B SUNDRY	UNITED STATE EPARTMENT OF THE I UREAU OF LAND MANA NOTICES AND REPO is form for proposals to II. Use form 3160-3 (AP	NTERIOR GEMENT ORTS ON WE	enter an	OCD I	Exj	PORM APP OMB NO. 10 pires: Januar I No. 8722 Ilottee or Tri	004-0137 y 31, 2018
SUBMIT IN	TRIPLICATE - Other ins	tructions on	- <b>G</b>	<i>.</i>		A/Agreemen	t, Name and/or No.
<ol> <li>Type of Well</li> <li>Oil Well</li> <li>Gas Well</li> <li>Ot</li> </ol>	her		OB <sup>B</sup> 1	CEINED	8. Well Name a SD 14 23 F		iH
2. Name of Operator CHEVRON USA INCORPOR		LAURA BEON	COM 2		9. API Well No 30-025-45		1
3a. Address 6301 DEAUVILLE BLVD MIDLAND, TX 79706	3b. Phone No. Ph: 432-68	(include area cold		10. Field and P		oratory Area 5N-UP WOLFCAMI	
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description	ı)			11. County or I	Parish, State	
Sec 14 T26S R32E NWNE 45 32.049053 N Lat, 103.641853				LEA COU	NTY, NM		
12. CHECK THE A	PPROPRIATE BOX(ES)	TO INDICA	TE NATURE O	F NOTICE,	REPORT, OF	<b>OTHER</b>	DATA
TYPE OF SUBMISSION		TYPE OF ACTION					
Notice of Intent	Acidize	🗖 Deep	en	Product	ion (Start/Resur	ne) 🗖	Water Shut-Off
-	Alter Casing	🗖 Hydi	aulic Fracturing	🗖 Reclama	ation	0	Well Integrity
Subsequent Report	Casing Repair	-	Construction	🗖 Recomp			Other Urface Disturbance
Final Abandonment Notice	Change Plans Convert to Injection	🗖 Plug	and Abandon	Tempor	arily Abandon		
PROPOSED CHANGES: - Extend Central Tank Battery - Extend Compressor Station - Add 20' Access Road to Wes JUSTIFICATION: - CENTRAL TANK BATTERY Tank Battery is going to produ Battery was initially designed.	Pad 120' x 125' to the No st of Compressor Station EXTENSION: With the w ce oil and water at rates s	rth. Pad, 210.11' i rells associate significantly hi	d with Salado D gher than for wi	hat the Tank	), the Central		
14. I hereby certify that the foregoing is	true and correct.						
		USA INCORPO	RATED, sent to	the Hobbs	•		
	mitted to AFMSS for proce	essing by JUA!					
				ATORY SPE			
Signature (Electronic Submission) Date 07/01/2019							
/							Intratan
Approved By Conditions of approval, if any, are attached	Annrova of this notice does	not warrant or	Title	$\frac{n-1}{n}$	61/01		Date
certify that the applicant holds legal or equ which would entitle the applicant to condu	itable title to those rights in the	subject lease	Office	N			
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s	U.S.C. Section 1212, make it a tatements or representations as	crime for any per to any matter wit	son knowingly and hin its jurisdiction.	willfully to ma	ke to any departm	ient or agend	cy of the United
(Instructions on page 2) ** BLM REVI	SED ** BLM REVISED	) ** BLM RE	VISED ** BLN	I REVISED	** BLM RE\	/ISED **	K2

#### Additional data for EC transaction #471467 that would not fit on the form

#### 32. Additional remarks, continued

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required retention time for the fluid in the Tanks, the Central Tank Battery will need to add 2-Water Tanks & 1-Oil Tank to the existing design. With the current Pad layout, this Tank expansion would place the new Tanks on the access road around the CTB used to access the facility's rotating equipment; this access is necessary for preventative maintenance, which occurs quarterly. The 50' expansion to the North would allow the Tanks to be set and installed while maintaining access around the Facility to the rotating equipment.

- COMPRESSOR STATION EXTENSION: The facility is replacing the existing Compressor Unit with larger Compressors, while also adding 2-Compressors. These upsizes and additions are needed due to: 1) safety issues with the existing Compressors (removing all from service) & 2) increasing gas lift demand (artificial lift for the wells) associated with Salado Draw Pad #19. In order to accommodate these larger Compressors and the future Compressor additions, it is proposed that the Pad be extended 120' to the North. In doing so, the layout will accommodate the new and larger Compressors, and will also allow the facility and production to remain online during the installations.

- ACCESS ROAD: With the future Compressor additions, accessibility to the Compressors will be extremely limited, and some vehicles will be unable to access these Compressors using the existing access road to the Compressor Station. The additional access road (20' in width, 210.11' in length) will allow access for larger vehicles (for example: Crane Trucks) that are needed to access the Compressors for maintenance or removal.

# Revisions to Operator-Submitted EC Data for Sundry Notice #471467

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	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	DISTURB NOI	DISTURB NOI
Lease:	NMNM118722	NMNM118722
Agreement:		
Operator:	CHEVRON USA INC 6301 DEAUVILLE BLVD MIDLAND, TX 79706 Ph: 432-687-7665	CHEVRON USA INCORPORATED 6301 DEAUVILLE BLVD MIDLAND, TX 79706 Ph: 432.687.7100 Fx: 432-687-7221
Admin Contact:	LAURA BECERRA REGULATORY SPECIALIST E-Mail: LBECERRA@CHEVRON.COM	LAURA BECERRA REGULATORY SPECIALIST E-Mail: LBECERRA@CHEVRON.COM
	Ph: 432-687-7655	Ph: 432-687-7665
Tech Contact:	LAURA BECERRA REGULATORY SPECIALIST E-Mail: LBECERRA@CHEVRON.COM	LAURA BECERRA REGULATORY SPECIALIST E-Mail: LBECERRA@CHEVRON.COM
	Ph: 432-687-7655	Ph: 432-687-7665
Location: State: County:	NM LEA	NM LEA
Field/Pool:	WC025G09S263327G;UP WOLFC	WC025G08S263205N-UP WOLFCAMP
Well/Facility:	SD 14 23 FED P19 15H Sec 14 T26S R32E Mer NMP NWNE 455FNL 1505FEL	SD 14 23 FED P19 15H Sec 14 T26S R32E NWNE 455FNL 1505FEL 32.049053 N Lat, 103.641853 W Lon

# PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

### OPERATOR'S NAME: Chevron USA Incorporated LEASE NO: NMNM118722 LOCATION: Sec 14 T26S R32E NWNE 45FNL 1505FEL Sundry Central Tank Battery & Compressor Pad Extension & New Road SD 14 23 FED P19 15H

#### SD 14 23 FED P1 15H Sec 14 T26S R32E NWNE 45FNL 1505FEL 32.049053 N Lat, -103.641853 W Long

## TABLE OF CONTENTS

Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

General Provisions

Permit Expiration

Archaeology, Paleontology, and Historical Sites

Noxious Weeds

Special Requirements

Hydrology

Cave/Karst

# Construction

Notification

Topsoil

Closed Loop System

Federal Mineral Material Pits

Well Pads

Roads

# Road Section Diagram

14 m

Production (Post Drilling) Well Structures & Facilities

**Pipelines** 

Interim Reclamation

Final Abandonment & Reclamation

# I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

# II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5. Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

# III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

# IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

# V. SPECIAL REQUIREMENT(S)

# Hydrology:

The entire well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. The compacted berm shall be constructed at a minimum of 12 inches with impermeable mineral material (e.g. caliche). Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed. Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion. Stockpiling of topsoil is required. The top soil shall be stockpiled in an appropriate location to prevent loss of soil due to water or wind erosion and not used for berming or erosion control. if fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.

Tank battery locations will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank or 24 hour production, whichever is greater. Automatic shut off, check valves, or similar systems will be installed for tanks to minimize the effects of catastrophic line failures used in production or drilling.

A leak detection plan will be submitted to the BLM Carlsbad Field Office for approval prior to pipeline installation. The method could incorporate gauges to detect pressure drops, situating valves and lines so they can be visually inspected periodically or installing electronic sensors to alarm when a leak is present. The leak detection plan will incorporate an automatic shut off system that will be installed for proposed pipelines to minimize the effects of an undesirable event.

Electric Lines: Any water erosion that may occur due to the construction of overhead electric line and during the life of the power line will be quickly corrected and proper measures will be taken to prevent future erosion.

#### **Cave/Karst Surface Mitigation**

The following stipulations will be applied to minimize impacts during construction, drilling and production: **Construction:** 

In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

#### No Blasting:

No blasting will be utilized for pad construction. The pad will be constructed and leveled by adding the necessary fill and caliche.

### Pad Berming:

- The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.
- The compacted berm shall be constructed at a minimum of 12 inches high with impermeable mineral material (e.g., caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised. (Any access road crossing the berm cannot be lower than the berm height.)
- Following a rain event, all fluids will vacuumed off of the pad and hauled off-site and disposed at a proper disposal facility.

## Tank Battery Construction:

- The pad will be constructed and leveled by adding the necessary fill and caliche no blasting.
- All tank battery locations and facilities will be lined and bermed.
- The liner should be at least 20 mil in thickness and installed with a 4 oz. felt backing, or equivalent, to prevent tears or punctures.
- Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.

# Road Construction:

- Turnout ditches and drainage leadoffs will not be constructed in such a manner as to alter the natural flow of water into or out of cave or karst features.
- Special restoration stipulations or realignment may be required if subsurface features are discovered during construction.

Page 4 of 12

# VI. CONSTRUCTION

# A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

# B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reciamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

# C. ON LEASE ACCESS ROADS

# Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

# Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reciamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

### Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

#### Ditching

Ditching shall be required on both sides of the road.

#### Turnouts

Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

#### Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

#### Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

400 foot road with 4% road slope: 400' + 100' = 200' lead-off ditch interval 4%

#### Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

#### **Fence Requirement**

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

#### Livestock Watering Requirement

During the operations throughout the life of the well, any damage to structures that provide water to livestock, such as windmills, pipelines, drinking troughs, and earthen reservoirs, must be immediately corrected by the operator. The operator must notify the BLM office (575-234-5972) and the private surface landowner or the grazing allotment holder if any damage occurs to structures that provide water to livestock.

#### Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.



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Page 8 of 12

# VII. PRODUCTION (POST DRILLING)

# A. WELL STRUCTURES & FACILITIES

### **Placement of Production Facilities**

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

## Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

## Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

## **Open-Vent Exhaust Stack Exclosures**

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production

equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

### **Containment Structures**

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

#### **Painting Requirement**

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, <u>Shale Green</u> from the BLM Standard Environmental Color Chart (CC-001: June 2008).

# VIII. INTERIM RECLAMATION

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.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

# IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition. unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Ground-level Abandoned Well Marker to avoid raptor perching: Upon the plugging and subsequent abandonment of the well, the well marker will be installed at ground level on a plate containing the pertinent information for the plugged well.

### Seed Mixture 1 for Loamy Sites

Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)\* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed shall be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed shall be planted using a drill equipped with a depth regulator to ensure proper depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area (small/heavier seeds have a tendency to drop the bettom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed shall be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre shall be doubled. The seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed\* per acre:

Species	<u>lb/acre</u>
Plains lovegrass (Eragrostis intermedia)	0.5
Sand dropseed (Sporobolus cryptandrus)	1.0
Sideoats grama (Bouteloua curtipenduia)	5.0
Plains bristlegrass (Setaria macrostachya)	2.0

\*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed