

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.*Lease Serial No.
NMLC032100

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CH LOCKHART -1 089. API Well No.
30-025-12131-00-S210. Field and Pool or Exploratory Area
BRUNSON11. County or Parish, State
LEA COUNTY, NM**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other: INJECTION

2. Name of Operator

CHEVRON USA INCORPORATED

Contact: ROBERT WALLACE

E-Mail: RWNK@chevron.com

3a. Address

6301 DEAUVILLE BLVD
MIDLAND, TX 79706

3b. Phone No. (include area code)

Ph: 432-687-7944

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 18 T22S R38E SESE 660FSL 660FEL

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 (St	
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Hydraulic Fracturing	<input type="checkbox"/> Reclamation	
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	
	<input type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily /	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Dispos:	

INT TO PA Pm
P&A NR _____
P&A R _____

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 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.

Please see attachments. The anticipated plugging date is 11/1/17.

RECLAMATION PROCEDURE
ATTACHEDSEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Electronic Submission #392695 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 11/08/2017 (18PP0237SE)

Name (Printed/Typed) ROBERT WALLACE

Title PROJECT MANAGER

Signature (Electronic Submission)

Date 10/23/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

James R. Perez

Title

Supv. AET

Date

11-13-17

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)

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

FOR RECORD ONLY
MW/OCD 11/27/2017

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No 1004-0137
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.
LC-032100

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

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

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other SWD

8. Well Name and No
CH Lockhart Federal NCT 1 8

2. Name of Operator
CHEVRON USA INC

9. API Well No.
30-025-12131

3a. Address
6301 DEAVILLE BLVD RM N3002
MIDLAND TX 79705

3b. Phone No. (include area code)
432-687-7944

10. Field and Pool or Exploratory Area
Brunson Drinkard ABO South

4. Location of Well (Footage, Sec., T., R. M., or Survey Description)
SEC 18 T22S R38E Mer NMP 660 FSL & 660 FEL

11. Country 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 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 type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 recompletable 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 recompletable 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 respectfully requests to abandon this well as follows:

1. Notify BLM 24 hrs. prior to starting work
2. MIRU, NDWH, NU BOPE
3. POOH with all tubing and packer.
4. Spot 60 sx of CL "C" cement from 6715'-6270' WOC and tag (CIBP and Drinkard)
5. RIH with CIBP and set between 4264'-4165' *4165 OK, f. Bono*
6. Circulate well with 9.5 ppm salt gel mud and spot 30 sx of CL "C" cement on top of BP from 4165'-3808', PU reverse out WOC, & tag (CIBP and San Andres).
7. Spot 54 sx of CL "C" cement from 2960'-2416' (8 5/8" shoe and Yates).
8. Spot 25 sx of CL "C" cement from 2335'-2135' (base of Salt)
9. Spot 25 sx of CL "C" cement from 1468'-1268' (top of Salt) *1518-1418 (25 sx min.)*
10. Spot 54 sx of CL "C" cement from 450' to surface (13 3/8" shoe and surface plug).
11. Cut all casings & anchors & remove 3' below grade. Weld on dry hole marker. Clean location
12. All cement plugs class "C" with closed loop system used

Add Plug, Top Glorietta. Spot 25 sx from 5277-5127. WOC Tag.

RECLAMATION PROCEDURE
ATTACHED

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)
Robert Wallace

Title Project Manager

Date 10/20/2017

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

James A. Amos

Title *Supv. AET*

Date *11-13-17*

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 *AKO*

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.

Wellbore Diagram Current

Field: <u>San Andres</u>	Well Name: <u>C. H. Lockhart Federal (NCT-1) #8</u>	Lease Type: <u>Federal</u>
Location: <u>660' FSL & 660' FEL</u>	Sec: <u>18-P</u> Township: <u>22S</u>	Range: <u>38E</u>
County: <u>Lea</u> State: <u>New Mexico</u>	Refno: <u>FB3080</u> API: <u>30-025-12131</u>	Cost Center: <u>UCU464100</u>
Current Status: <u>SWD</u>		
Current Producing Formation(s): <u>San Andres</u>		

167 Surface Csg.
335 Size: 13 3/8"
502 Wt.: 48#
670 Set @: 398'
837 Sxs cmt: 550
1005 Circ: Yes
1172 TOC: Surface
1340 Hole Size: 17-1/2"
1507

1674 Intermediate Csg.
1842 Size: 8 5/8"
2009 Wt.: 24#
2177 Set @: 2901'
2344 Sxs Cmt: 1200
2512 Circ: Yes
2679 TOC: Surface

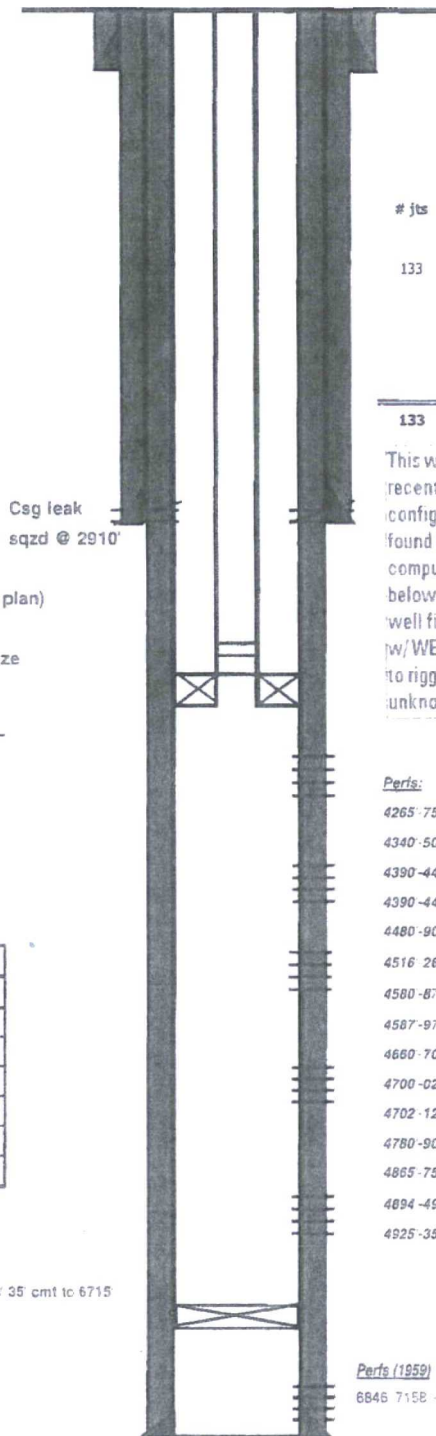
2847
3014 Production Csg.
3181 Size: 5 1/2"
3349 Wt.: 14-17# (per drlg plan)
3516 Set @: 7200'
3684 Sxs Cmt: 650 + 500 squeeze
3851 Circ: Yes
4019 TOC: Surface

4186
4353
4521
4688
4856
5023

Top Salt	1468
Base Salt	2335'
5191 Top Yates	2616'
5358 Top San Andres	4008'
5526 Top Glorieta	5202'
5693 Top Blinbry	5640'
5860 Top Tubb	6193'
6028 Top Drinkard	6470'

6195

6363 CIBP @ 6751' top w/ 35' cmt to 6715
6530
6698
6865
7033 PBD: 6715'
7200 TD: 7200'



KB: 3382'
DF: 3381'
GL: 3370'
Spud Date: 5/15/1959
Compl. Date: 6/7/1959

# jts	Tubing Detail:	Length
	KB to Hanger Distance	12.00
133	3-1/2" EUE 9.3# J-55 IPC Tubing	4161.04
	3 1/2" EUE-8rd box x 2 7/8", 8rd pin XO	0.43
	On-Off Tool w/ 2.25" "F" Profile	1.87
	Arrowset 1-X NP Packer	6.74
	2 7/8" Pump out plug	0.45
133	End of Tubing ==>	4182.53

This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of the update date below. Verify what is in the hole with the well file in the Eunice Field Office. Discuss w/ WEO Engineer, WEO Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

Perfs:	Status
4265-75	San Andres - Open
4340-50	San Andres - Open
4390-4400	San Andres - Open
4390-4400	San Andres - Open
4480-90	San Andres - Open
4516-26	San Andres - Open
4580-87	San Andres - Open
4587-97	San Andres - Open
4660-70	San Andres - Open
4700-02	San Andres - Open
4702-12	San Andres - Open
4780-90	San Andres - Open
4865-75	San Andres - Open
4894-4904	San Andres - Open
4925-35	San Andres - Open

Perfs (1959)
6646 7158 - Drinkard - open

Updated by: RBUZ
Date: 4/14/2015

Wellbore Diagram
Proposed

Field: San Andres Well Name: C. H. Lockhart Federal (NCT-1) #8 Lease Type: Federal
 Location: 660' FSL & 660' FEL Sec: 18-P Township: 22S Range: 38E
 County: Lea State: New Mexico Refno: FB3080 API: 30-025-12131 Cost Center: UCU464100
 Current Status: SWD
 Current Producing Formation(s): San Andres

KB: 3382
 DF: 3381'
 GL: 3370'

Spud Date: 5/15/1959
 Compl. Date: 6/7/1959

167 Surface Csg.
 335 Size: 13 3/8"
 502 Wt.: 48#
 670 Set @: 398'
 837 Sxs cmt: 550
 1005 Circ: Yes
 1172 TOC: Surface
 1340 Hole Size: 17-1/2"
 1507

1674 Intermediate Csg.
 1842 Size: 8 5/8"
 2009 Wt.: 24#
 2177 Set @: 2901'
 2344 Sxs Cmt: 1200
 2512 Circ: Yes
 2679 TOC: Surface
 2847

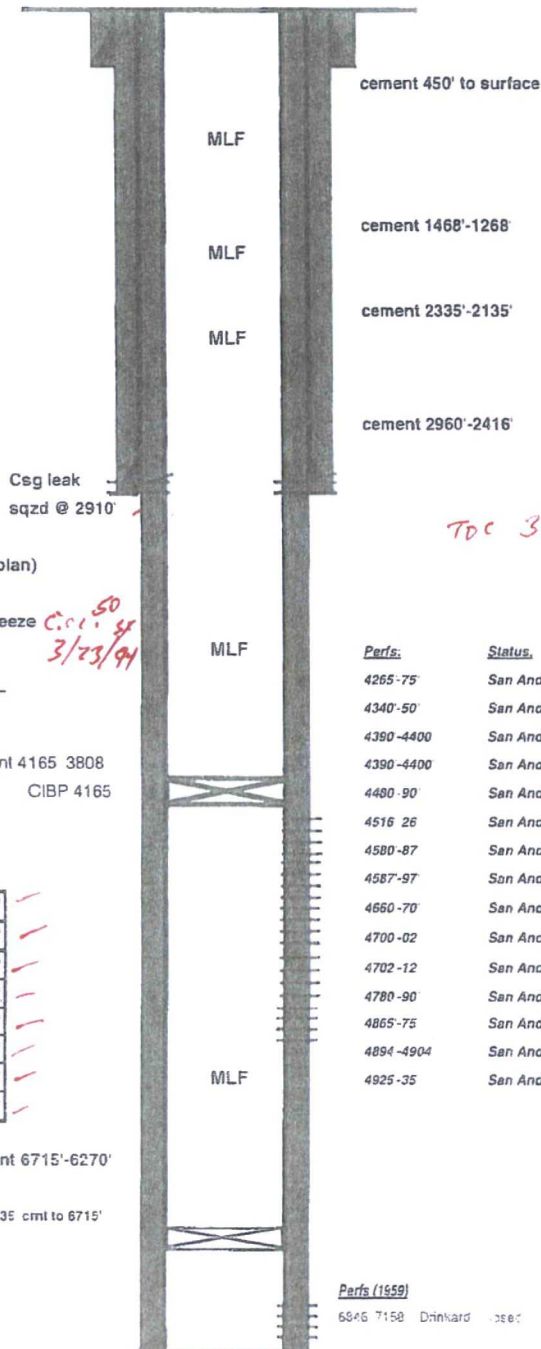
3014 Production Csg.
 3181 Size: 5 1/2"
 3349 Wt.: 14-17# (per drlg plan)
 3516 Set @: 7200'
 3684 Sxs Cmt: 650 + 500 ex squeeze
 3851 Circ: Yes
 4019 TOC: Surface
 4186
 4353
 4521
 4688
 4856
 5023

Top Salt	1468'
Base Salt	2335'
5191 Top Yates	2616'
5358 Top San Andres	4008'
5526 Top Glorieta	5202'
5693 Top Blinbry	5640'
5860 Top Tubb	6193'
6028 Top Drinkard	6470'

6195
 cement 6715'-6270'

6363 CIBP @ 6751', top w/ 35' cmt to 6715'

6530
 6698
 6865
 7033 PBTD: 6715'
 7200 TD: 7200'



cement 450' to surface

cement 1468'-1268'

cement 2335'-2135'

cement 2960'-2416'

Csg leak
 sqzd @ 2910'

TOC 3130 T/S

Perfs.	Status.
4265-75'	San Andres - Closed
4340-50'	San Andres - Closed
4390-4400	San Andres - Closed
4390-4400	San Andres - Closed
4480-90'	San Andres - Closed
4516-26'	San Andres - Closed
4580-87'	San Andres - Closed
4587-97'	San Andres - Closed
4660-70'	San Andres - Closed
4700-02'	San Andres - Closed
4702-12'	San Andres - Closed
4780-90'	San Andres - Closed
4865-75'	San Andres - Closed
4894-4904	San Andres - Closed
4925-35'	San Andres - Closed

Perfs (1959)
 6846 7158 Drinkard - Dead

Updated by: RW/NK
 Date: 10/19/2017

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972**

**Permanent Abandonment of Federal Wells
Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within **ninety (90)** days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

The rig used for the plugging procedure cannot be released and moved off without the prior approval of the authorized officer. Failure to do so may result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of **brine** water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. Any plug that requires a tag will have a minimum WOC time of 4 hours.

In lieu of a cement plug across perforations in a cased hole (not for any other plugs), a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient. **Before pumping or bailing cement on top of CIBP, tag will be required to verify depth. Based on depth, a tag of the cement may be deemed necessary.**

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. Dry Hole Marker: All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). **The BLM is to be notified a minimum of 4 hours prior to the wellhead being cut off to verify that cement is to surface in the casing and all annuluses. Wellhead cut off shall commence within ten (10) calendar days of the well being plugged. If the cut off cannot be done by the 10th day, the BLM is to be contacted with justification to receive an extension for completing the cut off.**

The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement, unless otherwise noted in COA (requirements will be attached). The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. Subsequent Plugging Reporting: Within 30 days after plugging work is completed, file one original and three copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. Trash: All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration will be required. See attached reclamation objectives.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Carlsbad Field Office
620 E. Greene St.
Carlsbad, New Mexico 88220-6292
www.blm.gov/nm



In Reply Refer To: 1310

Reclamation Objectives and Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses. At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land and water are restored.

The long-term objective of final reclamation is to set the course for eventual ecosystem restoration, including the restoration of the natural vegetation community, hydrology, and wildlife habitats. In most cases this means returning the land to a condition approximating or equal to that which existed prior to the disturbance. The final goal of reclamation is to restore the character of the land and water to its pre-disturbance condition. The operator is generally not responsible for achieving full ecological restoration of the site. Instead, the operator must achieve the short-term stability, visual, hydrological, and productivity objectives of the surface management agency and take steps necessary to ensure that long-term objectives will be reached through natural processes.

To achieve these objectives, remove any and all contaminants, scrap/trash, equipment, pipelines and powerlines (**Contact service companies, allowing plenty of time to have the risers and power lines and poles removed prior to reclamation, don't wait till the last day and try to get them to remove infrastructure**). Strip and remove caliche, contour the location to blend with the surrounding landscape, re-distribute the native soils, provide erosion control as needed, rip and seed as specified in the original APD COA. This will apply to well pads, facilities, and access roads. Barricade access road at the starting point. If reserve pits have not reclaimed due to salts or other contaminants, submit a plan for approval, as to how you propose to provide adequate restoration of the pit area.

1. The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of Operations must include adequate measures for stabilization and reclamation of disturbed lands. Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD process as per Onshore Oil and Gas Order No. 1.
2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). For final reclamation, the appropriate time for submittal would be when filing the Notice of Intent, or the Subsequent Report of Abandonment, Sundry Notices and Reports on Wells (Form 3160-5). Interim reclamation is to be completed within 6 months of well completion, and final reclamation is to be completed within 6 months of well abandonment.
3. The operator must file a Subsequent Report Plug and Abandonment (Form 3160-5) following the plugging of a well.
4. Previous instruction had you waiting for a BLM specialist to inspect the location and provide you with reclamation requirements. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with reclamation as per approved APD. If you

have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.

5. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
6. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met. If after two growing seasons the location and/or access roads are not showing the potential for successful revegetation, additional actions may be needed. When you feel the BLM objectives have been met submit a Final Abandonment Notice (FAN), Form 3160-5, stating that all reclamation requirements have been achieved and the location and/or access road is ready for a final abandonment inspection.
7. At this time the BLM specialist will inspect the location and/or access road. If the native soils and contour have been restored, and the revegetation is successful, the FAN will be approved, releasing the operator of any further liability of the location and/or access road. If the location and/or access road have not achieved the objective, you will be notified as to additional work needed or additional time being needed to achieve the objective.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos
Supervisory Petroleum Engineering Tech
575-234-5909, 575-361-2648 (Cell)

Arthur Arias
Environmental Protection Specialist
575-234-6230

Henryetta Price
Environmental Protection Specialist
575-234-5951

Shelly Tucker
Environmental Protection Specialist
575-234-5979

Trishia Bad Bear, Hobbs Field Station
Natural Resource Specialist
575-393-3612