

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.

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 | | 5. Lease Serial No. NMNM118722 |
| 2. Name of Operator CHEVRON U.S.A. INC. ✓ | | 6. If Indian, Allottee or Tribe Name |
| Contact: DENISE PINKERTON E-Mail: leakejd@chevron.com | | 7. If Unit or CA/Agreement, Name and/or No. |
| 3a. Address 6301 DEAUVILLE BLVD MIDLAND, TX 79706 | 3b. Phone No. (include area code) Ph: 432-687-7375 | 8. Well Name and No. SALADO DRAW SWD 13 1 ✓ |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 13 T26S R32E Mer NMP SWSW 290FSL 10FWL ✓ | | 9. API Well No. 30-025-42354 |
| | | 10. Field and Pool or Exploratory Area DEVONIAN SWD |
| | | 11. County or Parish, State LEA 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 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 recompleat 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 recompleat 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.

REPORT FOR TEMPORARILY ABANDONING THE SUBJECT WELL

Please find attached, the report for work done from 01/13/2017 through 01/17/2017 to temporarily abandon the subject well.

Also find attached, the wellbore diagram, and copy of the chart that was run on 02/09/2017.

Plugback below 17,192 to 18,675 is suspect per BLM compliance. No Daily activity reports filed for 12/15/2016 through 01/13/2017. Compliant TA status granted until the 02/17/2018 renewal Date.

| | |
|--|-----------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #376452 verified by the BLM Well Information System For CHEVRON U.S.A. INC., sent to the Hobbs | |
| Name (Printed/Typed) DENISE PINKERTON | Title PERMITTING SPECIALIST |
| Signature (Electronic Submission) | Date 05/17/2017 |
| THIS SPACE FOR FEDERAL OR STATE OFFICE USE | |
| Approved By _____ | Title _____ |
| 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 _____ | Date _____ |
| 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 any statement 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 ****

Accepted for Record Only

MJB/OCD 5/30/2017

01/13/2017: TIH w/5" DP from 15,970 to 17,291. Mix & spot 15.25 bbls 16.4 ppg cement plug. Test lines to 500 psi/5000 psi. Pump 15 bbls 8.4 ppg CW-100 spacer at 6 bpm. Place foam ball in drill pipe ahead of cement. Mix & pump 10.25 bbls 16.4 ppg Class H cement at 6 bpm. Place foam ball in drill pipe behind cement. Displace cement with 5 bbls 8.4 ppg CW-100 spacer and 205 bbls of 10.0 ppg brine at 3 bpm. Pump pressure rose from 2,500 psi to 4,500 psi and pump truck locked up 210 bbls into 234 bbls displacement. Try to pressure up again & unable to pump. Attempt to circulate with rig pumps & pressure up to 4,800 psi. RU to reverse circulate & successfully circulate cement out of drill pipe to surface.

01/14/2017: Circulate 6" foam ball down pipe to ensure pipe is clear & to verify cement did not get plugged up due to size of foam ball. TIH w/6 stands, 1 single, and 12' pup to 17,192'. Build gelled FW system in pre-mix tank & transfer to active system 380 bbls at a time. Displace brine w/gelled FW.

Cement Plug #1

Mix & spot 10.6 bbls 16.4 ppg cement plug. Test lines to 500 psi/5,000 psi. Began batch mixing cement @ 13:51. Pump 15 bbls 8.4 ppg CW-100 spacer at 6 bpm. Began pumping @ 14:03. Pump 10.6 bbls 16.4 ppg Class H cement at 6 bpm. Displace cement w/5 bbls 8.4 ppg CW-100 spacer and 228.5 bbls of 8.6 ppg gelled water at 6 bpm. Shut down pumps @ 14:38. TOH from 17192 to 16602. Circulate & rotate pipe @ 70 SPM while WOC. TIH 16,602 to 16,586. Circulate pipe clean before spotting hi vis pill. -66sk

01/15/2017: Circulate pipe clean before spotting hi vis pill. TOH 16,586 to 15,705. Spot 5 bbl of hi vis pill @ 15,705'. TOH 15,705 to 15,505'.

Cement Plug #2

Mix & spot 10.6 bbls 16.4 ppg cement plug as follows: Test lines to 500 psi/5000 psi. Began batch mixing cement @ 4:15. Pump 15 bbls 8.4 ppg CW-100 spacer at 6 bpm. Began pumping @ 5:03. Pump 10.6 bbls 16.4 ppg Class H cement at 6 bpm. Displace cement w/5 bbls 8.4 ppg CW-100 spacer & 191.7 bbls of 8.6 gelled water at 6 bpm. Shut down pumps @ 5:34. TOH 15,505 to 14,921'. Load foam wiper ball to clean ID of drill pipe. Circ & reciprocate pipe @ 70 SPM while WOC. Spot 5 bbls of hi vis pill @ 14,940. TOH 14,940 to 14,738.

Cement Plug #3

Mix & spot 14.9 bbls 16.4 ppg cement plug: Test lines to 500 psi/5000 psi. Began batch mixing cement @ 16:12. Pump 15 bbls 8.4 ppg CW-100 spacer at 6 bpm. Began pumping @ 16:21. Pump 14.9 bbls 16.4 ppg Class H cement at 6 bpm. Displace cement w/1.5 bbl 8.4 ppg CW-100 spacer & 179.9 bbls 8.6 ppg gelled water @ 6 bpm. Shut down pumps @ 16:53. TOH 14,730 to 14,130'. Circ & reciprocate pipe @ 70 SPM while WOC. Wash down & tag TOC @ 14,294. Height of cement plug #3 - 444'.

01/16/2017: Spot 10 bbls of hi vis pill @ 14,207'. TOH w/2 stands & space out to spot cement plug @ 14,004'.

Cement Plug #4

Mix & spot 21.3 bbls 16.4 ppg cement plug as follows: Test lines to 500 psi/5000 psi. Began batch mixing cement @ 2:27. Pump 18 bbls 8.4 ppg CW-100 spacer at 6 bpm. Began pumping @ 2:37. Pump 21.3 bbls 16.4 ppg Class H cement @ 6 bpm. Displace cement w/2 bbls 8.4 ppg CW-100 spacer & 169.1 bbls of 8.6 ppg gelled water @ 6 bpm. Shut down pumps @ 3:12. TOH 13,945 to 13,414. Circ & reciprocate pipe @ 80 SPM while WOC. Wash down & tag TOC @ 13,430'. Height of cement plug #4 – 574'. LD 5" DP 13,414-5801. RIH w/18 stands of 5" DP in derrick. LD 36 jts 5" DP. LD 4" DP 5801-2925'. LD 2 7/8" DP 2925-1573. LD 2 3/8" DP 1573-surface.

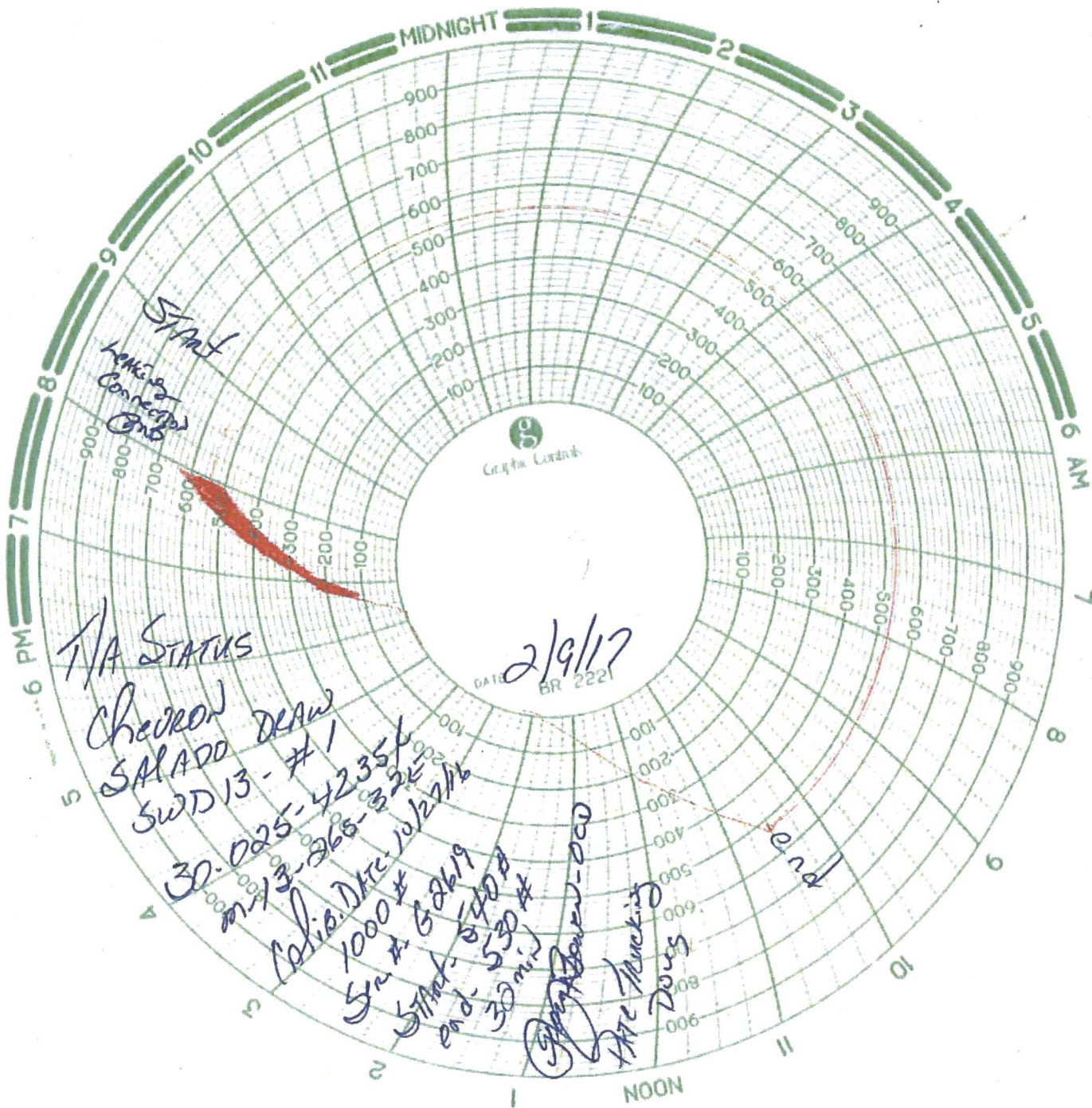
01/17/2017: Run tubing hanger into wellhead. Test seal on tubing hanger to 4800 psi for 15 mins by closing pipe rams & pressuring up through kill line. ND BOP stack. Install 13 5/8" 10M TA cap. Test to 5000 psi for 15 mins.

Release rig @ 12:00

02/09/2017: Ran chart. Start pressure: 540#. Ending pressure: 530#. 32 minutes. Good test.

COPY OF CHART ATTACHED.

WELL IS TEMPORARILY ABANDONED.



T/A STATUS

Chocron DRAW
SALADO
SWD 13 - #1

30.025-4235
on 13-265-325
Collo. Date 10/27/16

1000#
Syn # G2619
Start 8:40 AM
end 5:30 AM
30 min

Signature
The Trucking
Dogs

Current
WELLBORE DIAGRAM

| | | | | |
|-------------------|--------------------|------------|-----------|--------------------------------|
| Created: | 8/19/2015 | By: PTB | | |
| Updated: | 1/11/2017 | By: PTB | | |
| Lease: | Salado Draw SWD 13 | Well No.: | 1 | Field: SWD: Devonian, Silurian |
| Surface Location: | 290' FSL & 10' FWL | Unit Ltr: | M | Sec: 13 TSHP/Range: 26S / 32E |
| County: | Lea | St: NM | St Lease: | API: 30-025-42354 Cost Center: |
| Current Status: | TA'd | Elevation: | 3171' | CHEVNO: PD6336 |

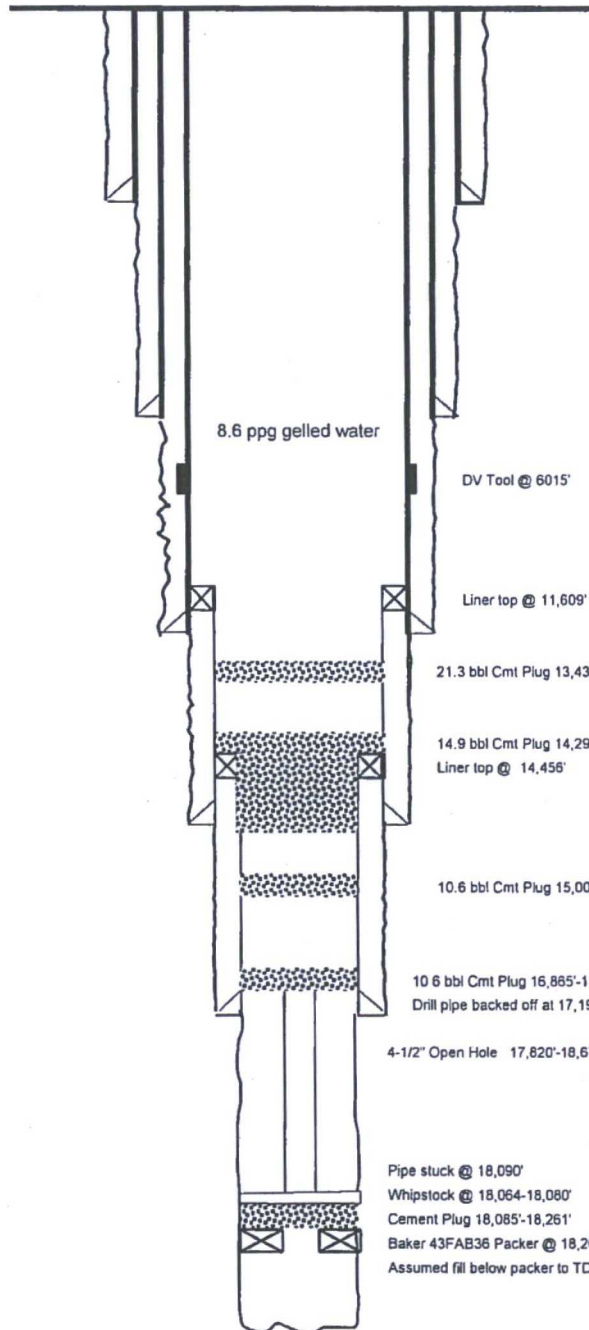
Surface Csg.
 Size: 16"
 Wt.: 75#, J-55
 Set @: 737'
 Sxs cmt: 840
 Circ: yes, 106 bbl
 TOC: surface
 Hole Size: 20"

1st Intermediate Csg.
 Size: 13-3/8"
 Wt.: 68#, J-55
 Set @: 4,555'
 Sxs Cmt: 1100
 Circ: yes; 71 bbls.
 TOC: surface
 Hole Size: 14-3/4"

2nd Intermediate Csg.
 Size: 9-5/8"
 Wt.: 53.5#, P-110
 Set @: 12,188'
 Sxs Cmt: 1,920
 TOC:
 Hole Size: 12-1/4"

Production Liner No. 1
 Size: 7-5/8"
 Wt.: 39#, P-110
 TOL: 11,609'
 BOL: 14,678'
 Sxs Cmt: 300
 Hole Size: 8-1/2"

Production Liner No. 2
 Size: 5-1/2"
 Wt.: 23#, P-110
 TOL: 14,456'
 BOL: 17,820'
 Sxs Cmt: 286
 Hole Size: 6-1/2"



KB: _____
 DF: _____
 GL: 3171'
 Spud Date: 2/20/2015
 Compl. Date: 8/23/2015