P

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 29 T26S R33E NWNW 200FNL 1283FWL

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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Drilling Operations
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 USA INC IS RESUBMITTING SUNDRY FOR VERBAL APPROVAL RECEIVED FROM BLM/CHRISTOPHER WALLS ON DECEMBER 5TH. A CONVERSATION WITH CHRIS WALLS AND VICENTE RUIZ TOOK PLACE DUE TO PIPE PARTING ON THE ORIGINAL HOLE FOR THE SALADO DRAW 29 #1H. A CEMENT PLUG WAS SET ON DECEMBER 7TH, TO ISOLATE THE BONE SPRING AND THE DELAWARE SAND FORMATION. IT WAS TAGGED WITH BLM REPRESENTATIVE PRESENT. RECIEVED APPROVAL FROM BLM REPRESENTATIVE ON DECEMBER 8TH. THE KICK OFF ATTEMPT WAS UNSUCCESSFUL OF THE CEMENT. CHEVROS IS CURRENTLY RUNNING IN THE HOLE WITH AN OPEN HOLE CEMENTED WHIPSTOCK AND WILL BE SETTING IT AT 8200', AND WE WILL HAVE UPDATED DIRECTIONAL PLANS ATTACHED. THIS WORK WILL TAKE PLACE BETWEEN DECEMBER 8TH - 15TH.

***THIS SUNDRY REPLACES EC 325946 THAT WAS SUBMITTED ON 12/09/2015. WE HAVE ATTACHED REQUESTED INFORMATION. UPDATE ON PROGRESS. AFTER TAGGING , WE ATTEMPTED TO ROTATE AND CIRCULATE ON THE CEMENT AND IT HAS BEEN A CHALLENGE AS WE DID A MOCK KICK OFF. WE ARE IN THE PROCESS OF COMING OUT OF THE

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Electronic Submission #326258 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by CHRISTOPHER WALLS on 12/16/2015 (16CRW0016SE)

Name *(Printed/Typed)* CINDY H MURILLO — Title PERMITTING SPECIALIST

Signature (Electronic Submission) — Date 12/14/2015

Kz

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved By _____ Title _____ Date DEC 17 2015

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

Ch Wells

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

JAN 06 2016

Additional data for EC transaction #326258 that would not fit on the form

32. Additional remarks, continued

HOLW AND WILL SET A CEMENTED WHIPSTOCK 200' ABOVE THE CURRENT ISOLATION PLUG AND KICK ')OFF (8200')
IF YOU HAVE QUESTIONS, PLEASE CALL VICENTE RUIZ AT 718-898-5436.***

Delaware Basin
Changes to APD for Federal Well

Well Name: Salado Draw 29-26-33 Fed Com #1H

API Well No.: 30-025-42629

Rig: Nabors X30

CVX CONTACT:

VICENTE RUIZ
DRILLING ENGINEER
1400 SMITH ST.
HOUSTON, TX 77002

DESK: HOU140/43-104
CELL: 713-898-5436
EMAIL: VRUIZ@CHEVRON.COM

Summary of Changes to APD Submission

1. 7-5/8" Contingency Liner
2. 7-5/8" Contingency Liner Cement Slurry Design

Summary: Chevron respectfully requests to cement the 7-5/8" contingency liner due to a water flow, this string is in addition to what is indicated in the approved APD. The contingency string will cover the BoneSpring and Delaware sands and will be set from ~9,330' to inside the intermediate casing shoe of ~4,500'. The cement design will consist of what is currently being pumped for the production hole

1.

Purpose	From	To	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Int. Cont.	4,500'	9,300'	8-3/4"	7-5/8"	29.7#	P-110	TSH513	New

Casing String	Min SF Burst	Min SF Collapse	Min SF Tension	Min SF Tri-Axial
Int. Contingency	2.43	4.32	2.08	2.63

2.

As Defined in APD:

Lead 1 Slurry:
Density:11.5 ppg
Yield: 2.66ft^3/sk
Sacks: 193 sks
Water: 15.563 gal/sk
Excess: 20%
Coverage: 4,500' – 8,500'

Lead 2 Slurry:
Density:12.5 ppg
Yield: 1.60ft^3/sk
Sacks: 88 sks
Water: 8.614 gal/sk
Excess: 20%
Coverage: 8,500' – 9,330'

Schlumberger

Laboratory Cement Test Report Prepared for Chevron
Chevron - Salado Draw 29 26 33 Fed 1H Pilot KOP
Hobbs District Laboratory

iDistrict Number

Fluid No : HNM15CP266003	Client: Chevron	Location : Nabors X30	
Date : Dec-06-2015	Well Name: Salado Draw 29 26 33 Fed 1H		

Signatures

Report created by: P. Quintana, LT1
Design Input by: AG
Requested by: C. Leal

Job Type	Kick Off Plug	Depth	16545.0 ft	TVD	9208.0 ft
BHST	155 degF	BHCT	139 degF	BHP	5472 psi
Starting Temp.	80 degF	Time to Temp.	00:22 hr:mn	Heating Rate	2.41 degF/min
Starting Pressure	1181 psi	Time to Pressure	00:22 hr:mn	Schedule	()

Composition

Slurry Density	17.50 lb/gal	Yield	0.94 ft3/sk	Mix Fluid	3.468 gal/sk
Solid Vol. Fraction	50.7 %	Porosity	49.3 %	Slurry type	Conventional

Code	Concentration	Sack Reference	Component	Blend Density	Lot Number
H		94 lb of BLEND	Blend	197.27 lb/ft3	Bulk
Fresh water	3.328 gal/sk		Base Fluid		Fresh Water
D080	0.070 gal/sk		Dispersant		137263
D047	0.020 gal/sk		Antifoam		149290
D801	0.050 gal/sk		Retarder		120E-07

Rheology R1B1 F2.0 S/N: 110

Temperature	81 degF			139 degF		
(rpm)	Up (deg)	Down (deg)	Average (deg)	Up (deg)	Down (deg)	Average (deg)
600	296.0	296.0	296.0	260.0	260.0	260.0
300	214.0	214.0	214.0	144.0	144.0	144.0
200	144.0	140.0	142.0	104.0	100.0	102.0
100	82.0	74.0	78.0	60.0	58.0	59.0
60	54.0	44.0	49.0	40.0	36.0	38.0
30	32.0	24.0	28.0	24.0	20.0	22.0
20	24.0	16.0	20.0	18.0	14.0	16.0
10	16.0	10.0	13.0	10.0	10.0	10.0
6	10.0	6.0	8.0	8.0	6.0	7.0
3	6.0	6.0	6.0	6.0	6.0	6.0

Conditioned in consistometer for 30 minutes after reaching 139 degF @ 5472 psi		
All readings taken with F2 spring, doubled, and calculated/reported as F1 spring per Chevron Testing Procedures		
10 sec Gel	4 deg - 4.27 lbf/100ft2	4 deg - 4.27 lbf/100ft2
10 min Gel	20 deg - 21.35 lbf/100ft2	16 deg - 17.08 lbf/100ft2
Rheo. computed	Viscosity: 158.230 cP Yield Point: 19.35 lbf/100ft2	Viscosity: 126.178 cP Yield Point: 12.99 lbf/100ft2

Thickening Time S/N: 145

Set Conditions - Cement Thick (gelled)

Consistency	Time	Temp
P.O.D.	04:29 hr:mn	139 degF
30 Bc	04:42 hr:mn	139 degF
50 Bc	04:45 hr:mn	139 degF
70 Bc	04:46 hr:mn	139 degF
Batch Mix Time : (not included in TT)	01:00 hr:mn	80 degF

Free Fluid

0.0 mL/250mL in 2 hrs
At ambient temp. and 45 deg incl
Conditioned in consistometer for 30 Minutes after reaching 139 degF @ 5472 psi
Sedimentation : None

UCA Compressive Strength S/N: 308

Time	CS	Temp
09:47 hr:mn	50 psi	148 degF
10:17 hr:mn	500 psi	148 degF
12:00 hr:mn	2367 psi	148 degF
24:00 hr:mn	5367 psi	148 degF

80-20 Cement-Chem Wash Contamination
UCA Compressive Strength S/N: 300

Time	CS	Temp
14:33 hr:mn	50 psi	148 degF
17:56 hr:mn	500 psi	148 degF
12:00 hr:mn	16 psi	148 degF
18:00 hr:mn	508 psi	148 degF

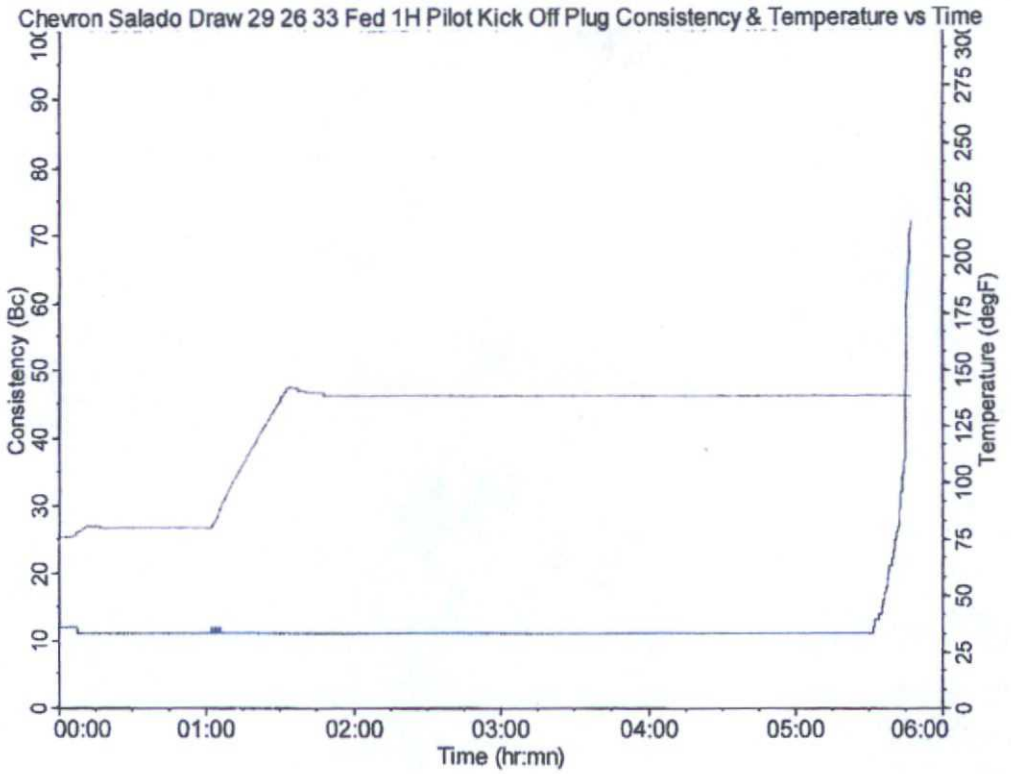
Density Verification (Pressurized Mud Balance)

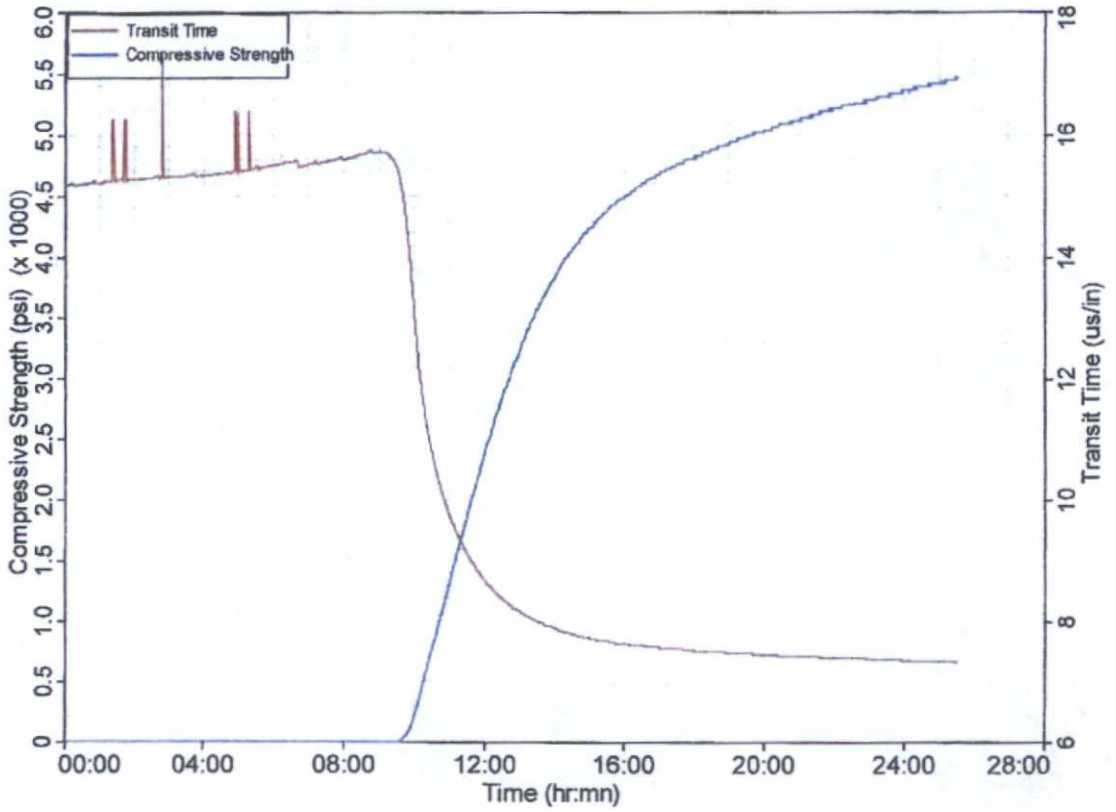
17.5 lbm/gal

Comments

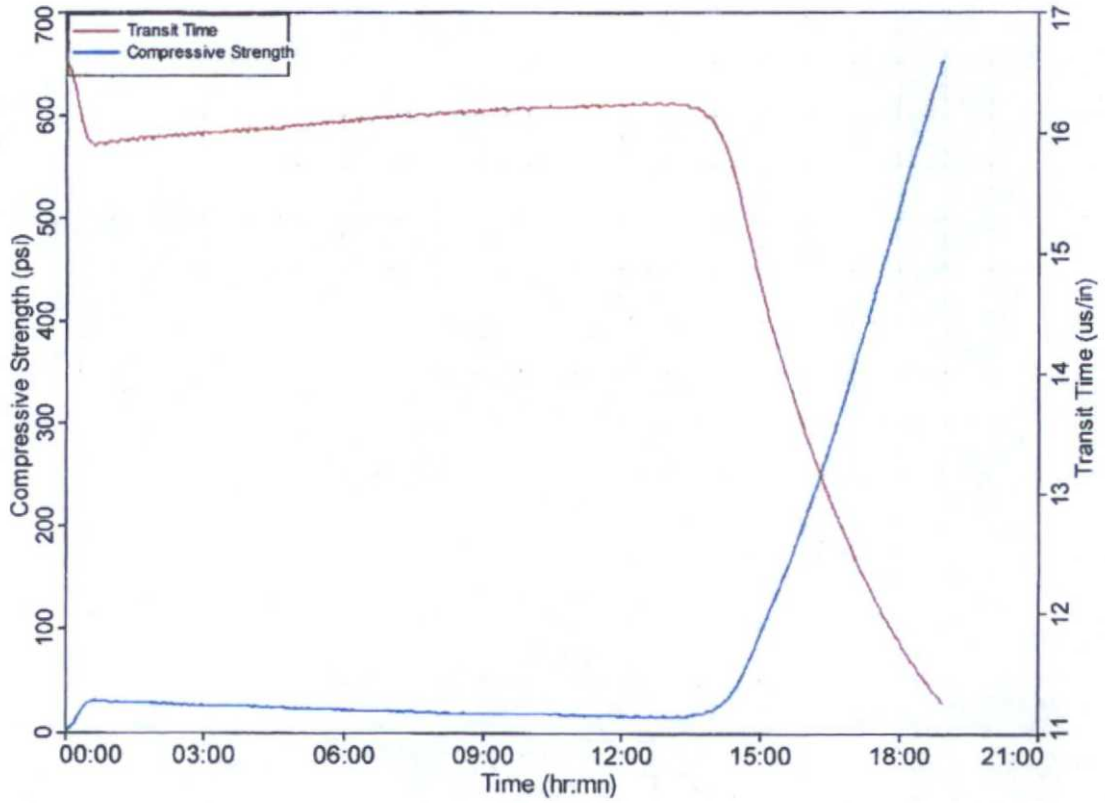
Meets Testing Requirements / Verified By: P. Quintana, LT1 All slurries prepared and tested in accordance with Chevron's Cement Testing Procedures

Note: This is a pilot test. Field may differ after testing. Please read field report carefully and compare to pilot report and load out. Contact the laboratory with any questions or concerns.


Chevron Salado Draw 29 26 33 Fed 1H Pilot Kick Off Plug Consistency & Temperature vs Time
Consistency (Bc)
Temperature (degF)
Time (hr:mn)
00:00
01:00
02:00
03:00
04:00
05:00
06:00


Transit Time
Compressive Strength
Compressive Strength (psi) (x 1000)
0
0.5
1.0
1.5
2.0
2.5
3.0
3.5
4.0
4.5
5.0
5.5
6.0
Transit Time (us/in)
6
8
10
12
14
16
18
00:00
04:00
08:00
12:00
16:00
20:00
24:00
28:00
Time (hr:mn)

80-20 Cement-Chem Wash Contamination UCA



CW100			
System	CW100		
Density	8.33 lb/gal		
Total Volume	38.2 bbl		
Additives	**Code**	**Description**	**Concentration**
	D122A	Chemical Concentrate	0.5 gal/bbl
	J237A	Fluid Loss	0.25 gal/bbl

Tail Slurry (292 sacks, 94 lb per sack of Blend)			
System	Conventional		
Density	17.50 lb/gal		
Yield	0.95 ft3/sk		
Mix Water	2.941 gal/sk		
Mix Fluid	3.561 gal/sk		
Total Volume	49.5 bbl		
Additives	**Code**	**Description**	**Concentration**
	D909	Cement	94.016 lb/sk WBWOB
	D047	Anti Foam	0.020 gal/sk VBWOB
	D08C	Dispersant	0.300 gal/sk VBWOB
	D801	Retarder	0.300 gal/sk VBWOB

Delaware Basin
Changes to APD for Federal Well

Well Name: Salado Draw 29-26-33 Fed Com #1H

API Well No.: 30-025-42629

Rig: Nabors X30

CVX CONTACT:

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1400 SMITH ST.
HOUSTON, TX 77002

DESK: HOU140/43-104
CELL: 713-898-5436
EMAIL: VRUIZ@CHEVRON.COM

Summary of Changes to APD Submission

1. Fish in Hole and Isolation Plug

Summary: Chevron respectfully requests to cement the 7-5/8" contingency liner with different slurry density than indicated in the approved APD. The job design enhanced the rheological/density hierarchies given the mud weight used to drill the hole section.

Chris,

Fish left in hole was at 14,138' to 9,000' (~5138' LIH). We had managed to POOH ~2500' until excess drag would not allow. TD of hole was 16,525'.

We pumped an isolation plug from ~9,000' to a TOC planned depth of 8,200'. (Attached cement information)

We have just tagged the TOP of the Plug at 8,030' (BLM representative was present).

We are going to attempted KO from the cement plug at 8400' (giving us 500' of isolation plug). If successful, I am going to send the updated casing and cement design for the plan.

After tagging, we attempted to rotate and circulate on the cement, and it has been a challenge as we did a Mock Kick Off. We are in the process of coming out of the hole and will set a cemented whipstock 200' above the current Isolation Plug to Kick Off (8200').

See attached Sidetrack directional plans.

FLUID SYSTEMS

CW100			
System	CW100		
Density	8.33 lb/gal		
Total Volume	38.2 bbl		
Additives	**Code**	**Description**	**Concentration**
	D122A	Chemical Concentrate	0.5 gal/bbl
	J237A	Fluid Loss	0.25 gal/bbl

Tail Slurry (292 sacks, 94 lb per sack of Blend)			
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Density	17.50 lb/gal		
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Additives	**Code**	**Description**	**Concentration**
	D909	Cement	94.016 lb/sk WBWOB
	D047	Anti Foam	0.020 gal/sk VBWOB
	D080	Dispersant	0.300 gal/sk VBWOB
	D801	Retarder	0.300 gal/sk VBWOB

December 16 2015

TenarisHydril

Size: 7.625 in.
Wall: 0.375 in.
Weight: 29.70 lbs/ft
Grade: P110
Min. Wall Thickness: 87.5 %

Connection: Wedge 513™
Casing/Tubing: CAS

Pipe Body Data

Geometry

Nominal OD	**7.625** in.	Nominal Weight	**29.70** lbs/ft	Standard Drift Diameter	**6.750** in.
Nominal ID	**6.875** in.	Wall Thickness	**0.375** in.	Special Drift Diameter	**N/A**
Plain End Weight	**29.06** lbs/ft				

Performance

Body Yield Strength	**940** x 1000 lbs	Internal Yield	**9470** psi	SMYS	**110000** psi
Collapse	**5350** psi				

Wedge 513™ Connection Data

Geometry

Connection OD	**7.625** in.	Connection ID	**6.800** in.	Make-Up Loss	**4.420** in.
Critical Section Area	**5.125** sq. in.	Threads per in.	**3.29**		

Performance

Tension Efficiency	**60.0** %	Joint Yield Strength	**564** x 1000 lbs	Internal Pressure Capacity	**9470** psi
Compression Strength	**707** x 1000 lbs	Compression Efficiency	**75.2** %	Bending	**40** °/100 ft
External Pressure Capacity	**5350** psi				

Make-up Torques

Minimum	**9000** ft-lbs	Optimum	**10800** ft-lbs	Maximum (*)	**15800** ft-lbs

Operational Limit Torques

Operating Torque	**47000** ft-lbs	Yield Torque	**70000** ft-lbs

Blanking Dimensions

Blanking Dimensions

* If you need to use torque values that are higher than the maximum indicated, please

contact a local Tenaris technical sales representative.

CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Chevron USA Inc
LEASE NO.:	NM27506
WELL NAME & NO.:	Salado draw 29 26 33 Fed Com-1H
SURFACE HOLE FOOTAGE:	200'/N & 1283'/W
BOTTOM HOLE FOOTAGE	280'/S & 355'/W, sec. 32
LOCATION:	Section 29, T. 26 S., R. 33 E., NMPM
COUNTY:	Lea County, New Mexico

1. The minimum required fill of cement behind the 7-5/8 inch contingency liner is:

   ☒ Cement should tie-back to the top of the liner. Operator shall provide method of verification.

NOT IN AFMSS

OCD

Ray Powell, M.S., D.V.M.
COMMISSIONER

State of New Mexico
Commissioner of Public Lands

310 OLD SANTA FE TRAIL
P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

COMMISSIONER'S OFFICE
Phone (505) 827-5760
Fax (505) 827-5766
www.nmstatelands.org

November 7, 2011

RECEIVED
NOV 08 2011
Farmington Field Office
Bureau of Land Management

XTO Energy Inc.
200 North Loraine, Suite 800
Midland, Texas 79701

RECEIVED
2011 NOV 17 AM 8:03
BUREAU OF LAND MGMT
CARLSBAD FIELD OFFICE

Attn: Ms. Sharon Hindman

Re: Downhole Commingling Application
Pennzoil Merit State Well No. 1 (API No. 30-025-25256)
Section 18-17S-34E, Unit Letter H
Vacuum Abo North and Vacuum Cisco Pools
Lea County, New Mexico

Dear Ms. Hindman:

Thank you for your application to downhole commingle the Vacuum Abo North and Vacuum Cisco pools from the referenced well in Lea County, New Mexico.

Since it appears that all the New Mexico Oil Conservation's (OCD) rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico as a result of your proposed operation, your application is approved. Any deviation from the substance of your application will be cause for rescinding our approval, and approval is subject to like approval by the OCD.

Please submit a filing fee in the amount of $30.00.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M
COMMISSIONER OF PUBLIC LANDS

BY: Larry J. Roybal
LARRY J. ROYBAL, Director
Oil, Gas and Minerals Division
RP/LR/jm
Enclosure
xc: Reader File OCD—Ed Martin, BLMF