

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

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

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

MAR 15 2017

RECEIVED

5. Lease Serial No.
NMNM118723

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
VARIOUS VARIOUS SD WC 23 Fed
P25 - 1H

9. API Well No.
30-025-42460

10. Field and Pool or Exploratory Area
BONE SPRING

11. County or Parish, State
LEA COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
CHEVRON U.S.A. INC. Contact: DENISE PINKERTON
E-Mail: leakejd@chevron.com

3a. Address
6301 DEAUVILLE BLVD
MIDLAND, TX 79706

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 23 T26S R32E Mer NMP

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 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 must 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 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 U.S.A. INC. IS PROVIDING THE ATTACHED COPY OF NMOCD FORM C-147 FOR THE REGISTRATION OF ONE RECYCLING CONTAINMENT AS REQUIRED UNDER 19.15.34.10 NMAC. THIS REGISTRATION APPLICATION HAS BEEN SUBMITTED TO THE NMOCD FOR APPROVAL.

QUESTIONS/CONCERNS: CONTACT DAVID MACURDY, CHEVRON, AT 713-372-3259.

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

Electronic Submission #361276 verified by the BLM Well Information System
For CHEVRON U.S.A. INC., sent to the Hobbs
Committed to AFMSS for processing by DEBORAH MCKINNEY on 02/07/2017 ()

Name (Printed/Typed) DENISE PINKERTON Title PERMITTING SPECIALIST

Signature (Electronic Submission) Date 12/19/2016

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By Cody D. Taylor Title AFM - Lands & Minerals Date 03/02/17

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 CFO

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)

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

MSB/ocd 3/16/2017

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources
Department
Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-147
Revised March 31, 2015

Recycling Facility and/or Recycling Containment

Type of Facility: Recycling Facility Recycling Containment*
Type of action: Permit Registration
 Modification Extension
 Closure Other (explain) _____

* At the time C-147 is submitted to the division for a Recycling Containment, a copy shall be provided to the surface owner.

Be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

1.
Operator: Chevron U.S.A. Inc. (For multiple operators attach page with information) OGRID #: 4323
Address: 1400 Smith Street, Houston TX 77002
Facility or well name (include API# if associated with a well): Salado Draw T26S R32E Sections 13 and 23 Recycling Facility & Containment
OCD Permit Number: _____ (For new facilities the permit number will be assigned by the district office)
U/L or Qtr/Qtr A Section 23 Township 26 South Range 32 East County: Lea
Surface Owner: Federal State Private Tribal Trust or Indian Allotment

2.
 Recycling Facility: (Location: U/L M, Section 13, T26S, R32E)
Location of recycling facility (if applicable): Latitude 32.036234 Longitude -103.636212 NAD: 1927 1983
Proposed Use: Drilling* Completion* Production* Plugging*
**The re-use of produced water may NOT be used until fresh water zones are cased and cemented*
 Other, requires permit for other uses. Describe use, process, testing, volume of produced water and ensure there will be no adverse impact on groundwater or surface water.
 Fluid Storage
 Above ground tanks Recycling containment Activity permitted under 19.15.17 NMAC explain type _____
 Activity permitted under 19.15.36 NMAC explain type: _____ Other explain _____
 For multiple or additional recycling containments, attach design and location information of each containment
 Closure Report (required within 60 days of closure completion): Recycling Facility Closure Completion Date: _____

3.
 Recycling Containment: (Location: U/L A, Section 23, T26S, R32E)
 Annual Extension after initial 5 years (attach summary of monthly leak detection inspections for previous year)
Center of Recycling Containment (if applicable): Latitude 32.033156 Longitude -103.639194 NAD: 1927 1983
 For multiple or additional recycling containments, attach design and location information of each containment
 Lined Liner type: Thickness 60 mil LLDPE HDPE PVC Other _____
 String-Reinforced
Liner Seams: Welded Factory Other Field Volume: 698,060 bbl Dimensions: L 925' x W 700' x D 23'
 Recycling Containment Closure Completion Date: _____

4.

Bonding:

- Covered under bonding pursuant to 19.15.8 NMAC per 19.15.34.15(A)(2) NMAC (These containments are limited to only the wells owned or operated by the owners of the containment.)
- Bonding in accordance with 19.15.34.15(A)(1). Amount of bond \$ _____ (work on these facilities cannot commence until bonding amounts are approved)
- Attach closure cost estimate and documentation on how the closure cost was calculated.

5.

Fencing:

- Four foot height, four strands of barbed wire evenly spaced between one and four feet
- Alternate. Please specify Eight foot chain link fence with three stands of barbed wire on top.

6.

Signs:

- 12"x 24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers
- Signed in compliance with 19.15.16.8 NMAC

7.

Variances:

Justifications and/or demonstrations that the proposed variance will afford reasonable protection against contamination of fresh water, human health, and the environment.

Check the below box only if a variance is requested:

- Variance(s): Requests must be submitted to the appropriate division district for consideration of approval. If a Variance is requested, include the variance information on a separate page and attach it to the C-147 as part of the application.
If a Variance is requested, it must be approved prior to implementation.

8.

Siting Criteria for Recycling Containment

Instructions: The applicant must provide attachments that demonstrate compliance for each siting criteria below as part of the application. Potential examples of the siting attachment source material are provided below under each criteria.

General siting

Ground water is less than 50 feet below the bottom of the Recycling Containment.

NM Office of the State Engineer - iWATERS database search; USGS; Data obtained from nearby wells

Yes No
 NA

Within incorporated municipal boundaries or within a defined municipal fresh water well field covered under a municipal ordinance adopted pursuant to NMSA 1978, Section 3-27-3, as amended.

Yes No
 NA

- Written confirmation or verification from the municipality; written approval obtained from the municipality

Within the area overlying a subsurface mine.

Yes No

- Written confirmation or verification or map from the NM EMNRD-Mining and Minerals Division

Within an unstable area.

Yes No

- Engineering measures incorporated into the design; NM Bureau of Geology & Mineral Resources; USGS; NM Geological Society; topographic map

Within a 100-year floodplain. FEMA map

Yes No

Within 300 feet of a continuously flowing watercourse, or 200 feet of any other significant watercourse, or lakebed, sinkhole, or playa lake (measured from the ordinary high-water mark).

Yes No

- Topographic map; visual inspection (certification) of the proposed site

Within 1000 feet from a permanent residence, school, hospital, institution, or church in existence at the time of initial application.

Yes No

- Visual inspection (certification) of the proposed site; aerial photo; satellite image

Within 500 horizontal feet of a spring or a fresh water well used for domestic or stock watering purposes, in existence at the time of initial application.

Yes No

- NM Office of the State Engineer - iWATERS database search; visual inspection (certification) of the proposed site

Within 500 feet of a wetland.

Yes No

- US Fish and Wildlife Wetland Identification map; topographic map; visual inspection (certification) of the proposed site

9.

Recycling Facility and/or Containment Checklist:

Instructions: Each of the following items must be attached to the application. Indicate, by a check mark in the box, that the documents are attached.

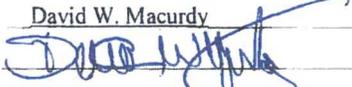
- Design Plan - based upon the appropriate requirements.
- Operating and Maintenance Plan - based upon the appropriate requirements.
- Closure Plan - based upon the appropriate requirements.
- Site Specific Groundwater Data -
- Siting Criteria Compliance Demonstrations -
- Certify that notice of the C-147 (only) has been sent to the surface owner(s)

10.

Operator Application Certification:

I hereby certify that the information and attachments submitted with this application are true, accurate and complete to the best of my knowledge and belief.

Name (Print): David W. Macurdy Title: HES Support Supervisor

Signature:  Date: 12/16/2016

e-mail address: david.macurdy@chevron.com Telephone: 713-372-3259

11.

OCD Representative Signature: _____ Approval Date: _____

Title: _____ OCD Permit Number: _____

- OCD Conditions _____
- Additional OCD Conditions on Attachment _____