

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCCD

Hobbs

MAY 22 2017
RECEIVED

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.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM120357
2. Name of Operator CHEVRON USA INC. ✓		6. If Indian, Allottee or Tribe Name
3a. Address 6301 DEAUVILLE BLVD MIDLAND, TX 79706		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 575-263-0431 Fx: 575-263-0445		8. Well Name and No. NEREID 1 FEDERAL 1H ✓
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T15S R31E SESE 660FSL 100FEL ✓		9. API Well No. 30-005-29145-00-S1
		10. Field and Pool or Exploratory Area UNDESIGNATED-ABO-WOLFCAMP
		11. County or Parish, State CHAVES COUNTY, NM

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 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 checked="" 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 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 USA INC IS SUBMITTING WATER DISPOSAL ONSHORE ORDER #7 FORM.
PLEASE FIND ATTACHED FORM ON THE ABOVE WELL NEREID 1 FEDERAL #1H.

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

**Electronic Submission #376483 verified by the BLM Well Information System
For CHEVRON USA INC., sent to the Roswell
Committed to AFMSS for processing by DAVID GLASS on 05/17/2017 (17DRG0224SE)**

Name (Printed/Typed) CINDY H MURILLO	Title PER
Signature (Electronic Submission)	Date 05/17/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By (ORIG. SGD.) DAVID R. GLASS	Title PETROLEUM ENGINEER	Date MAY 17 2017
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.

(Instructions on page 2)

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

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

Nereid 1 Federal #1H
API# 30-005-29145
Lease # NMNM120357

WATER DISPOSAL ONSHORE ORDER #7

The following information is needed before your method of water disposal can be considered for approval.

1. Name(s) of formation (s) producing water on the lease.
Wildcat; Abo Wolfcamp

2. Amount of water produced from each formation in barrels per day.
Approximately 35 bbls per day

3. How water is stored on the lease.
3 (500 Barrel Oil Tanks) 2 (500 Barrel Water Tanks)

4. How water is moved to disposal facility.
Trucked by Basic Energy Services

5. Operators of disposal facility
 - a. Lease name or well name and number: Basic Energy Services Shugart State 2 SWD
API# 30-015-32438

 - b. Location by ¼ ¼ Section, Township and Range of the disposal system : SWD is located in Section 16 T 18S-R31E

 - c. The appropriate NMOCD permit number: SWD 1340

**BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
575-627-0272**

**Disposal of Produced Water From Federal Wells
Conditions of Approval**

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. Any on-lease open top storage tanks shall be covered with a wire screen to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office for wells in Chaves or Roosevelt County if you have not already done so.