

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.

HOBBS OCD

5. Lease Serial No.
NMNM118723

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2

NOV 28 2018

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

8. Well Name and No.
MAELSTROM SWD 1

9. API Well No.
30-025-45127-00-X1

10. Field and Pool or Exploratory Area
SWD-DELAWARE

11. County or Parish, State
LEA COUNTY, NM

1. Type of Well
 Oil Well Gas Well Other: INJECTION

2. Name of Operator
CHEVRON USA INCORPORATED
Contact: KAYLA MCCONNELL
E-Mail: kaylamcconnell@chevron.com

3a. Address
6301 DEAUVILLE BLVD
MIDLAND, TX 79706

3b. Phone No. (include area code)
Ph: 432-687-7675

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 15 T26S R32E NWSE 2050FSL 1793FEL
32.041229 N Lat, 103.659966 W Lon

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"/> 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original A PD
	<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 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.

Chevron respectfully request the following changes to the original APD, as approved:

Original: 18 1/2" hole
Change to: 18 1/8" hole

Original: 5 7/8" hole
Change to: 6 1/8" hole

Original: 13 3/8" Tenaris Wedge 513 Flush connection
Change to: 13 3/8" Tenaris Wedge 523 Semi-Flush connection (See attached data sheet)

Chevron also request to use the following BOP ratings for the hole sections listed below:

All previous COA still apply.

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

**Electronic Submission #433686 verified by the BLM Well Information System
For CHEVRON USA INCORPORATED, sent to the Hobbs
Committed to AFMSS for processing by PRISCILLA PEREZ on 10/17/2018 (19PP0137SE)**

Name (Printed/Typed) KAYLA MCCONNELL	Title PERMITTING SPECIALIST
Signature (Electronic Submission)	Date 09/04/2018

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>ZQTA STEVENS</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>11/13/2018</u>
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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 Hobbs

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 ****

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Additional data for EC transaction #433686 that would not fit on the form

32. Additional remarks, continued

- 2M 21-1/4 BOP will be installed and tested to drill the 18 1/8" hole section (800' to 4,540').
- 5M 16-3/4 BOP will be installed and tested to drill the 14 3/4" hole section (4,540' to 12,000').
- 10M 13-5/8 BOP will be installed and tested to drill the 12 1/4", 8 1/2", and 6 1/8" hole section (12,000' to 19,100').

See attached 9 point drilling plan for highlighted changes & amended WBD.

Wedge 523®

Printed on: 09/04/2018

		Min. Wall Thickness	87.5%	(*)Grade	TN 110SS
Outside Diameter	13.375 in.	Connection OD Option	REGULAR	Coupling	Pipe Body
Wall Thickness	0.514 in.	Drift	Alternative Drift	Body: Brown	1st Band: Pink
Grade	TN 110SS*	Type	Casing	1st Band: Pink	2nd Band: Yellow
				2nd Band: Yellow	3rd Band: Brown
				3rd Band: -	4th Band: -

PIPE BODY DATA

Geometry					
Nominal OD	13.375 in.	Nominal Weight	72.00 lbs/ft	Drift	12.25 in.
Nominal ID	12.347 in.	Wall Thickness	0.514 in.	Plain End Weight	70.67 lbs/ft
OD Tolerance	API				

Performance

Body Yield Strength	2284 x1000 lbs	Internal Yield	7400 psi	SMYS	110000 psi
Collapse	2880 psi				

CONNECTION DATA

Geometry					
Connection OD	13.602 in.	Connection ID	12.294 in.	Make-up Loss	4.940 in.
Threads per in	3.06	Connection OD Option	REGULAR		

Performance

Tension Efficiency	71.5 %	Joint Yield Strength	1633.060 x1000 lbs	Internal Pressure Capacity	7400.000 psi
Compression Efficiency	82.3 %	Compression Strength	1879.732 x1000 lbs	Max. Allowable Bending	27.2 °/100 ft
External Pressure Capacity	2880.000 psi				

Make-Up Torques

Minimum	33000 ft-lbs	Optimum	40000 ft-lbs	Maximum	58000 ft-lbs
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Operation Limit Torques

Operating Torque	161000 ft-lbs	Yield Torque	241000 ft-lbs
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Notes

This connection is fully interchangeable with

Wedge 513 - 13.375 in. - 72 lbs/ft

Wedge 523E - 13.375 in. - 66 lbs/ft

Connections with Dopeless[®] Technology are fully compatible with the same connection in its Standard version.

For further information on concepts indicated in this datasheet, download the Datasheet Manual from www.tenaris.com

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1. FORMATION TOPS

The estimated tops of important geologic markers are as follows:

FORMATION	SUB-SEA TVD	KBTVD	MD
Rustler		560	580
Castile		2,710	2,710
Lamar		4,510	4,510
Bell Canyon		4,560	4,560
Cherry Canyon		5,570	5,570
Brushy Canyon		7,130	7,130
Bone Spring Lime		8,630	8,630
Upper Avalon		8,700	8,700
Top Bone Spring 1		9,650	9,650
Top Bone Spring 2		10,230	10,230
Top Bone Spring 3		10,320	10,320
Wolfcamp A		11,900	11,900
Wolfcamp B		12,600	12,600
Wolfcamp C		13,100	13,100
Wolfcamp D		14,100	14,100
Strawn		14,600	14,600
Atoka		15,000	15,000
Morrow		15,900	15,900
Barnett Shale		16,700	16,700
Mississippian Lime		17,400	17,400
Woodford		17,790	17,790
Silurian		17,950	17,950
Fusselman		18,815	18,815
Montoya		19,100	19,100

2. ESTIMATED DEPTH OF WATER, OIL, GAS & OTHER MINERAL BEARING FORMATIONS

The estimated depths at which the top and bottom of the anticipated water, oil, gas, or other mineral bearing formations are expected to be encountered are as follows:

Substance	Formation	Depth
Deepest Expected Base of Fresh Water		
W	Castile	2,710
W	Lamar	4,510
O / W	Bell Canyon	4,560
O / W	Cherry Canyon	5,570
O / W	Brushy Canyon	7,130
O / G / W	Bone Spring Lime	8,630
O / G / W	Upper Avalon	8,700
O / G / W	Top Bone Spring 1	9,650
O / G / W	Top Bone Spring 2	10,230
O / G / W	Top Bone Spring 3	10,320
O / G / W	Wolfcamp A	11,900
O / G / W	Wolfcamp B	12,600
O / G / W	Wolfcamp C	13,100
O / G / W	Wolfcamp D	14,100
O / G / W	Strawn	14,600
G / W	Atoka	15,000
G / W	Morrow	15,900
W	Barnett Shale	16,700
W	Mississippian Lime	17,400
W	Woodford	17,790
W	Top Silurian	17,950
W	Top Fusselman	18,815
W	Montoya	19,100

All shows of fresh water and minerals will be reported and protected.

3. BOP EQUIPMENT

A 2M 21-1/4 BOP will be installed and tested to drill the 8-1/2" hole section (800' to 4,540'). Please see schematic. The BOP will be tested as a 2M system per BLM Onshore Oil and Gas Order 2 prior to drilling out the casing shoe. Max anticipated pressure in hole section 2250 psi.

A 5M 16-3/4 BOP will be installed and tested to drill the 14-3/4" hole section (4,540' to 12,000'). Please see schematic. The BOP will be tested as a 5M system per BLM Onshore Oil and Gas Order 2 prior to drilling out the casing shoe. Max anticipated pressure in hole section 5920 psi.

A 10M 13-5/8 BOP will be installed and tested to drill the 12-1/4", 8-1/2", and 6-1/2" hole section (12,000' to 19,100'). Please see schematic. The BOP will be tested as a 10M system per BLM Onshore Oil and Gas Order 2 prior to drilling out the casing shoe. Max anticipated pressure in hole section 9200 psi.

Chevron request a variance to use a felxible line with flanged ends between the BOP and the choke manifold. (Choke Line)

BOPE will be nipped up and tested after cementing surface casing. Subsequent tests will be performed as needed, not to exceed 30 days. Chevron requests a variance to use a FMC Technologies Multibowl wellhead. Please see attached wellhead schematic.

4. **CASING PROGRAM**

a. The proposed casing program will be as follows:

Purpose	From	To	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Surface	0'	800'	24"	20"	94#	J-55	BTC	New
Intermediate 1	0'	4,540'	14-3/8"	16"	97#	L-80	BTC	New
Intermediate 2	0'	12,000'	14-3/4"	13-3/8"	72#	TN-110SS	513	New
Production Liner 1	11,700'	17,410'	12-1/4"	9-5/8"	53.5#	T-95IC	Blue	New
Production Tieback	0'	11,700'	N/A	9-5/8"	53.5#	TN-110HS	Blue	New
Production Liner 2	17,110'	17,950'	8-1/2"	7"	26#	L80	Blue	New
Production Open Hole	17,950'	19,100'	6-1/8"	N/A	N/A	N/A	N/A	N/A

b. Casing design subject to revision based on geologic conditions encountered.

c. ***A "Worst Case" casing design for wells in a particular area is used below to calculate the Casing Safety Factors. If for any reason the casing design for a particular well requires setting casing deeper than the following "worst case" design, then the Casing Safety Factors will be recalculated & sent to the BLM prior to drilling.

SF Calculations based on the following "Worst Case" casing design:

Casing String	Min SF Burst	Min SF Collapse	Min SF Tension	Min SF Tri-Axial
Surface	1.4	1.13	4.68	1.56
Intermediate 1	1.28	1.34	3.37	1.51
Intermediate 2	1.21	1.05	1.63	1.35
Production Liner 1	2.29	1.14	2.89	1.57
Production Tieback	1.31	1.41	2.18	1.41
Production Liner 2	1.31	2.63	2.39	1.44

The following worst case load cases were considered for calculation of the above Min. Safety Factors:

	Surf	Int1	Int2	Prod Liner1	Prod Tieback	Prod Liner2
Burst Design						
Pressure Test- Surface, Int, Prod Csg P external: Mud weight above TOC, PP below P internal: Test psi + next section heaviest mud in csg	X	X	X	X	X	X
Displace to Gas- Surf Csg P external: Mud weight above TOC, PP below P internal: Dry Gas from Next Csg Point	X					
Gas over mud (60/40) - Int Csg/Liner P external: Mud weight above TOC, PP below P internal: 60% gas over 40% mud from Pilot hole TD PP		X				
Gas over mud (50/50) - Int Csg/Liner P external: Mud weight above TOC, PP below P internal: 50% gas over 50% mud from Pilot hole TD PP			X	X	X	X
Stimulation (Acid Job) Pressures- Prod Csg P external: Mud weight above TOC, PP below P internal: Max permitted inj pressure w/ heaviest fluid				X	X	X
Tubing Leak- Prod Csg P external: Mud weight above TOC, PP below P internal: Leak just below surf, 9.1 ppg packer fluid				X	X	X
Collapse Design						
Partial Evacuation P external: Mud weight gradient P internal: Dry Gas to 2000', Mud Weight Gradient Below		X	X	X	X	X
Full Evacuation P external: Mud weight gradient P internal: none	X					
Fluid Drop Above Packer P external: Mud weight gradient P internal: 9.1 ppg packer fluid drops till balanced with TD PP				X	X	X
Cementing- Surf, Int, Prod Csg P external: Wet cement P internal: displacement fluid - water	X	X	X	X	X	X
Tension Design						
100k lb overpull	X	X	X	X	X	X

5. CEMENTING PROGRAM

Slurry	Type	Top	Bottom	Weight (ppg)	Yield (cu ft/sk)	%Excess Open Hole	Sacks	Water gal/sk	Volume bbbls
Surface									
Tail	Class C	0'	800'	14.8	1.33	100	962	6.37	227
Intermediate Csg 1									
Lead	50:50 Poz: Class C + Extender, Antifoam, Retarder, Salt	0'	3,540'	11.9	2.37	50	1018	13.45	430
Tail	Class C + Retarder	3,540'	4,540'	14.8	1.33	50	603	6.37	143
Intermediate Csg 2									
Lead	50:50 Poz: Class C + Extender, Antifoam	4,240'	11,000'	11.9	2.36	10	1567	13.40	279
Tail	Class H + Retarder + Extender + Dispersant	11,000'	12,000'	15.6	1.23	10	299	5.41	53
Production Liner1									
Lead	Class H + Extender, Antifoam, Dispersant, Gas Control, Viscosifier, Retarder	11,700'	16,410'	15.6	1.20	10	1617	5.40	288
Tail	Class H + Extender, Antifoam, Dispersant, Gas Control, Viscosifier, Retarder	16,410'	17,410'	15.6	1.20	10	376	5.40	67
Production Tieback									
Tail	Class H + Antifoam, Dispersant, Fluid Loss, Retarder, Extender	0'	11,700'	15.6	1.20	0	3832	5.40	683
Production Liner2									
Tail	TXI + Antifoam, Dispersant, Viscosifier, Fluid Loss, Retarder	17,110'	17,950'	12.5	1.56	50	150	8.38	27

1. Final cement volumes will be determined by caliper.
2. Surface casing shall have at least one centralizer installed on each of the bottom three joints starting with the shoe joint.

6. MUD PROGRAM

From	To	Type	Weight	Viscosity	Filtrate
0'	800'	Spud Mud	8.3 – 9.0	28-36	N/C
800'	4,540'	Brine Water	10 – 10.4	28-32	N/C
4,540'	12,000'	OBM	8.7-10.0	40-60	20-30
12,000'	17,410'	OBM	12.2-15.6	55-75	10-15
17,410'	17,950'	WBM	8.8-9.6	35-45	<10
17,950'	19,100'	Cut Brine	8.4-9.0	28-32	N/C

A closed system will be utilized consisting of above ground steel tanks. All wastes accumulated during drilling operations will be contained in a portable trash cage and removed from location and deposited in an approved sanitary landfill. Sanitary wastes will be contained in a chemical porta-toilet and then hauled to an approved sanitary landfill.

All fluids and cuttings will be disposed of in accordance with New Mexico Oil Conservation Division rules and regulations.

A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH.

Visual mud monitoring equipment shall be in place to detect volume changes indicating loss or gain of circulating fluid volume. When abnormal pressures are anticipated – a pit volume totalizer (PVT), stroke counter, and flow sensor will be used to detect volume changes indicating loss or gain of circulating fluid volume.

A weighting agent and lost circulating material (LCM) will be onsite to mitigate pressure or lost circulation as hole conditions dictate.

7. TESTING, LOGGING, AND CORING

The anticipated type and amount of testing, logging, and coring are as follows:

- a. Drill stem tests are not planned.
- b. The logging program will be as follows:

TYPE	Logs	Interval
Mudlogs	2 Man Mud Log	4,540' to TD
LWD	MWD Gamma	4,540' to TD
OH Logs	Quad Combo	17,950' - 19,100' Injection Zone
CH Logs	CBL	17,110' - 17,870' Production Liner 2

- c. A Directional Survey will be run.

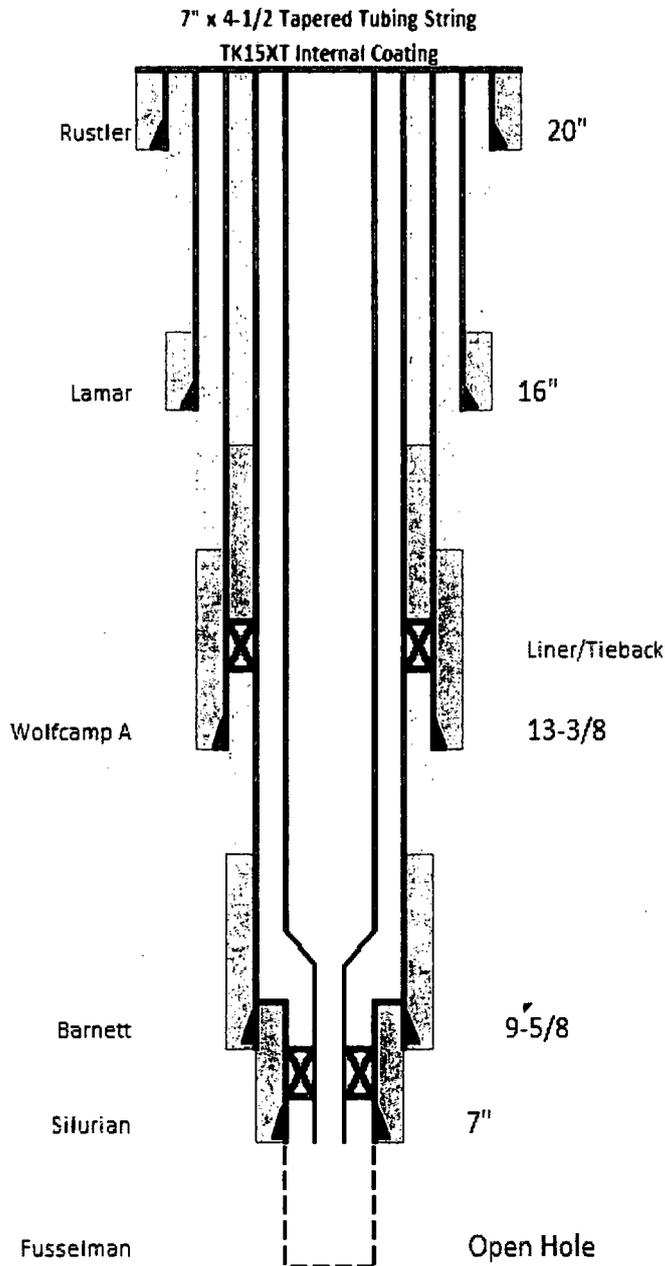
8. ABNORMAL PRESSURES AND HYDROGEN SULFIDE

- a. No abnormal pressure or temperatures are expected. Estimated BHP is: **9200 psi**
- b. Hydrogen sulfide gas is not anticipated. An H2S Contingency plan is attached with this APD in the event that H2S is encountered

CHEVRON USA INC
 MAELSTROM SWD #1
 API: 30-025-4512
 2050' FSL & 1783' FEL
 Sec. 15 T26S R32E
 Lea County, NM



PROPOSED WELLBORE DIAGRAM



Hole Size	Casing	Mud Program
24" +/-800'	20" 94# J55 BTC	Spud Mud 8.3-9.0 ppg
18-1/2" 18-1/8" +/-4,540'	16" 97# L80 BTC	Brine Water 10-10.4 ppg
14-3/4" +/- 12,000'	13-3/8" 72# TN-110SS 523 Alt Drift 12.25"	OBM 8.7-10.0 ppg
12-1/4" +/- 17,410	9-5/8" 53.5# TN-951C Blue Liner Alt Drift 8.5" ~11,700' 9-5/8" 53.5# TN-110HS Blue Tieback Alt Drift 8.5"	OBM 12.2-15.6 ppg
8-1/2" +/- 17,950'	7" 26# L80 Blue Liner	WBM 8.9-9.6 ppg
5-7/8" 6-1/8" +/- 19,100'	N/A	Cut Brine 8.4-9.0 ppg
Injection interval will be treated with 15-20% HCL @ 50-100gal/ft		