

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.

HOBBS OCD
JAN 19 2016
RECEIVED

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	2. Name of Operator CHEVRON USA INC ✓	Contact: CINDY H MURILLO E-Mail: CHERRERAMURILLO@CHEVRON.COM	5. Lease Serial No. NMNM27506
3a. Address 1616 W. BENDER BLVD HOBBS, NM 88240	3b. Phone No. (include area code) Ph: 575-263-0431 Fx: 575-263-0445	9. API Well No. 30-025-42629 ✓	6. If Indian, Allottee or Tribe Name
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 29 T26S R33E Mer NMP NWNW 200FNL 1283FWL ✓	10. Field and Pool, or Exploratory WILDCAT BONE SPRING	11. County or Parish, and State LEA COUNTY, NM	7. If Unit or CA/Agreement, Name and/or No.
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			8. Well Name and No. SALADO DRAW 29 26 33 FED COM 1H ✓

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 Change to Original APD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input 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 recomple 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 recomple 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 RESPECTFULLY REQUESTS TO A DRILLING CHANGE FOR THE LATERAL FROM A 8 3/4' HOLE SECTION TO A 6 3/4' HOLE SECTION. A 5' CASING WILL BE RAN IN THE LATERAL SECTION AND WILL COMPLY WITH THE .422 CASING CLEARANCE; WHICH ORIGINAL PLAN WAS 5 1/2'. THIS IS DUE TO THE CONTINGENCY STRING THAT WAS RAN TO COVER UP THE WATER FLOW THAT WAS OBSERVED.
CHEVRON USA INC HAS BEEN IN CONTACT WITH KENNETH RENNICK FROM BLM. IF YOU SHOULD HAVE ADDITIONAL QUESTIONS, PLEASE CONTACT VICENTE RUIZ/ENGINEER AT 713-898-5436.
ATTACHED IS A COPY OF WELLBORE FOR ABOVE WELL AND SUMMARY OF CHANGES TO APD AND CASING AND TUBING SUMMARY.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

**Electronic Submission #328183 verified by the BLM Well Information System
For CHEVRON USA INC, sent to the Hobbs
Committed to AFMSS for processing by KENNETH RENNICK on 01/11/2016 ()**

Name (Printed/Typed) CINDY H MURILLO	Title PERMITTING SPECIALIST
Signature (Electronic Submission)	Date 01/11/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	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
PETROLEUM ENGINEER
JAN 11 2016
Kenneth Rennick
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

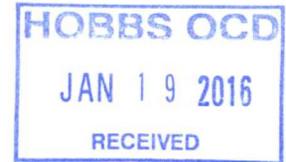
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

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

JAN 22 2016

Handwritten signature

**Salado Draw 29 26 33 Fed Com 1H
API 30-025-42629
Chevron USA Incorporated
Conditions of Approval**

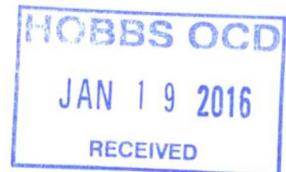


Original COA still applies except for the replacement of the minimum required fill of cement behind the Production Casing. See the following:

1. The minimum required fill of cement behind the 6 inch production casing is:
 - Cement tie-back is appropriate as proposed. Operator shall provide method of verification.

KGR 01112016

**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

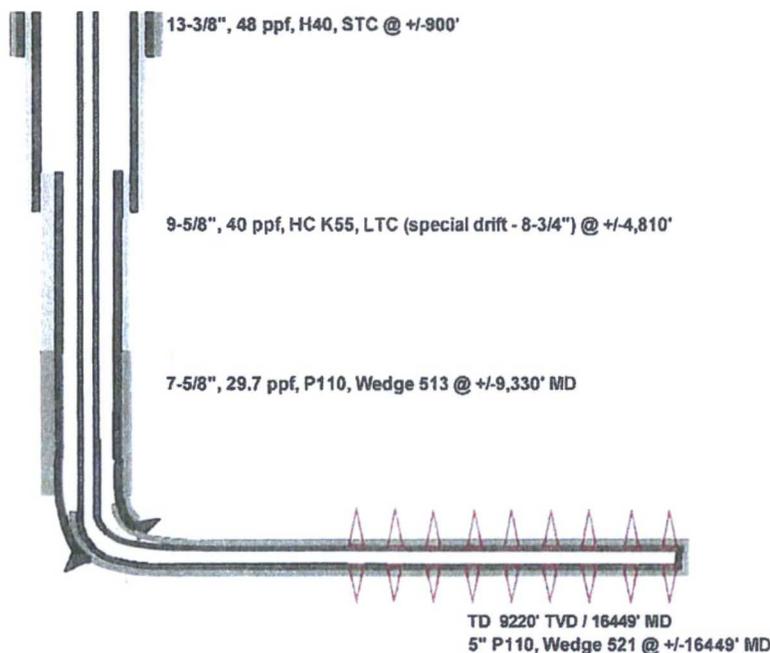
DESK: HOU140/43-104
CELL: 713-898-5436
EMAIL: VRUIZ@CHEVRON.COM

Summary of Changes to APD Submission

1. 6-3/4" Hole Section
2. 5" Contingency Production Casing
3. 5" Contingency Production Cement Slurry Design

Summary: Chevron respectfully requests to a drilling change for the lateral from a 8-3/4" hole section to a 6-3/4" hole section. A 5" casing will be ran in the lateral section and will comply with the .422 casing clearance; which original plan was 5-1/2". This is due to the contingency string that was ran to cover up the water flow that was observed.

**Salado Draw 29-1H
Drilling Program "Quick-Look"**



1.

Lea County, NM

Hole Size	Mud	Bits
17-1/2"	FW/Spud Mud	Rock Bit
12-1/4"	Brine 9 ppg	PDC
	10.0 ppg	
8-3/4"	Cut Brine 8.8-9.2 ppg	PDC
6-3/4"	9.0-9.2	PDC

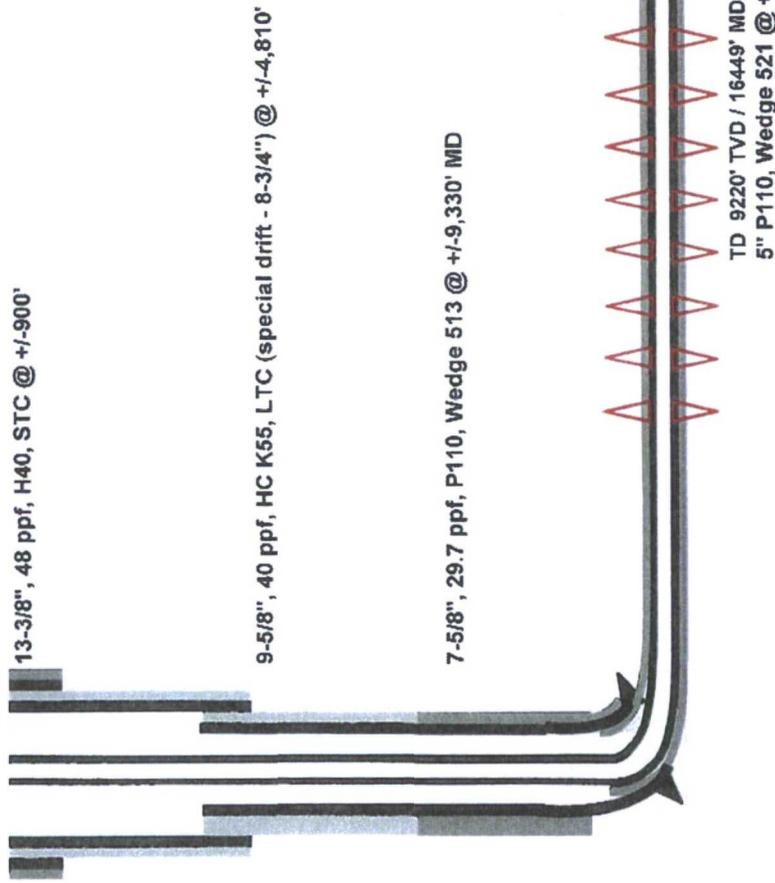
Original plan was to drill a three hole section wellbore, and will not be changed to a 4 hole section string.

2.

Purpose	From	To	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Prod Csg	0'	16449	6-3/4"	5"	18#	P-110	TSH521	New

Casing String	Min SF Burst	Min SF Collapse	Min SF Tension	Min SF Tri-Axial
Pro Csg	1.55	2.64	2.13	1.63

Salado Draw 29-1H Drilling Program "Quick-Look"

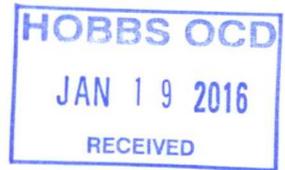


Lea County, NM

Hole Size	Mud	Bits
17-1/2"	FW/Spud Mud	Rock Bit
12-1/4"	Brine 9 ppg 10.0 ppg	PDC
8-3/4"	Cut Brine 8.8-9.2 ppg	PDC
6-3/4"	9.0-9.2	PDC

General Drilling Procedure

- Currently 10' cylindrical cellar installed with 80' of 20" conductor pipe set.
- MIRU
- N/U on 20" conductor and drill 17-1/2" surface hole with fresh water to 900'.
- Run 13-3/8" - 48# - H40 - STC casing and cement with a Class "C" lead and tail system.
- Install 13-5/8" 5M SH-2 wellhead on hanger. Run 13-3/8" - 48# - H40 - STC casing and cement with Class "C" lead and tail system.
- N/U and test BOPE to 250 psi / 5,000 psi.
- Drill 12-1/4" intermediate hole to 4,800' with saturated brine past salt zone.
- POOH and Run 9-5/8" - 40# - HC K55 - LTC casing and cement with a Class "C" lead and tail system.
- Drill 8-3/4" production hole w/ cut brine mud to 9,330' which is 70° into the curve as planned.
- Run 7-5/8" - 29.7# - HC P110 - 513 casing and cement with a Class "C" lead and tail system
- Finish drilling the curve to landing point ~9,491' with 6-3/4 mud motor
- Drill 6-3/4" lateral hole to +/-16,449' in pay zone conventional motor.
- Run 5" - 18# - P110 - 521 casing and cement with a lead and tail system
- RDMO and move to next pad



3. .

Changes to APD for production string:

Lead 1 Slurry:

Density: 11.5 ppg

Yield: 2.66ft³/sk

Sacks: 257 sks

Water: 15.576 gal/sk

Excess: 0%

Coverage: 3,900' – 8,500'

Tail Slurry

Density: 15.0 ppg

Yield: 2.18ft³/sk

Sacks: 100 sks

Water: 9.540 gal/sk

Excess: 20%

Coverage: 15,449' – 16,449'

Lead 2 Slurry:

Density: 12.5 ppg

Yield: 1.60ft³/sk

Sacks: 591 sks

Water: 8.625 gal/sk

Excess: 20%

Coverage: 8,500' – 15,449'

Premium Connections Performance Data

Choose pipe size, weight and grade to view connection options and performance data.

PRODUCT

Wedge 513™

PIN

PIPE SELECTION DATA

Unit: **USC unit** | Language: **English**

Size: **7.625** | Wall: **0.375 (29.70)**
 (Weight:lbs/ft)

Grade: **P110**

Connection: **Wedge 513™**

Options

- > Printer friendly version
- > E-mail results
- > Compare Connections
- > View list of grade codes
- > TenarisHydril Homepage

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
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OPERATIONAL LIMIT TORQUES

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

Tenaris Steel Grade Designations

CS - Critical Service

HC - High Collapse Service

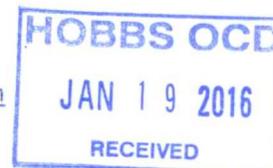
LT - Low Temperature Service

DW - Deep Well Service

HS - High Collapse + Sour Service

SS - Sour Service

For the latest performance data, always visit our website:
<http://premiumconnectiondata.tenaris.com/www.tenaris.com>



October 12 2015



Size: 5.000 in.
Wall: 0.362 in.
Weight: 18.00 lbs/ft
Grade: P110-IC
Min. Wall Thickness: 87.5 %

Connection: Wedge 521™
Casing/Tubing: CAS

PIPE BODY DATA

GEOMETRY			
Nominal OD	5.000 in.	Nominal Weight	18.00 lbs/ft
Nominal ID	4.276 in.	Wall Thickness	0.362 in.
Plain End Weight	17.95 lbs/ft	Standard Drift Diameter	4.151 in.
		Special Drift Diameter	N/A

PERFORMANCE

Body Yield Strength	580 x 1000 lbs	Internal Yield	13940 psi	SMYS	110000 psi
Collapse	14840 psi				

WEDGE 521™ CONNECTION DATA

GEOMETRY			
Connection OD	5.359 in.	Connection ID	4.226 in.
Critical Section Area	3.891 sq. in.	Threads per in.	3.36
		Make-Up Loss	3.620 in.

PERFORMANCE

Tension Efficiency	73.8 %	Joint Yield Strength	428 x 1000 lbs	Internal Pressure Capacity	13940 psi
Compression Strength	514 x 1000 lbs	Compression Efficiency	88.7 %	Bending	75 °/100 ft
External Pressure Capacity	14840 psi				

MAKE-UP TORQUES

Minimum	6100 ft-lbs	Optimum	7300 ft-lbs	Maximum (☺)	10700 ft-lbs
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OPERATIONAL LIMIT TORQUES

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Operating Torque	17300 ft-lbs	Yield Torque	26000 ft-lbs
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BLANKING DIMENSIONS

[Blanking Dimensions](#)

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