

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0137
Expires January 31, 2018

Carlsbad Field Office
OCD Hobbs

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 page 2

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		7. If Unit or CA/Agreement, Name and/or No.	
2. Name of Operator CHEVRON USA INCORPORATED		8. Well Name and No. SALADO DRAW SWD 13 1	
3a. Address 15 SMITH ROAD MIDLAND, TX 79705		9. API Well No. 30-025-42354-00-S1	
3b. Phone No. (include area code) Ph: 575-263-0431 Fx: 575-263-0445		10. Field and Pool or Exploratory Area DEVONIAN SWD	
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T26S R32E SWSW 290FSL 10FWL 32.036301 N Lat, 103.636505 W Lon		11. County or Parish, State LEA COUNTY, NM	

HOBBS OCD
RECEIVED
JAN 03 2017

12. CHECK THE 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"/> Hydraulic Fracturing	<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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 GIVING BLM STATUS OF DEEPENING THE ABOVE SWD. CHEVRON CURRENTLY HAS NABORS X-30 ON THE SALADO DRAW SWD 13 -1 DEEPENING PROJECT. THERE HAVE BEEN 12 UNSUCCESSFULL ATTEMPTS TO MILL OVER AND FISH THE PERMANENT PACKER. THE PACKER IS CURRENTLY IN THE OPEN HOLE AT 18,260'. CHEVRON HAS DECIDED THAT THE BEST OPTION TO COMPLETE THE DEEPENING OF THE SWD IS TO SIDETRACK AROUND THE PACKER IN THE OPEN HOLE. CEMENT HAS ALREADY BEEN PUMPED IN THE OPEN HOLE AND HAS BEEN TAGGED AT 18,043' (217' ABOVE THE PACKER). THE FORWARD PLAN IS TO RUN A MILL ASSEMBLY IN THE OPEN HOLE TO DRILL A GAUGED HOLE FOR THE WHIPSTOCK TO SIT IN. CEMENT WILL THEN BE DUMPED AND THE KICK OFF FROM THE WHIPSTOCK TO SIDETRACK THE PACKER WILL BEGIN. THE SIDETRACK WILL BE FROM 18,043' TO 18,675' (ORIGINAL TD OF WELL). FINALLY, THE ORIGINAL PLAN WILL BE FOLLOWED TO DRILL THE NEW FORMATION FROM 18,675' TO 19,300'. ALL SIDETRACK OPERATIONS WILL BE PERFORMED IN OPEN HOLE WITH NO IMPACT TO THE EXISTING CASING STRINGS. CHEVRON HAS BEEN IN CONTACT WITH SEVEN/BLM ON THE SIDETRACK PLAN ABOVE. IF YOU HAVE ANY QUESTIONS,

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

**Electronic Submission #362171 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by TEUNGKU KRUENG on 12/28/2016 (17TMK0008SE)**

Name (Printed/Typed) CINDY H MURILLO	Title PERMITTING SPECIALIST
Signature (Electronic Submission)	Date 12/28/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>TEUNGKU MUEHLIS KRUENG</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>12/28/2016</u>
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 Hobbs

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.

(Instructions on page 2) **** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

MSB/OCD 1/4/2017 SWD-1488

Additional data for EC transaction #362171 that would not fit on the form

32. Additional remarks, continued

PLEASE CONTACT ANTONIO PAEZ/PERFORMANCE TEAM LEADER AT 432-687-7744.

All previous CoA still apply