

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.
NMNM94192

6. If Indian, Allottee or Tribe Name

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

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. SOUTHPAW FEDERAL 30 01 |
| 2. Name of Operator CHEVRON USA INCORPORATED Contact: DENISE PINKERTON E-Mail: leakejd@chevron.com | 9. API Well No. 30-025-36547-00-C1/C2 |
| 3a. Address 15 SMITH ROAD MIDLAND, TX 79705 | 3b. Phone No. (include area code) Ph: 432-687-7375 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 30 T18S R32E SWSW 430FSL 690FWL | 10. Field and Pool, or Exploratory WATKINS YOUNG |
| | 11. County or Parish, and State LEA COUNTY, NM |

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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 | |
| | <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 recomplate 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 IS REQUESTING TO HAVE CALIBRATION FREQUENCY CHANGED FROM QUARTERLY TO SEMIANNUAL FOR THE SUBJECT WELL.

METER #6135005
FLOW RANGE: <250 MCF
FLOW RATE: 83

LAST CALIBRATION DATE: 11/19/2013

Dee Co

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

**Electronic Submission #268135 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by LINDA JIMENEZ on 11/21/2014 (15LJ0421SE)**

Name (Printed/Typed) DENISE PINKERTON

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 10/03/2014

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By *Kenneth Dennis*

Title *Petroleum Engineer*

Date *2/28/2016*

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 *CEO*

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 ****

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Bureau of Land Management

Carlsbad Field Office and Hobbs Field Station
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

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Conditions of Approval

Chevron USA Inc.

Southpaw Federal 30 01

NM94192

3002536547

1. This variance is for Chevron USA Inc. low volume gas producing wells.
 - a. Low volume as per this approval will be 100 MCF/D or less on a monthly basis.
2. As per NTL 92-5 you are approve to do semi-annually meter calibrations.
3. If any other well is added to the battery the variance will have to be resubmitted and be reevaluated at that time.
4. If at any time the operator produces more than 100 MCF/D on a monthly basis this approval is withdrawn at that time.
5. All other requirements of Onshore Order #5 Measurement of Gas still applies to this approval.