Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

NMNM121473

ad Field Office Expires SUNDRY NOTICES AND REPORTS ON Do not use this form for proposals to drill or abandoned well. Use form 3160-3 (APD) for si 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 1. Type of Well Well Name and No. HH SO 10 P3 24H 🛛 Oil Well 🔲 Gas Well 🔲 Other Name of Operator Contact: **DORIAN K FUENTES** API Well No. CHEVRÔN MIDCONTINENT LP E-Mail: DJVO@CHEVRON.COM 30-015-43926-00-X1 3a. Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area 15 SMITH ROAD Ph: 432-687-7631 WILDCAT MIDLAND, TX 79705 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State Sec 3 T26S R37E SESW 553FSL 2066FWL EDDY COUNTY, NM 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 ☐ Alter Casing ☐ Hydraulic Fracturing ☐ Reclamation ■ Well Integrity ☐ Subsequent Report □ Casing Repair ☐ New Construction ☐ Recomplete Other Change to Original A Final Abandonment Notice ☐ 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. Chevron U.S.A. INC., respectfully requests to make changes to the original permit approved 10/11/2016. Chevron requests to change: NM OIL CONSERVATION BHL - from 180 FSL & 2315 FWL to 280 FSL & 2188 FEL PFTP- from 330 FNL & 2310 FWL to 330 FNL & 2178 FEL ARTESTA DISTRICT PLTP- from 330 FSL & 2315 FWL to 330 FSL & 2188 FEL FEB 06 2017 Please refer to the attached C-102 to reflect the new change request. Chevron requests to change the proposed depth: RECEIVED TVD - from 9342 to 9288 off I apply. Additional COA is not required - All previous com 14. I hereby certify that the foregoing is true and correct Electronic Submission #359169 verified by the BLM Well Information System
For CHEVRON MIDCONTINENT LP, sent to the Carlsbad
Committed to AFMSS for processing by DEBORAH MCKINNEY on 12/13/2016 (17DLM0407SE) Name (Printed/Typed) DORIAN K FUENTES Title REGULATORY SPECIALIST Signature (Electronic Submission) THIS SPACE FOR FEDERAL OR STATE OFFICE USE 2017 Date 02/02/2017 Approved By MUSTAFA HAQUE TitlePETROLE UM ENGINEER 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 **BUREAU OF LAND MANAGEMENT** Office Carlsbad CARLSBAD FIELD OFFICE which would entitle the applicant to conduct operations thereon.

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.

Additional data for EC transaction #359169 that would not fit on the form

32. Additional remarks, continued

MD - from 19973 to 19604

Please refer to the attached drilling plan to comply with Onshore Order #1.

Should questions arise, please contact djvo@chevron. or 432-687-7631.

District I 1625 N French Dr. Hobbs, NM 88240 Phone (575) 393-6161 Fax -375) 393-0720 District II 811 S First St. Artesia, NM 88210 Phone (575) 748 1283 Fax (575) 748-9720 District III 1000 Rio Brazos Road, Aztec NM 87410 Phone (505) 334-6178 Fax (505) 334-6170 District IV 1220 S St. Francis Dr., Santa Fe, NM 87505 Phone (505) 476-3460 Fax (505) 176-3462

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

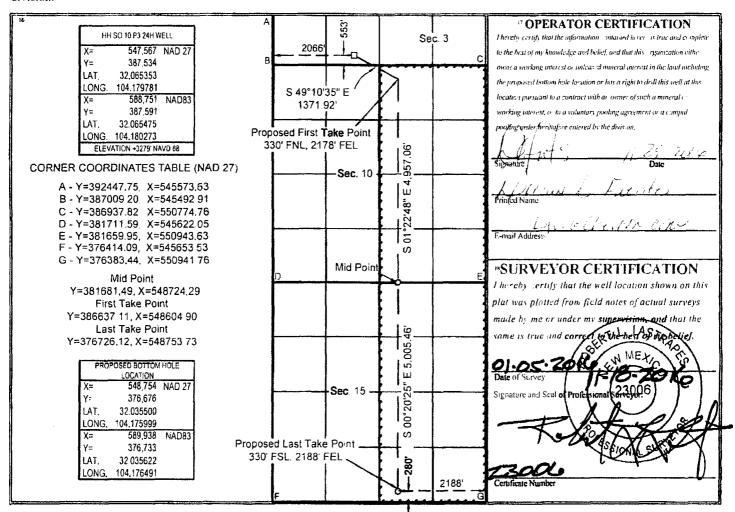
Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

☐ AMENDED REPORT

WELL.	LOCATION	AND ACREAGE	DEDICATION PLAT

API Number 21 115 115 113901			Pool C	ode	100 00	r Kiray er	Pool Nan	T 11.	\	
Property Code				² P	roperty Name	1 3 6 Km 1	-277 		Well Number	
3/784	4			Ш	1 SO 10 P3			ĺ	24H	
	D No.			, O	perator Name				Elevation	
4323	, ,			CHEVRON U.S.A. INC.					3279'	
				" Sur	face Locat	ion				
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County	
N	3	26 SOUTH	27 EAST, N.M.P.M.		553'	SOUTH	2066'	WEST	EDDY	
			Bottom H	ole Locat	ion If Diffe	erent From S	Surface			
UL or lot no.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County	
O	15	26 SOUTH	27 EAST, N.M.P.M.		280'	SOUTH	2188'	EAST	EDDY	
"Dedicated A	cres 13 Join	nt or infill	⁴ Consolidation Code	Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.



1. FORMATION TOPS

The estimated tops of important geologic markers are as follows:

FORMATION	SUB-SEA TVD	KBTVD	MD
Castille		704	
Lamar		2289	
Bell		2329	
Cherry		3164	
Brushy		4354	
Bone Spring/Avalon		5944	
First Bone Spring Sand		6834	
Second Bone Spring Sand		7534	
hird Bone Spring Carbonate Marke		8439	
Third Bone Spring Carbonate		8549	
Third Bone Spring Sand		8669	
Wolfcamp A		8999	
Lateral TVD Wolfcamp A		9288	19604

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	450
Water	Castille	704
Water	Cherry Canyon	3164
Oit/Gas	Brushy Canyon	4354
Oil/Gas	Bone Spring Limestone	6834
Oil/Gas	Second Bone Spring Sand	7534
Oil/Gas	Third Bone Spring Carbonate Marker	8439
Oil/Gas	Harkey Sand	8549
Oil/Gas	Wolfcamp A	8999

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

3. **BOP EQUIPMENT**

PLEASE REFERENCE MDP

CONFIDENTIAL -- TIGHT HOLE DRILLING PLAN

PAGE:

4. CASING PROGRAM

Purpose	From	То	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Surface	,	450'	17-1/2"	13-3/8"	54.5 #	K-55	STC	New
Intermediate	0'	9,015'	12-1/4"	9-5/8"	43.5#	L-80	TXP	New
Production	0'	19,604'	8-1/2"	5-1/2"	20.0 #	P-110	TXP	New

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

Surface Casing:

450' 9015'

Intermediate Casing:

19604.26 MD/9288.14 TVD (10,858 VS @ 90.3 deg inc)

Production Casing:	19604.26	MD/9288.14' TVD (10,858'	VS @ 90.3 deg inc)	
Casing String	Min SF Burst	Min SF Collapse	Min SF Tension	Min SF Tri-Axial
Surface	1.82	5.11	3.97	2.31
Intermediate	2.9	1.34	1.79	2.22
Production	1.26	1.66	2.54	1.31

Min SF is the smallest of a group of safety factors that include the following considerations:

	Surf	Int	Prod
Burst Design			
Pressure Test- Surface, Int, Prod Csg	Х	X	X
P external: Water		1	
P internal: Test psi + next section heaviest mud in csg			
Displace to Gas- Surf Csg	Х		
P external: Water		ļ	
P internal: Dry Gas from Next Csg Point			
Frac at Shoe, Gas to Surf- Int Csg		X	
P external: Water			
P internal: Dry Gas, 15 ppg Frac Gradient			
Stimulation (Frac) Pressures- Prod Csg			X
P external: Water	I	Ì	
P internal: Max inj pressure w/ heaviest injected fluid			
Tubing leak- Prod Csg (packer at KOP)			X
P external: Water	Ì		
P internal: Leak just below surf, 8.7 ppg packer fluid			
Collapse Design	i i		
Full Evacuation	X	X	X
P external: Water gradient in cement, mud above TOC	1		
P internal: none			
Cementing- Surf, Int, Prod Csg	X	X	X
P external: Wet cement			
P internal: water			
Tension Design			
100k lb overpull	X	Х	X

CONFIDENTIAL -- TIGHT HOLE
DRILLING PLAN
PAGE: 3

5. **CEMENTING PROGRAM**

01	_	Cement	Cement					T
Slurry	Туре	Тор	Bottom	Weight	Yield	%Excess	Sacks	Water
Surface			ļ	<u>(ppg)</u>	(sx/cu ft)	Open Hole		gal/sk
Tail	Class C	0'	450'	14.8	1.33	50	356	6.37
Intermediate			· · · · · · · · · · · · · · · · · · ·					
Stage 2 Lead	50:50 Poz: Class C + Antifoam, Extender, Salt, Retarder	0'	1,100'	11.9	2.43	50	213	14.21
Stage 2 Tail	Class C + Antifoam, Retarder, Viscosifier	1,100'	2,100'	14.8	1.33	0	235	6.37
DV TOOL	2,100'		00'		*			
Stage 1 Lead	50:50 Poz: Class H + Extender, Antifoam, Retarder, Salt, Viscosifier Class H + Retarder,	2,100'	8,015	11.9	2.43	100	1524	13.76
Stage 1 Tail	F. 4 4	8,015'	9,015'	15.6	1.21	50	389	5.54
Production			r		7	·	· · · · · · · · · · · · · · · · · · ·	
Lead	50:50 Poz: Class H + Extender, Antifoam, Dispersant, , Retarder	7,015'	8,015'	14.5	1.21	100	430	5.54
Tail	Class H + Viscosifier, Antifoam, Dispersant, Fluid Loss, Retarder, Expanding Agent	8,015	19,604'	15.6	1.2	50	3422	5.30

ONSHORE ORDER NO. 1 Chevron HayHurst SO 10 P3 #24H Eddy County, NM CONFIDENTIAL -- TIGHT HOLE DRILLING PLAN PAGE: 4

6. MUD PROGRAM

Γ	From	To	Туре	Weight	F. Vis	Filtrate
Γ	0,	450'	Spud Mud	8.3 - 8.7	32 - 34	NC - NC
Γ	450'	9015'	OBM	9.0 - 9.5	50 -70	5.0 - 10
Γ	9015'	19,604	OBM	10.0 - 13.5	50 -70	5.0 - 10

7. TESTING, LOGGING, AND CORING

TYPE	Logs	Interval	Timing	Vendor
Mudlogs	2 man mudlog	Int Csg to TD	Drillout of Int Csg	TBD
LWD	MWD Gamma	Int. and Prod. Hole	While Drilling	TBD

8. ABNORMAL PRESSURES AND HYDROGEN SULFIDE

PLEASE REFERENCE MDP