

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.

5. Lease Serial No.
NMNM57285

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
NMNM117035

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
CODORNIZ 28 FEDERAL 3

2. Name of Operator
CHEVRON USA INCORPORATED
Contact: DENISE PINKERTON
E-Mail: leakejd@chevron.com

9. API Well No.
30-025-37523-00-S1

3a. Address
15 SMITH ROAD
MIDLAND, TX 79705

3b. Phone No. (include area code)
Ph: 432-687-7375

10. Field and Pool, or Exploratory
QUAIL RIDGE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 28 T19S R34E SWSE 860FSL 1980FEL

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			
<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 checked="" type="checkbox"/> Recomplete	<input 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 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 U.S.A. INC. RESPECTFULLY REQUESTS APPROVAL TO RECOMPLETE THE SUBJECT WELL FROM THE QUAIL RIDGE; MORROW (GAS) FIELD & POOL TO THE LEA; DELAWARE, NORTHEAST FIELD AND POOL.

THE INTENDED PROCEDURE IS AS FOLLOWS:

- * Rig up. Pull tubing.
- * Set CIBP @ 13,150 & dump cement
- * Set CIBP @ 10,150 & dump cement (Wolfcamp plug)
- * Set CIBP @ 8200 & dump cement. (Bone Spring plug)
- * Perf & frac Delaware 8050-8090.
- * Perf & frac Delaware 5716-5734.
- * Run in hole with production equipment (rod pump)

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

**Electronic Submission #315292 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by LINDA JIMENEZ on 09/03/2015 (15LJ1906SE)**

Name (Printed/Typed) DENISE PINKERTON

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 09/02/2015

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**

NOV 19 2015
Kenneth Rennick

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.

**BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**

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

Additional data for EC transaction #315292 that would not fit on the form

32. Additional remarks, continued

Please find attached, the proposed wellbore diagram.

Any questions/concerns should be directed to Michael Staff, Chevron Engineer, at 432-687-7126.

Codorniz 28 Federal 3
30-025-37523
Chevron USA Incorporated
Conditions of Approval

Notify BLM at 575-393-3612 (Lea County) a minimum of 24 hours prior to commencing work.

Work to be completed by February 21, 2016.

1. Operator shall set a CIBP at 13,176 feet, and set Class H cement as a cap. This will isolate the perforations in the Morrow. Tag at 13,126 feet is required which shall be witnessed by BLM. No perforations were recorded at 13,218 feet through 13,230 feet.
2. Operator shall set a CIBP at 12,782 feet, and set Class H cement as a cap. This will isolate the top of Morrow. Tag at 12,732 feet is required.
3. Operator shall set a CIBP at 12,144 feet, and set Class H cement as a cap. This will isolate the top of Strawn, as well as the low pressure zone that is commonly above. Tag at 12,094 feet is required.
4. Operator shall set a CIBP at 10,942 feet, and set Class H cement as a cap. This will isolate the top of Wolfcamp. Tag at 10,892 feet is required.
5. Operator shall set a CIBP at 8201 feet, and set Class H cement as a cap. This will isolate the top of Bone Springs. Tag at 8151 feet is required.
6. Must conduct a Casing Integrity Test (CIT) before perforating and fracturing. Test should be run for 30 minutes. Submit results to BLM. The CIT is to be performed on the production casing to max treating pressure. Notify BLM if test fails. Document the pressure test on a one hour full rotation calibrated recorder chart registering within 25 to 85 per cent of its full range. Greater than 10% pressure leakoff will be viewed as a failed tested. Less than 10% pressure leakoff will be evaluated site specifically and may restrict injection approval.
7. Operator approved to perforate and then fracture the intervals of 8090 feet through 8050 feet and 5734 feet through 5716 feet.
8. Before casing or a liner is added or replaced, prior BLM approval of the design is required. Use notice of intent Form 3160-5.
9. Surface disturbance beyond the originally approved pad must have prior approval.

10. Closed loop system required.
11. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of work over operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.
12. Operator to have H2S monitoring equipment on location.
13. A minimum of a 2000 (2M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.
14. **Subsequent sundry required detailing work done, a C-102 form, and completion report for the new formations. Operator to include well bore schematic of current well condition when work is complete.**
15. **See attached for General Plugback Guidelines**

KGR 11192015

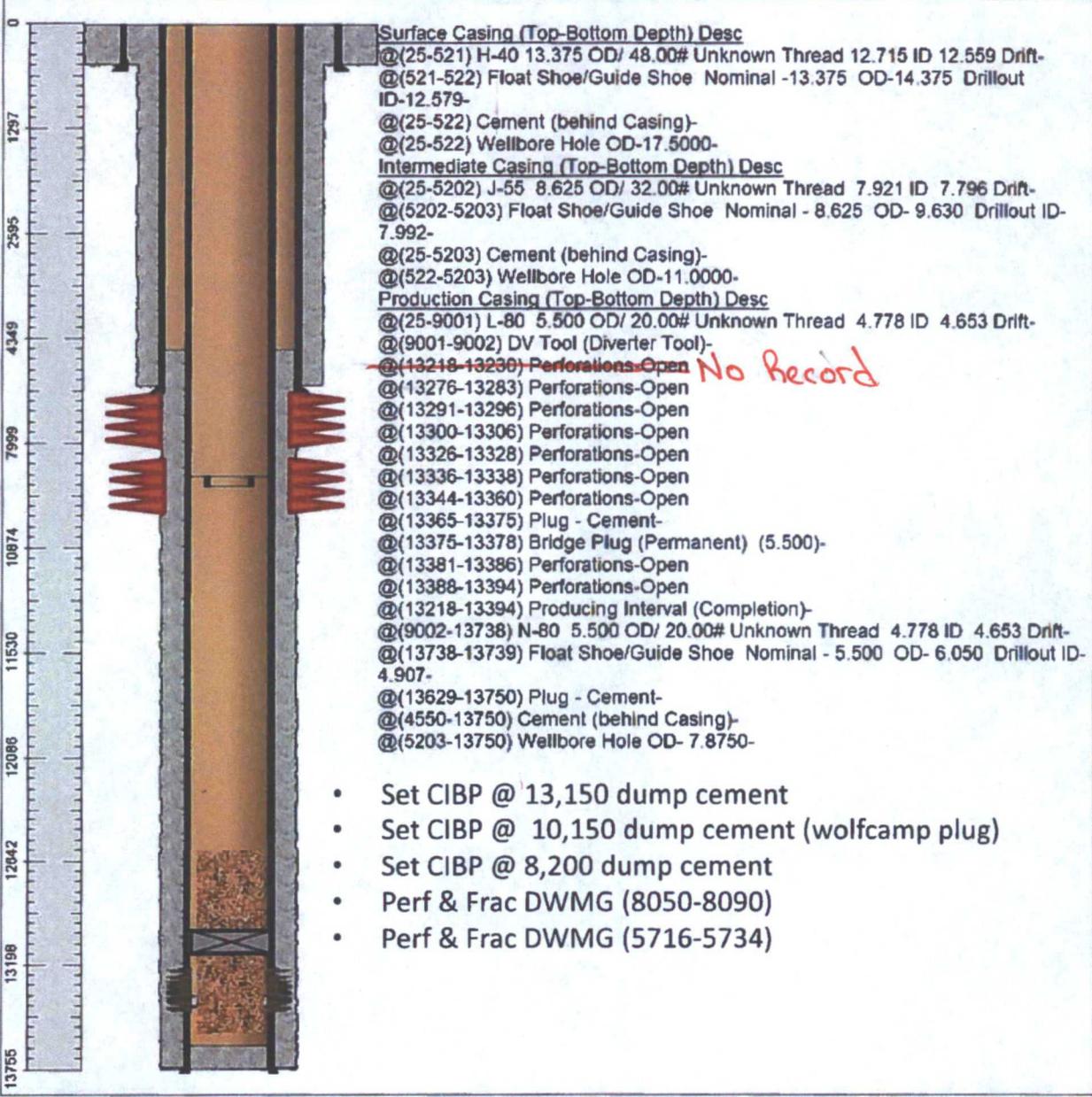
PROPOSED

NMNM57285

3758A
Lea, Delaware, NE

Lease: OEU EUNICE FMT		Well No.: CODORNIZ 28 FEDERAL 3 3	Field: QUAIL RIDGE	
Location: 860FSL1980FEL		Sec.: N/A	Blk:	Survey: N/A
County: Lea	St.: New Mexico	Refno: HW5016	API: 3002537523	Cost Center: UCRH90200
Section: 28 <i>U.L.O.</i>		Township: 19S	Range: 34E	
Current Status: ACTIVE			Dead Man Anchors Test Date: NONE	

Directions:



- Set CIBP @ 13,150 dump cement
- Set CIBP @ 10,150 dump cement (wolfcamp plug)
- Set CIBP @ 8,200 dump cement
- Perf & Frac DWMG (8050-8090)
- Perf & Frac DWMG (5716-5734)

Ground Elevation (MSL): 3698.00	Spud Date: 12/10/2005	Compl. Date: 01/01/1800
Well Depth Datum: Kelly Bushing	Elevation (MSL): 3723.00	Correction Factor: 25.00
Last Updated by: keli	Date: 02/26/2015	