

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS Hobbs
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.
NMLC057509

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
GL ERWIN B NCT2 10 ✓

9. API Well No.
30-025-33803-00-C1 ✓

10. Field and Pool, or Exploratory
JUSTIS

11. County or Parish, and State
LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well ✓
 Oil Well Gas Well Other

2. Name of Operator
CHEVRON USA INCORPORATED Contact: DORIAN K FUENTES
E-Mail: djvo@chevron.com

3a. Address
15 SMITH ROAD
MIDLAND, TX 79705

3b. Phone No. (include area code)
Ph: 432-687-7631

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 35 T24S R37E NESE 2450FSL 1225FEL ✓

HOBBS OCD

APR 18 2016

RECEIVED

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 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 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 respectfully requests to temporarily abandon well for length of abandonment up to one year.

Chevron Plans to:
MIRU; Pull rods and tubing; run in CIBP using wireline; Set CIBP @ 4980' with 2x cement; tag plug and circulate packer fluid; pull tubing; obtain passing MIT; clean location; RDMO.

Current and proposed wellbore diagrams attached along with the justification.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #334887 verified by the BLM Well Information System For CHEVRON USA INCORPORATED, sent to the Hobbs Committed to AFMSS for processing by PRISCILLA PEREZ on 03/30/2016 (16PP0506SE)

Name (Printed/Typed) DORIAN K FUENTES Title REGULATORY SPECIALIST

Signature (Electronic Submission) Date 03/29/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date APR 7 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 _____

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 ****

*MSS/ACD
4/20/2016*

APR 21 2016

ERWIN B NCT 2-10

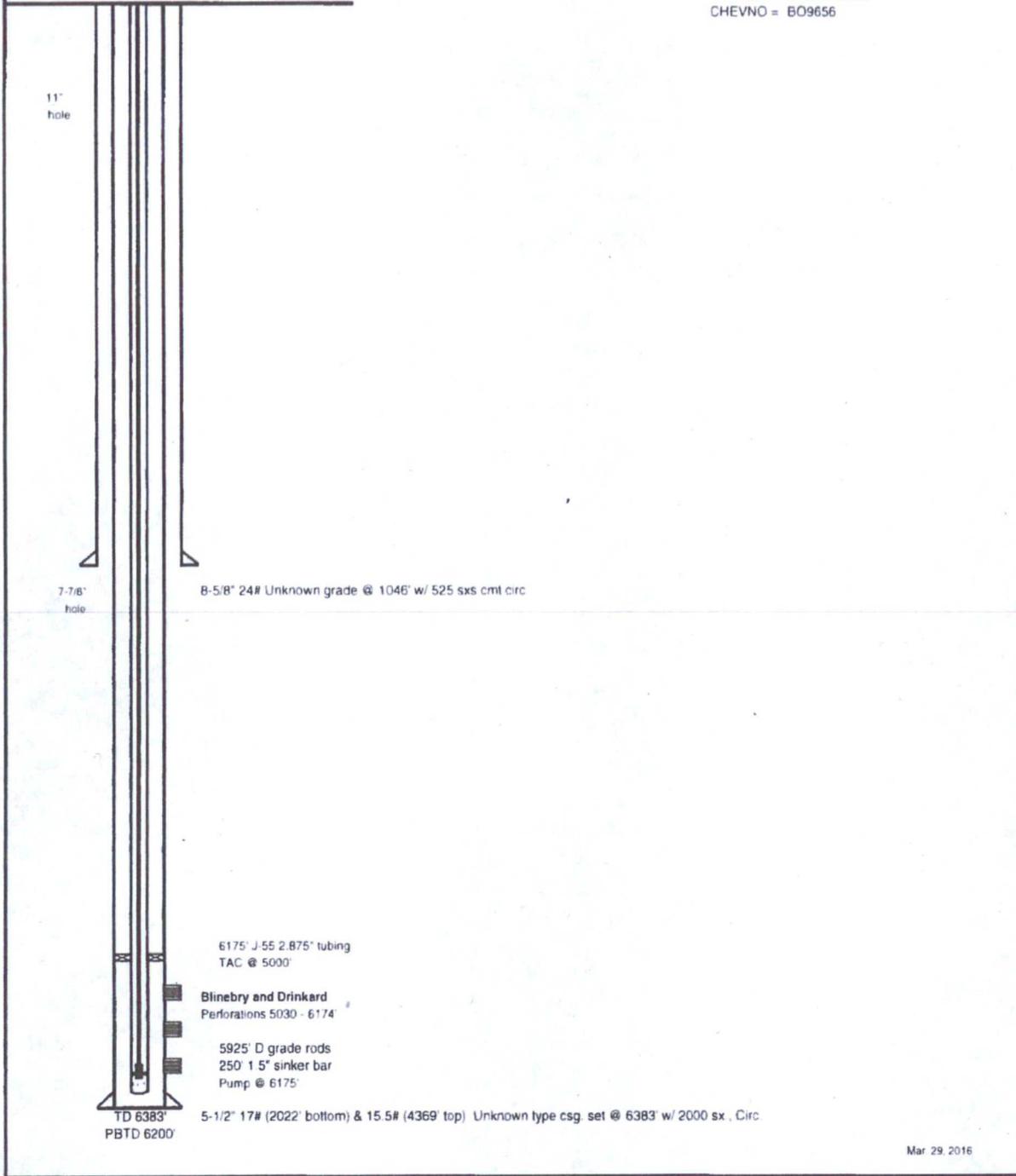
Location: 2450' FSL & 1225' FEL, Sec. 37, Township 35, Range 24, Lea County, NM CURRENT

TEAM:
FIELD: Justis
LEASE/UNIT: ERWIN B NCT 2
COUNTY: Lea

DATE CHKD: Mar. 28, 2016
BY: Hunter Waters
WELL: 10
STATE: New Mexico

SPUD DATE: 3/21/1995
COMP. DATE: 4/1995
CURRENT STATUS: Producing Well (Rod Pump)

KB = 0'
Elevation = 3159'
TD = 6383'
PBTD = 6200'
API = 30-025-33803
CHEVNO = B09656



ERWIN B NCT 2-10

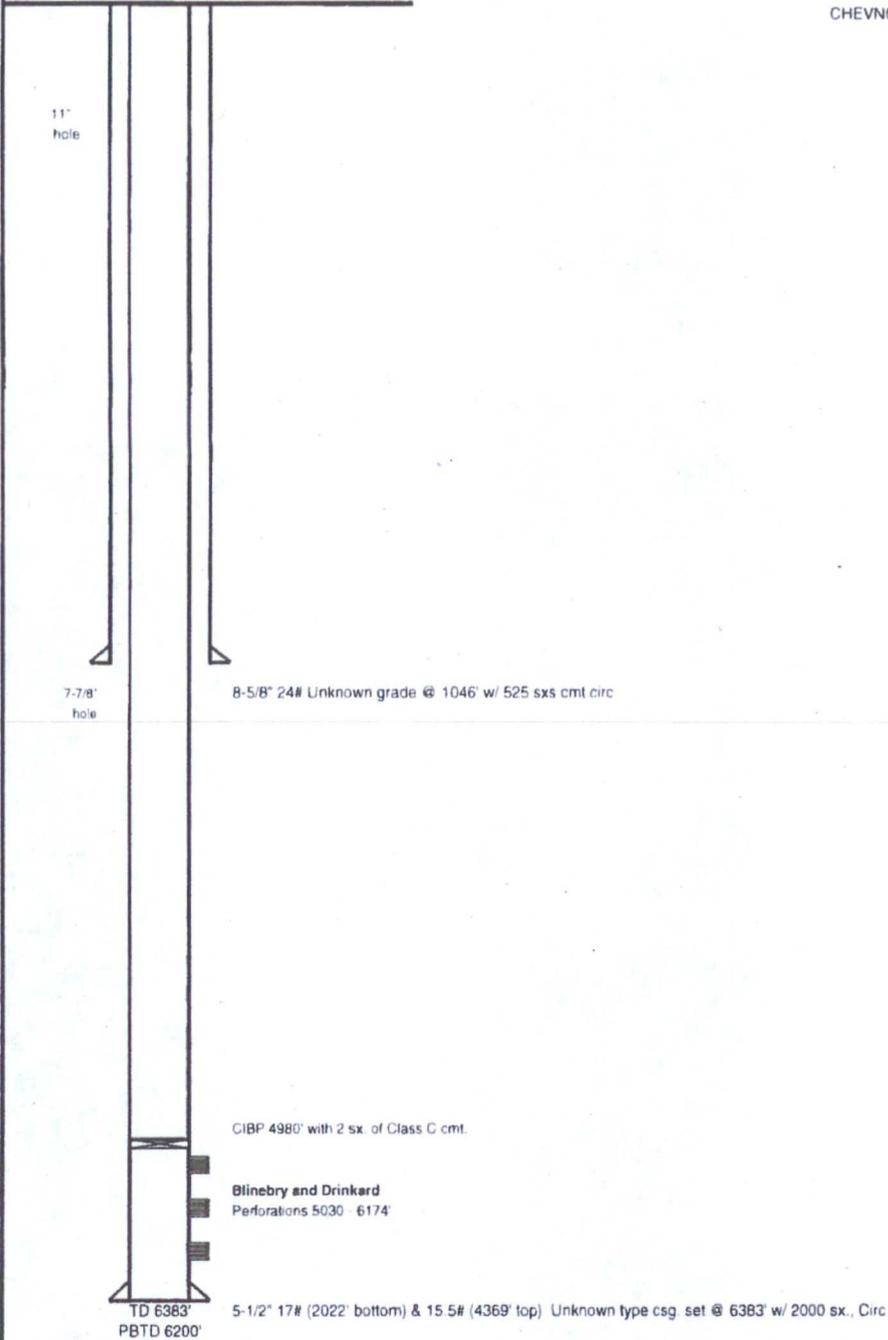
Location: 2450' FSL & 1225' FEL, Sec. 37, Township 35, Range 24, Lea County, NM PROPOSED

TEAM:
FIELD: Justis
LEASE/UNIT: ERWIN B NCT 2
COUNTY: Lea

DATE CHKD: Mar. 29, 2016
BY: Hunter Waters
WELL: 10
STATE: New Mexico

SPUD DATE: 2/9/1997
COMP. DATE: 3/13/1997
CURRENT STATUS: Producing Well (Rod Pump)

KB = 0'
Elevation = 3159'
TD = 6383'
PBTD = 6200'
API = 30-025-33803
CHEVNO = B09656



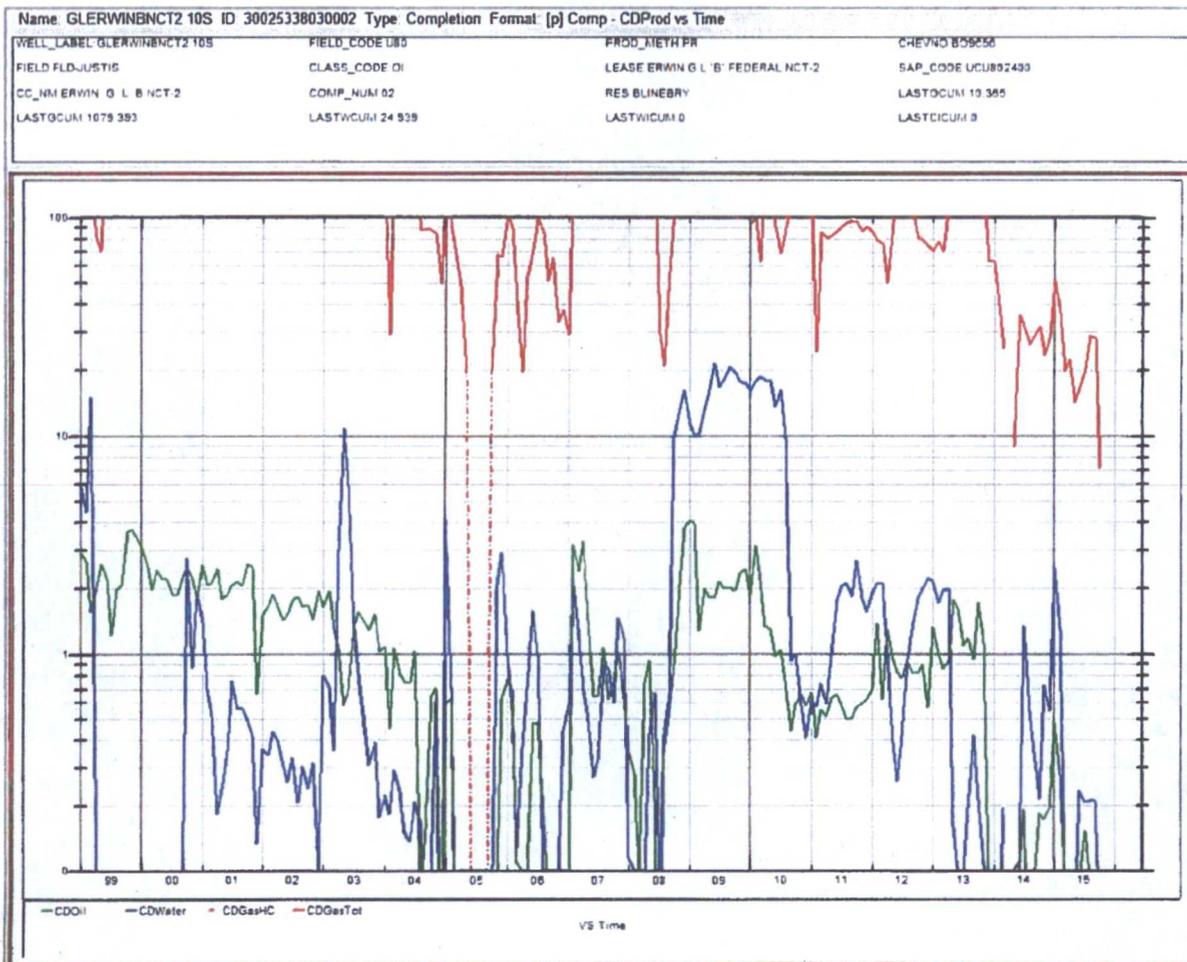
Mar. 29, 2016

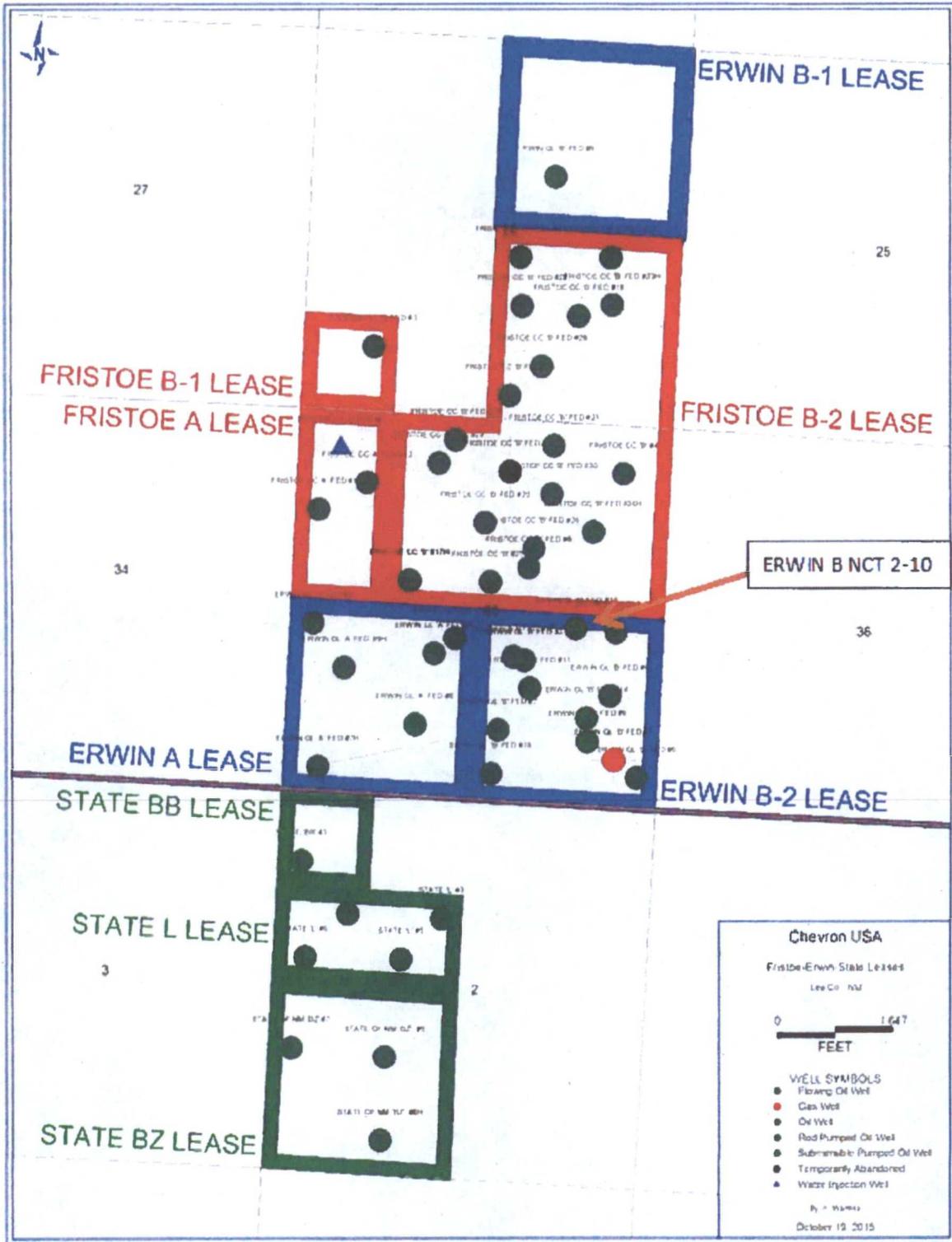


Erwin B NCT 2 -10 Temporary Abandonment Justification

The Erwin B NCT 2-10 (Justis field) is producing from the Blinebry and Drinkard formations and has been identified as a viable waterflood target. The Erwin B NCT 2-10 is also a recompletion candidate to the Seven Rivers and Queen formations. The Erwin B NCT 2-10 is being requested to be Temporarily Abandoned for its uneconomic primary production rate but Chevron would like to retain this wellbore for the proposed waterflood development or recompletion.

Erwin B NCT 2-10 Production Rate (green is oil, red is gas, and blue is water)





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

Approved for a period of 12 months ending 04/07/2017 subject to conditions of approval.

**Temporary Abandonment of Wells on Federal Lands
Conditions of Approval**

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging. CIBP must be capped with minimum 25 sacks cement, placed with tubing, or 35 feet of cement if placed with bailer.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes. Any leak-off will be evaluated.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
3. **Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned. 43 CFR 3162.3-4 (a) The operator shall promptly plug and abandon...wells in which oil or gas is not encountered in paying quantities...**

Wells that successfully pass the casing integrity test **may** be approved for Temporary Abandonment (TA) status provided that the operator:

1. **Submits a subsequent Sundry Notice** (Form 3160-5) requesting TA approval **with well bore diagram** with all perforations and CIBP's and tops of cement on CIBP's.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.
4. Give justification to allow well to be place in TA status and plan for future use of well with time frame that well will be place back on line or plans to P&A well will be submitted.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.

GL Erwin B NCT2 10

1. Well is approved to be TA/SI for a period of 12 months or until 04/07/2017
2. This will be the last TA approval for this well.
3. Must submit NOI to recomplete or NOI to P&A. Must be submitted by 04/07/2017
4. COA's met at this time.