Form 3160-5
(June 2015)

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

MAY 08 2018

RECEIVED

5. Lease Serial No.
NMLC065876A

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
SD WE 24 FED P24 5H

2. Name of Operator
CHEVRON U.S.A.

Contact: LAURA BECERRA
E-Mail: LBECERRA@CHEVRON.COM

9. API Well No.
30-025-43674

3a. Address
6301 DEAUVILLE BLVD.
MIDLAND, TX 79706

3b. Phone No. (include area code)
Ph: 432-687-7665

10. Field and Pool or Exploratory Area
BONE SPRING

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 24 T26S R32E Mer NMP SESE 200FSL 1235FEL

11. County or Parish, State
LEA COUNTY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Hydraulic Fracturing	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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.

LEAK DETECTION PLAN

Chevron U.S.A Inc. submits the attached Salado Draw Pad 24 Leak Detection Plan as required under the Conditions of Approval, Section V for Cave/Karst Surface Mitigations for the following wells:

- SD WE 24 FED P24 5H - 30-025-43674
- SD WE 24 FED P24 6H - 30-025-43673
- SD WE 24 FED P24 7H - 30-025-43675

APPROVED
APR 23 2018
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

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

Electronic Submission #402367 verified by the BLM Well Information System
For CHEVRON U.S.A., sent to the Hobbs
Committed to AFMSS for processing by DEBORAH MCKINNEY on 04/23/2018 ()

Name *(Printed/Typed)* LAURA BECERRA — Title PERMITTING SPECIALIST

Signature (Electronic Submission) — Date 01/26/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By James A. Amos — Title Supv. PET — Date APR 23 2018

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 ****

Salado Draw Pad 24 Leak Detection Plan / Chevron U.S.A. Inc.

(Includes SD WE 24 Federal P24 #5H, #6H, & #7H)

Chevron MidContinent Business Unit (MCBU) has incorporated the following methods, design features, and practices to systematically monitor, detect, and address any leaks for the Salado Draw Pad 24 wells and associated Salado Draw 24 Central Tank Battery (CTB), which receives and processes produced fluids from the referenced wells.

Central Tank Battery Secondary Containment

The CTB incorporates a secondary containment around all storage tanks constructed of a synthetic liner and engineered walls. The containment is designed to be at least one foot above the tank bases and sized to contain the cumulative volume of all storage tanks. Also, all vessels and piping within the CTB are situated aboveground to allow for ready identification of any type of leak of loss of primary containment.

Level and Pressure Alarms

All storage tanks are equipped with multiple level and pressure alarms to detect abnormal conditions and immediately initiate appropriate actions as described below:

- Low level alarm that notifies field personnel of this alarm condition allowing prompt investigation and initiation of any response actions.
- Low-low level alarm that is electronically interlocked with well control systems to immediately secure all well production and CTB operations.
- High pressure alarm that is interlocked with distributive control systems to immediately secure all well production and CTB operations.
- High level alarm that is interlocked with distributive control systems to immediately secure all well production and CTB operations

All oil discharge lines are equipped with low pressure sensors to detect abnormal system pressure and immediately secure production operations and isolate vessels within the CTB.

Inspection Practices

Standard practice requires a visual inspection of all well pads and CTBs at least once per day to include identification of any seeps, drips, or other larger sources of leaks. Current practice within the Salado Draw area is for these inspections to occur once per twelve-hour shift.