

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

5. Lease Serial No.
NMLC032100

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on page 2

HOBBS OCD

MAY 08 2018

RECEIVED

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
CHEVRON USA INCORPORATED
Contact: NICK GLANN
E-Mail: NGLANN@CHEVRON.COM

3a. Address
6301 DEAUVILLE BLVD
MIDLAND, TX 79706
3b. Phone No. (include area code)
Ph: 661-599-5062

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 18 T22S R38E NWNE 660FNL 1979FEL
1974

10. Field and Pool or Exploratory Area
DRINKARD
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 checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Hydraulic Fracturing
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Change Plans
	<input checked="" type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Sta)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily A
	<input type="checkbox"/> Water Dispose

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 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.

13-3/8" 48# @ 414' TOC surface, 8-5/8" 28# @ 2930' TOC surface, 5 1/2" 17# @ 6810' TOC 4330' via Temp Survey, Covered perms 5682'-5900', Covered open hole 6810'-7130', Cement f/ 7130' t/ 5323', CIBP @ 5010'. Corroded casing just below surface.

Chevron respectfully requests to abandon this well as follows:

1. Notify BLM 24 hrs. prior to starting work (575) 234-5909. **393-3612 (Hobbs Field Station)**
2. Prior to MIRU, excavate, locate corrosion in casing, cut off casing & wellhead, weld on slip collar, stub casing up, weld on wellhead, backfill in prep for rig.
3. MIRU, ND tree, NU BOPE, TIH, tag CIBP @ 5010', circulate water, attempt to pressure test casing - expect to fail.
4. Spot 25 sx CL C cmt f/ 5010' t/ 4785'. WOC & tag. Circulate MLF f/ 4785' t/ 3944'.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #411065 verified by the BLM Well Information System
 For CHEVRON USA INCORPORATED, sent to the Hobbs
 Committed to AFMSS for processing by PRISCILLA PEREZ on 04/13/2018 (18PP0886SE)**

Name (Printed/Typed) NICK GLANN Title P&A ENGINEER
 Signature (Electronic Submission) Date 04/10/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By James R. [Signature] Title Supv. P&T Date 5-2-18
 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 Carlsbad

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
NMOC 05/09/2018

Additional data for EC transaction #411065 that would not fit on the form

32. Additional remarks, continued

5. Perf @ 3944' and sqz 95 sx CL C cmt f/ 3944' t/ 3605' (San Andres, Grayburg). WOC & tag. Circulate MLF f/ 3605' t/ 2987'.
6. Perf @ 2987' and sqz 215 sx CL C cmt f/ 2987' t/ 2350' (Yates, Shoe, B. Salt). WOC & tag. Circulate MLF f/ 2350' t/ 1425'.
7. Perf @ 1425' and sqz 50 sx CL C cmt f/ 1425' t/ 1275' (T. Salt). WOC & tag. Circulate MLF f/ 1275' t/ 464'.
8. Perf @ 464' and sqz 160 sx CL C cmt f/ 464' t/ surface (Shoe, Fresh Water).
9. Cut off wellhead 3' below grade, Verify Cement To Surface, install required dry hole marker as per COA's, turn over to reclamation.

All cement plugs will be class "C" with a closed loop system used.

C.H. Lockhart (NCT-1) #107

Location:

660' FNL & 1979' FEL	T-22S R-38E S-18
Unit Letter:	G
Field:	Paddock
County:	Lea
State:	NM

Well Info:

Spud Date:	1/27/1954
API:	30-025-12130
Cost Center:	UCU464100
RefNO:	FB3079
Lease:	Federal

Current Wellbore Diagram

Elevations:

DF:	3362'
KB:	3363'
GL:	3352'

Surface Casing
 Size: 13 3/8", 48#, H-40
 Set @: 414'
 With: 400 sks
 Hole Size: 17.25"
 TOC @ Surface
 By: Circulation

Intermediate Casing
 Size: 8 5/8", 28#, H-40
 Set @: 2930
 With: 1600 sks
 Hole Size: 11"
 TOC: Surface
 By: Circulation

- Formation Tops
- 1157 Rustler
 - 2937 Yates
 - 3532 Penrose
 - 3705 Grayburg
 - 3894 San Andres
 - 5106 Glorieta
 - 5304 Paddock
 - 5656 Blinberry
 - 6195 Tubb
 - 6458 Drinkard
 - 6680 Abo

Bad pipe from 4345' to surface
 Good pipe from 5010' to 4345'

TOC: 4330'

CIBP @ 6360'

Updated: 10-Apr-18
 By: NRTU
 PBTD: 7160' (tagged on 3/3/77)
 TD: 7130' (Initial TD after Drilg)

Leak near surface (3'-10" deep?)

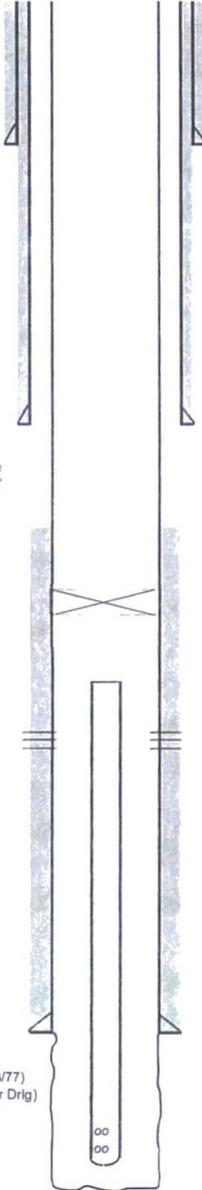
POOH 2 7/8 N-80 WORK STRING AND PEAK PACKER SET @ 31'
SET PACKER @ 31' TEST ABOVE PACKER LEAK SET PACKER @ 15' TEST ABOVE PACKER LEAK SET PACKER @ 7' TEST ABOVE PACKER LEAK ATTEMPT TO SET PACKER @ 2' PACKER WOULD NOT SET
RD RIG FLOOR AND TONGS
DIG OUT AROUND THE CASING TO FIND CASING LEAK INTERMEDIATE RISER ROTTED INTO DIG 3' ATTEMPT TO FIND INTERMEDIATE VALVE
RU RIG FLOOR AND TONGS

CIBP set at 5010'.
 Tagged Top of Cement at 5323'; pumped 40 bbls Class C and tagged /tested prior to setting
 Top of fish at 5560' (tubing measurement)
 Fish is 2-3/8" tubing with 3/4" rods inside with pump stuck in seat nipple)

Perfs:		Status
5682' - 5900'	Blinebry	Open

Production Casing
 Size: 5 1/2" 14, 15.5, 17#, J-55
 Set @: 6810'
 With: 500
 Hole Size: 7 7/8"
 TOC: 4330'
 By: TS

4-3/4" Open hole
 6810 - 7130' Drinkard



C.H. Lockhart (NCT-1) #107

Location:

660' FNL & 1979' FEL T-22S R-38E S-18
Unit Letter: G
Field: Paddock
County: Lea
State: NM

Well Info:

Spud Date: 1/27/1954
API: 30-025-12130
Cost Center: UCU464100
RefNO: FB3079
Lease: Federal

Proposed Wellbore Diagram

Elevations:

DF:	3362'
KB:	3363'
GL:	3352'

Surface Casing

Size: 13 3/8", 48#, H-40 ✓
 Set @: 414' ✓
 With: 400 sks ✓
 Hole Size: 17.25" ✓
 TOC @ Surface ✓
 By: Circulation ✓

Intermediate Casing

Size: 8 5/8", 28#, H-40 ✓
 Set @: 2930 ✓
 With: 1600 sks ✓
 Hole Size: 11" ✓
 TOC: Surface ✓
 By: Circulation ✓

Bad pipe from 4345' to surface
 Good pipe from 5010' to 4345'

TOC: 4330' T/S

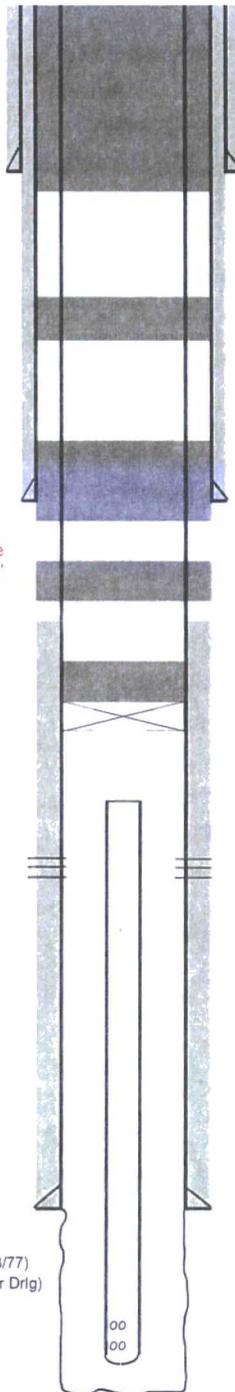
Report 1-26-54

Formation Tops

1157 Rustler
 1385 - 1375 T. Salt ✓
 2515 - 2450 B. Salt ✓
 2640 - 2937 Yates
 3532 Penrose
 3705 Grayburg
 4073 - 3894 San Andres
 5245 - 5106 Glorieta
 5304 Paddock
 5682 - 5656 Blinberry
 6273 - 6195 Tubb
 6810 - 6458 Drinkard
 6680 Abo

CIBP @ 6360'

Updated: 10-Apr-18
 By: NRTU
 PBTD: 7160' (tagged on 3/3/77)
 TD: 7130' (Initial TD after Drig)



P/S 160 sx CL C cmt f/ 464' t/ surface (Shoe, Fresh Water)

P/S 50 sx CL C cmt f/ 1425' t/ 1275' (T. Salt). WOC & tag

P/S 215 sx CL C cmt f/ 2987' t/ 2350' (Yates, Shoe, B. Salt). WOC & tag

P/S 95 sx CL C cmt f/ 3944' t/ 3605' (San Andres, Grayburg). WOC & tag

Spot 25 sx CL C cmt f/ 5010' t/ 4785'. WOC & tag

CIBP set at 5010'.
 Tagged Top of Cement at 5323', pumped 40 bbls Class C and tagged /teste
 Top of fish at 5560' (tubing measurement)
 Fish is 2-3/8" tubing with 3/4" rods inside with pump stuck in seat nipple)

Perfs:
 5682' - 5900' Blinberry Status Open ✓

Production Casing
 Size: 5 1/2", 14, 15.5, 17#, J-55 ✓
 Set @: 6810' ✓
 With: 500 ✓
 Hole Size: 7 7/8" ✓
 TOC: 4330'
 By: TS

4-3/4" Open hole ✓
 6810 - 7130' • Drinkard

**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.