UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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.

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

| Expires, January |
|------------------|
| Lease Serial No. |
| NMNM121473 |

| 6. If | Indian. | Allottee | or | Tribe | Name |
|-------|---------|----------|----|-------|------|
|-------|---------|----------|----|-------|------|

| SUBMIT IN 1 | TRIPLICATE - Other instruction | is on page 2 | OCA I Mist or CA/Agree | ement, Name and/or No. |
|---|---|--|--|-------------------------------------|
| Type of Well | er | | OCD 8. All Name and No. | HH SO 10 P3 7H |
| 2. Name of Operator CHEVRON U.S.A. INC <4323 | Contact: DORIA) E-Mail: djvo@chevron.com | | 9. API Well No. 30-015-43936 | - |
| 3a. Address ATTN DORIAN FUENTES 630 MIDLAND, TX 79706 | | one No. (include area code) 32-687-7631 | 10. Field and Pool or PURPLE SAGE | Exploratory Area ;WOLFCAMP (GAS |
| 4. Location of Well (Footage, Sec., T | , R., M., or Survey Description) | ···· | 11. County or Parish, | State |
| Sec 3 T26S R27E Mer NMP S 32.065544 N Lat, 104.180272 | | | EDDY COUNTY | /, NM |
| 12. CHECK THE AF | PPROPRIATE BOX(ES) TO IN | DICATE NATURE OF | F NOTICE, REPORT, OR OTH | IER DATA |
| TYPE OF SUBMISSION | | TYPE OF | ACTION | |
| Notice of Intent ■ Notice of Intent Notice of Inten | ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| | ☐ Alter Casing | ☐ Hydraulic Fracturing | □ Reclamation | ■ Well Integrity |
| ☐ Subsequent Report | ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ⊠ Other |
| ☐ Final Abandonment Notice | | ☐ Plug and Abandon | □ Temporarily Abandon | Change to Original A PD |
| | ☐ Convert to Injection | ☐ Plug Back | ■ Water Disposal | |
| 13. Describe Proposed or Completed Ope If the proposal is to deepen directiona Attach the Bond under which the wor following completion of the involved testing has been completed. Final Attach the site is ready for final 1) Change from 10M BOPE to the annular will be 5M) Chevron respectfully request that the header, from a 10M system pressure is a 13.0 ppg. The M below reflect a 5M system BO 2) Utilizing a FMC UH-2 Multies Chevron requests a variance through the rig floor on surface 14. I hereby certify that the foregoing is | | ther all requirements, including the selected was per the original atting for the selected was mud weight at 1050 will be 4788 psi. The attivells. Accepted for and tested after cements. | ells mentioned por for the pore ached documents record - NMOCD NM OIL (ARTE DIVINITY OF ARTE DIVINITY OF AR | CONSERVATION SIA DISTRICT 0 6 2017 |
| 14. I hereby certify that the foregoing is | Electronic Submission #371321 | verified by the BLM Well INC <4323), sent to the | Information System | CEIVED |
| | Committed to AFMSS for process | ing by DEBORAH MCKII | NNEY OR 04/03/2017 () | |
| Name (Printed/Typed) DORIAN | K FUENTES | Title REGUL/ | ATORY SPECIALIST | |
| Signature (Electronic S | ubmission) | Date 03/28/20 | 017 | |
| | THIS SPACE FOR FEI | DERAL OR STATE (| OFFICE USE | - |
| Approved By | Teungku Muchlis Kruer | 9 Title | APPROVED | Date |
| Conditions of approval, if any, are attached certify that the applicant holds legal or eque which would entitle the applicant to condu | itable title to those rights in the subject I | ant or ease Office | JUN - 2 2017 | |
| Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent s | | | | |
| (Instructions on page 2) | OD SUDMITTED ** ODEDA | FOR SUBMITTER ** | BUREAU OF LAND MANAGEME CARLSBAD EIFLD OFFICE | ** |

Additional data for EC transaction #371321 that would not fit on the form

32. Additional remarks, continued

casing. Subsequent tests will be performed as needed, not to exceed 30 days. The field report from FMC Technologies and BOP test information will be provided in a subsequent report at the end of the well. Please see the attached wellhead schematic.

Should questions arise please call me 432-687-7631 or Bryson @ 832-683-0938.

BLOWOUT PREVENTOR SCHEMATIC

Minimum Requirements

OPERATION: Bone Springs/Wolfcamp A,C & D wells

Minimum System

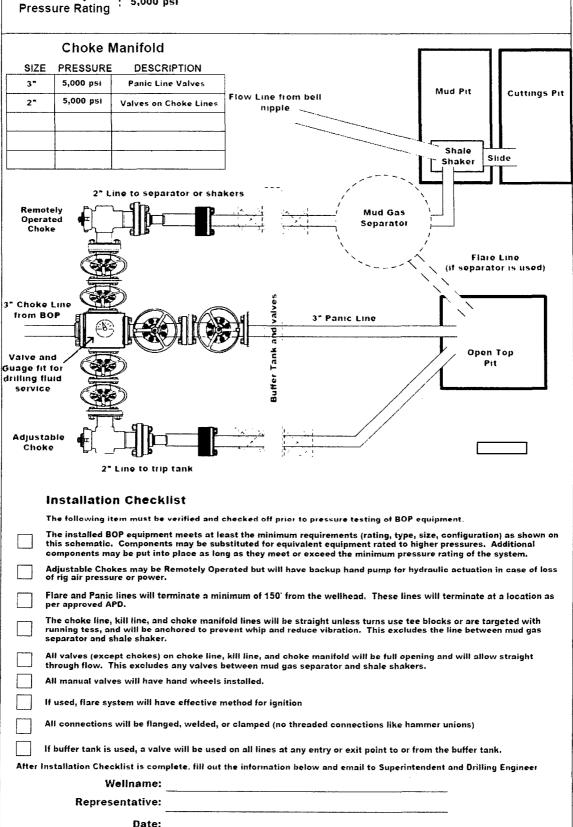
| Minimum Sy Pressure Ra | rstem iting : 5,000 psi | | | | |
|---|--|---|--|--|--|
| SIZE PRE | SSURE DESCRIPTION | | | | |
| A | Bell Nipple | | | | |
| B 13 5 8" 5,0 | 00 psi Annular | J | | | |
| C 13 5.8" 5,0 | 00 psi Pipe Ram | Flowline to Shaker | | | |
| D 13 5:8" 5,0 | 00 psi Blind Ram | Fill Up Line A | | | |
| E 13 5.8° 5,0 | 00 psi Mud Cross | | | | |
| F | | | | | |
| DSA As | required for each hole size | e B | | | |
| | O psi Gate Valve O psi Gate Valve | c C | | | |
| SIZE PRES: 3" 5,000 | BORE DESCRIPTION | Choke Line to Choke Manifold 3 minimum HCR Valve | | | |
| 3" 5,000 | HCR Valve | | | | |
| The foll The institution of the components | owing item must be verified and alled BOP equipment meets at le ematic. Components may be sub ents may be put into place as lon | checked off prior to pressure testing of BOP equipment. east the minimum requirements (rating, type, size, configuration) as shown on ostituted for equivalent equipment rated to higher pressures. Additional ag as they meet or exceed the minimum pressure rating of the system. | | | |
| All valves on the kill line and choke line will be full opening and will allow straight though flow. The kill line and choke line will be straight unless turns use tee blocks or are targeted with running tess, and will be anchored to prevent whip and reduce vibration. | | | | | |
| Manual (hand wheels) or automatic locking devices will be installed on all ram preventers. Hand wheels will also be installed on all manual valves on the choke line and kill line. | | | | | |
| A valve will be installed in the closing line as close as possible to the annular preventer to act as a locking device. This valve will remain open unless accumulator is inoperative. | | | | | |
| Upper ke connecti | lly cock valve with handle will be ons in use. | e avallable on rig floor along with safety valve and subs to fit all drill string | | | |
| After Installation | | the information below and email to Superintendent and Drilling Engineer | | | |
| Wellname: | | | | | |
| Re | Representative: | | | | |
| | Date: | | | | |

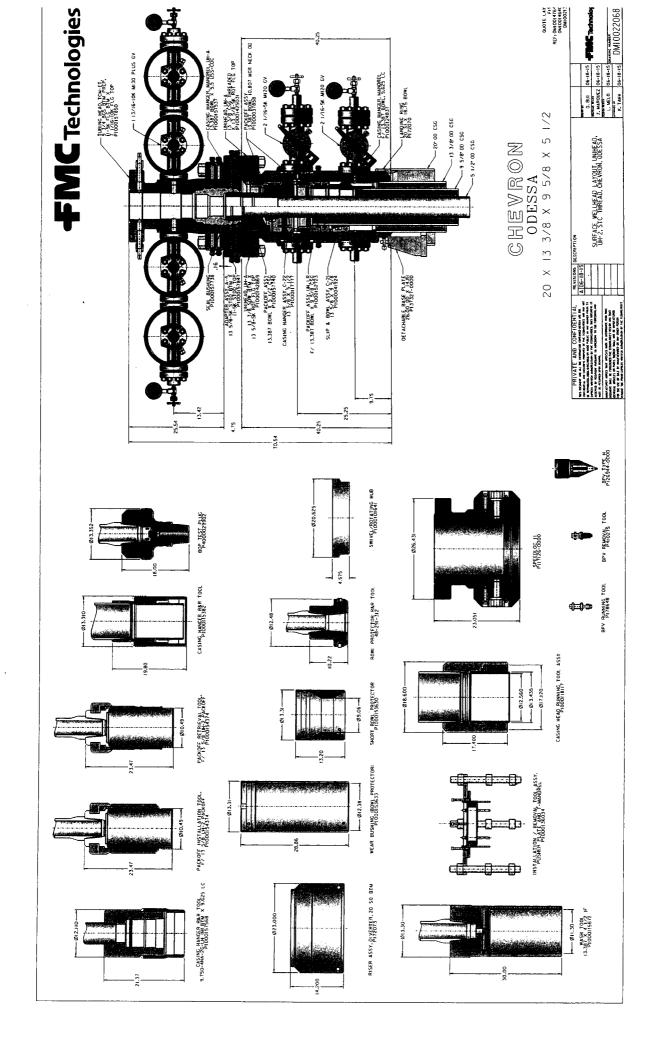
CHOKE MANIFOLD SCHEMATIC

Minimum Requirements

OPERATION: Bone Spring wells/ Intermediate section SWD

Minimum System : 5,000 psi





PECOS DISTRICT DRILLING OPERATIONS CONDITIONS OF APPROVAL

All previous COA still apply except the following:

PRESSURE CONTROL

Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 5000 (5M) psi.

- a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
- b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. Operator shall perform the intermediate casing integrity test to 70% of the casing burst. This will test the multi-bowl seals.
- e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.

5M system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.

TMAK 06022017