Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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MAY 0 2 201

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

5. l	Lea	ise S	Serial	No.
US	SA	LC	033	706

6. If Indian, Allottee or Tribe Name

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill or to re-entire abandoned well. Use Form 3160-3 (APD) for such proposals.

7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well 8. Well Name and No. C.P. Falby B Federal #7 Oil Well Gas Well Other 2. Name of Operator Chevron U.S.A., Inc. 9. API Well No. 30-025-39982 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 3a. Address 15 Smith Road Blinebry Oil and Gas Midland, Texas 79706 (432) 687-7375 4. Location of Well (Flootage, Sec., T.,R.,M., or Survey Description)
660° FSL & 560° FWL
Section 8, T-22S, R-37E NMPM 11. Country or Parish, State Lea. New Mexico 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Acidize Deepen Production (Start/Resume) Water Shut-Off ✓ Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation Casing Repair New Construction Recomplete Other Subsequent Report Change Plans Plug and Abandon Temporarily Abandon Convert to Injection Plug Back Water Disposal Final Abandonment Notice 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.) It is proposed to cement the 5-1/2" production casing string in two stages as opposed to a single stage as submitted and approved in the original permit. The requested change is as follows: _ * 1. Run a DV collar in the string at +/- 3,800'. 2. First stage cement as follows: a. 480 sxs of VersaCem PBSH2 (as per APD) lead b. 50 sxs of HalCem C mixed at 14.8 ppg, 1.33 cf/sx tail c. Displace cement and shift DV collar circulating cement above DV to surface. 2. Second stage cement as follows: a. 375 sxs EconoCem C (as per APD) lead b. 65 sxs of HalCem C mixed at 14.8 ppg, 1.33 cf/sx tail (as per APD) c. Displace and Close DV circulating cement to surface. 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) Larry Buster Title Advising Drilling Engineer Date 03/22/2011 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by **2** 3 2011

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,

(Instructions on page 2)

entitle the applicant to conduct operations thereon.

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

fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

WESLEY W. INGRAM

PETROLEUM ENGINEER

C.P. Falby B Federal 7 30-025-39982 Chevron USA March 23, 2011 Conditions of Approval

- 1. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - a. First stage to DV tool, cement shall:
 - □ Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Operator should have plans as to how they will achieve circulation on the next stage.
 - b. Second stage above DV tool, cement shall:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.

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