

Form 3160-3 (June 2015)

FEB 1 2 2019 Carlsbad Field Office

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

-CIV CIM-LED 2 LAN BO		PRACIA	L					
DISTRICT II-DEFARTMENT OF THE IN BUREAU OF LAND MANA	TÉRIOR AGEMENT	riesia 1	l l	5. Lease Serial No. NMNM107369				
APPLICATION FOR PERMIT TO DI	RILL OR	REENTER		6. If Indian, Allotee or Tribe Name				
1a. Type of work:	EENTER			7. If Unit or CA Agi	reement. N	Name and No.		
1b. Type of Well: Oil Well Gas Well Ot	her			8. Lease Name and	Wall No			
Ic. Type of Completion: Hydraulic Fracturing Sin	ngle Zone	Multiple Zone		HH CE 26 23 FED				
Name of Operator CHEVRON USA INCORPORATED				9. API-Well No. 30-01				
3a. Address 6301 Deauville Blvd. Midland TX 79706	3b. Phone N (432)687-76	10. (include area cod 866		10. Field and Pool, PURPLE SAGE /				
 Location of Well (Report location clearly and in accordance we At surface NWNE / 295 FNL / 2172 FEL / LAT 32.0931. At proposed prod. zone NWNE / 280 FNL / 2430 FEL / LA 	23 / LONG -	104.158812		11. Sec., T. R. M. of SEC 35 / T25S. R				
14. Distance in miles and direction from nearest town or post office 11.5 miles	ce*			12. County or Paris	h	13. State NM		
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any)	16. No of ac	eres in lease	17. Spacing	g.Unit dedicated to t	his well			
18. Distance from proposed location* to nearest well, drilling, completed, 1785 feet applied for, on this lease, ft.	19. Propose 9915 feet /	() ()	20./BLM/E	BIA Bond No. in file				
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3128 feet	22 Approxi 06/28/2019 24. Attac		start*	23. Estimated durat 160 days	ion			
The following, completed in accordance with the requirements of (as applicable)	<u> </u>	and Gas Order No.						
Well plat certified by a registered surveyor. A Drilling Plan. A Surface Use Plan (if the location is on National Forest System SUPO must be filed with the appropriate Forest Service Office).		Item 20 above). 5. Operator certific	cation.	unless covered by a	_			
25. Signature (Electronic Submission)		(Printed/Typed) Becerra / Ph: (432	2)687-7665		Date 08/13/2	018		
Title Permitting Specialist								
Approved by (Signature) (Electronic Submission)		(Printed/Typed) Layton / Ph: (575)	234-5959		Date 01/30/2	2019		
Title Assistant Field Manager Lands & Minerals	1	SBAD						
Application approval does not warrant or certify that the applican	t holds legal	or equitable title to the	hose rights in	n the subject lease w	hich wou	ld entitle the		

applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

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)

RNP 2-14-19

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM I: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the wen, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionany drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

ITEM 24: If the proposal will involve hydraulic fracturing operations, you must comply with 43 CFR 3162.3-3, including providing information about the protection of usable water. Operators should provide the best available information about all formations containing water and their depths. This information could include data and interpretation of resistivity logs run on nearby wells. Information may also be obtained from state or tribal regulatory agencies and from local BLM offices.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.Ş.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service wen or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record win be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM conects this information to anow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications. Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease. The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Conection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

(Form 3160-3, page 2)

Additional Operator Remarks

Location of Well

1. SHL: NWNE / 295 FNL / 2172 FEL / TWSP: 25S / RANGE: 27E / SECTION: 35 / LAT: 32.093123 / LONG: -104.158812 (TVD: 0 feet; MD: 0 feet)

PPP: SWSE / 1 FSL / 2430 FEL / TWSP: 25S / RANGE: 27E / SECTION: 23 / LAT: 32.10812 / LONG: -104.160232 (TVD: 0 feet; MD: 0 feet)

PPP: SWNE / 2472 FSL / 2430 FEL / TWSP: 25S / RANGE: 27E / SECTION: 26 / LAT: 32.097415 / LONG: -104.159985 (TVD: 0 feet; MD: 0 feet)

PPP: SWSE / 100 FSL / 2430 FEL / TWSP: 25S / RANGE: 27E / SECTION: 26 / LAT: 32.094282 / LONG: -104.159913 (TVD: 0 feet, MD: 0 feet)

PPP: NWSE / 1235 FSL / 2430 FEL / TWSP: 25S / RANGE: 27E / SECTION: 26 / LAT: 32.100827 / LONG: -104.160064 (TVD: 0 feet, MD: 0 feet)

BHL: NWNE / 280 FNL / 2430 FEL / TWSP: 25S / RANGE: 27E / SECTION: 23 / LAT: 32.121928 / LONG: -104.160244 (TVD: 9915 feet, MD: 20317 feet)

BLM Point of Contact

Name: Tenille Ortiz

Title: Legal Instruments Examiner

Phone: 5752342224 Email: tortiz@blm.gov

(Form 3160-3, page 3)

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.



(Form 3160-3, page 4)

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: | CHEVRON USA INCORPORATED

LEASE NO.: | NMNM107369

WELL NAME & NO.: | HH CE 26 23 FED 002 3H

SURFACE HOLE FOOTAGE: 295'/N & 2172'/E BOTTOM HOLE FOOTAGE 280'/N & 2430'/E

LOCATION: | SECTION 35, T25S, R27E, NMPM

COUNTY: | EDDY, NEW MEXICO

COA

H2S	↑ Yes	€ No	
Potash	© None	Secretary	← R-111-P
Cave/Karst Potential	C Low	∩ Medium	€ High
Variance	None	Flex Hose	Other
Wellhead	Conventional	• Multibowl	Both
Other	☐ 4 String Area	Capitan Reef	□ WIPP

A. Hydrogen Sulfide

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

OPTION 1

- 1. The 13-3/8 inch surface casing shall be set at approximately 450 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8** hours or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Operator shall filled 1/3rd casing with fluid while running intermediate casing to maintain collapse safety factor.

- 2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:
- Cement to surface. If cement does not circulate see B.1.a, c-d above. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job. Additional cement maybe required. Excess calculates 11%.
- b. Second stage above DV tool:Cement to surface. If cement does not circulate, contact the appropriate BLM office.
- ❖ In <u>High Cave/Karst Areas</u> if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- 3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - c. Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification. Additional cement maybe required. Excess calculates 11%.

OPTION 2

Operator must contact BLM (575-361-2822) before starting contingency plan.

1. The 13-3/8 inch surface casing shall be set at approximately 450 feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.

Operator shall filled $1/3^{rd}$ liner with fluid whiler running intermediate liner to maintain collapse safety factor.

- 2. The minimum required fill of cement behind the 7-5/8 inch production liner is:
- Cement should tie-back 100' into the previous casing. Operator shall provide method of verification.

Variance is approved for an annular spacing between 75/8" x 5 1/2".

3. The minimum required fill of cement behind the 5-1/2 x 5 inches production casing is: Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

C. PRESSURE CONTROL

- 1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).
- 2. 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.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)
 - Chaves and Roosevelt Counties
 Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.
 During office hours call (575) 627-0272.
 After office hours call (575)
 - Eddy County
 Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220, (575) 361-2822
 - ☐ Lea County
 Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)
 393-3612
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.

- Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
- BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. The record of the drilling rate along with the GR/N well log (one log per well pad is acceptable) run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.

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- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher 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.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - 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
- d. 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.
- e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
 - b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
 - c. The tests shall be done by an independent service company utilizing a test plug. The results of the test shall be reported to the appropriate BLM office.
 - d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
 - e. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.

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- f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes. This test shall be performed prior to the test at full stack pressure.
- g. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Waste Minimization Plan (WMP)

In the interest of resource development, submission of additional well gas capture development plan information is deferred but may be required by the BLM Authorized Officer at a later date.

ZS 012319

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PECOS DISTRICT SURFACE USE CONDITIONS OF APPROVAL

OPERATOR'S NAME:
LEASE NO.:
WELL NAME & NO.:
SURFACE HOLE FOOTAGE:
BOTTOM HOLE FOOTAGE
LOCATION:
COUNTY:
Chevron USA Incorporated
NMNM107369
3H:HH CE 26 23 FED 002
295'/N & 2172'/E
280'/N & 2430'/E
LOCATION:
COUNTY: EDDY, NM

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
Lesser Prairie-Chicken Timing Stipulations Ground-level Abandoned Well Marker Cave/Karst Construction
Notification Topsoil Closed Loop System Federal Mineral Material Pits Well Pads Roads
Road Section Diagram
Production (Post Drilling)
Well Structures & Facilities 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.

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v. SPECIAL REQUIREMENT(S)

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken: Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted.

<u>Ground-level Abandoned Well Marker to avoid raptor perching</u>: 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. For more installation details, contact the Carlsbad Field Office at 575-234-5972.

Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not

This authorization is subject to your Certificate of Participation and/or Certificate of Inclusion under the New Mexico Candidate Conservation Agreement. Because it involves surface disturbing activities covered under your Certificate, your Habitat Conservation Fund Account with the Center of Excellence for Hazardous Materials Management (CEHMM) will be debited according to Exhibit B Part 2 of the Certificate of Participation.

Cave and Karst Conditions of Approval for APDs

to exceed 75 db measured at 30 feet from the source of the noise.

** Depending on location, additional Drilling, Casing, and Cementing procedures may be required by engineering to protect critical karst groundwater recharge areas.

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.

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- 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 Liners and Berms:

Tank battery locations and all facilities will be lined and bermed. A 20 mil permanent liner will be 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.

Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, situating values and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present. Leak detection plan will be submitted to BLM for approval.

Automatic Shut-off Systems:

Automatic shut off, check values, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and ground water concerns:

Rotary Drilling with Fresh Water:

Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

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Directional Drilling:

Kick off for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

Lost Circulation:

ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported in the drilling report.

Regardless of the type of drilling machinery used, if a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cavebearing zone, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

Abandonment Cementing:

Upon well abandonment in cave karst areas additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

Pressure Testing:

Annual pressure monitoring will be performed by the operator on all casing annuli and reported in a sundry notice. If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

FLOWLINES (SURFACE):

- Flowlines will be routed around sinkholes and other karst features to avoid or lessen the possibility of encountering near surface voids and to minimize the possibility of leaks and spills from entering karst systems.
- If a void is encountered alignments may be rerouted to avoid the karst feature and lessen; the potential of subsidence or collapse of karst features, buildup of toxic or combustible gas, or other possible impacts to cave and karst resources from the buried pipeline.
- Regular monitoring is required to quickly identify leaks for their immediate and proper treatment.
- All spills or leaks will be reported to the BLM immediately for their immediate and proper treatment.

Watershed

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

Page 5 of 14

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.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the 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 reclamation 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. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

Page 7 of 14

Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. 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 reclamation.

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.

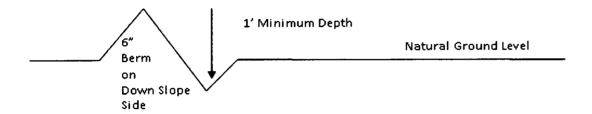
Turnouts

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, leadoff 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.



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 %);

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.

Public Access

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

Construction Steps

- 1. Salvage topsoil
- 3. Redistribute topsoil
- 2. Construct road
- 4. Revegetate slopes

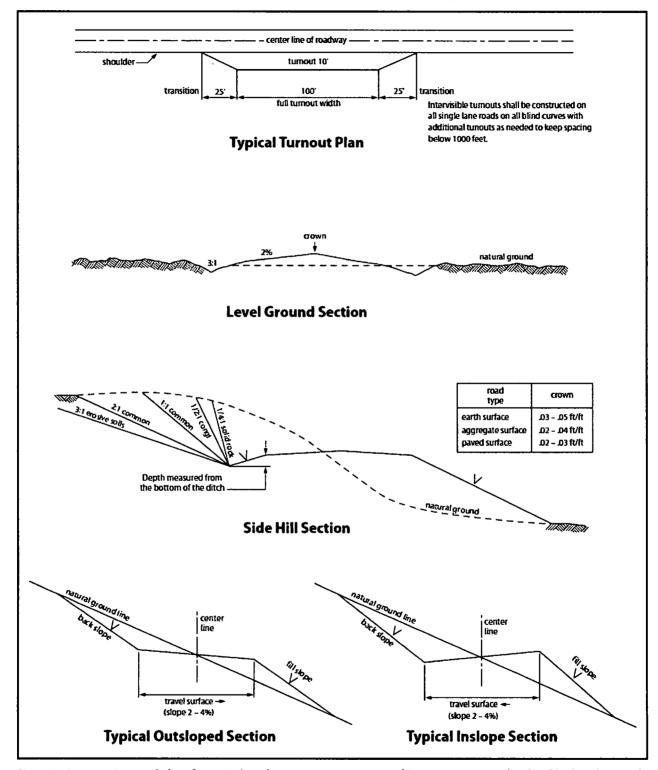


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

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 exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1½ 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

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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, **Shale Green** 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

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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 bottom 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 1b/acre	
Plains lovegrass (Eragrostis intermedia)	0.5
Sand dropseed (Sporobolus cryptandrus)	1.0
Sideoats grama (Bouteloua curtipendula)	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



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Comator Certification Data Report

Operator Certification

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

NAME: Laura Becerra		Signed on: 08/13/2018
Title: Permitting Special	list	
Street Address: 6301 [Deauville Blvd., S2211	
City: Midland	State: TX	Zip : 79706
Phone: (432)687-7665		
Email address: LBecer	ra@Chevron.com	
Field Repres	entative	
Representative Nam	e:	
Street Address:		
City:	State:	Zip:
Phone:		
Email address:		



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT

Application Data Report

APD ID: 10400032980 Submission Date: 08/13/2018

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH CE 26 23 FED 002

Well Type: CONVENTIONAL GAS WELL Well Work Type: Drill

Show Final Text

Section 1 - General

APD ID: 10400032980 Tie to previous NOS? Submission Date: 08/13/2018

Well Number: 3H

BLM Office: CARLSBAD User: Laura Becerra Title: Permitting Specialist

Federal/Indian APD: FED Is the first lease penetrated for production Federal or Indian? FED

Lease number: NMNM107369 Lease Acres: 1200

Surface access agreement in place? Allotted? Reservation:

Agreement in place? NO Federal or Indian agreement:

Agreement number:

Agreement name:

Keep application confidential? YES

Permitting Agent? NO APD Operator: CHEVRON USA INCORPORATED

Operator letter of designation:

Operator Info

Operator Organization Name: CHEVRON USA INCORPORATED

Operator Address: 6301 Deauville Blvd.

Operator PO Box:

Operator City: Midland State: TX

Operator Phone: (432)687-7866 **Operator Internet Address:**

Section 2 - Well Information

Well in Master Development Plan? EXISTING Mater Development Plan name: HAYHURST DEVELOPMENT

AREA Well in Master SUPO? NO

Master SUPO name:

Well in Master Drilling Plan? NO Master Drilling Plan name:

Well Name: HH CE 26 23 FED 002 Well Number: 3H Well API Number:

Field Name: PURPLE SAGE Field/Pool or Exploratory? Field and Pool Pool Name: WOLFCAMP

(GAS)

Zip: 79706

Well Name: HH CE 26 23 FED 002 Well Number: 3H

Is the proposed well in an area containing other mineral resources? NATURAL GAS,OIL

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? NO New surface disturbance?

Type of Well Pad: MULTIPLE WELL Multiple Well Pad Name: HH CE Number: 1H - 4H

Well Class: HORIZONTAL 26 23 FED 002
Number of Legs: 1

Well Work Type: Drill

Well Type: CONVENTIONAL GAS WELL

Describe Well Type:

Well sub-Type: EXPLORATORY (WILDCAT)

Describe sub-type:

Reservoir well spacing assigned acres Measurement: 640 Acres

Well plat: HH_CE_26_23_FED_002_3H_C_102_Cert_signed_20180905093149.pdf

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

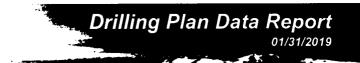
Datum: NAD83 Vertical Datum: NAVD88

Survey number:

	NS-Foot	NS Indicator	EW-Foot	EW Indicator	Twsp	Range	Section	Aliquot/Lot/Tract	Latitude	Longitude	County	State	Meridian	Lease Type	Lease Number	Elevation	MD	TVD
SHL Leg #1	295	FNL	217 2	FEL	258	27E	35		32.09312 3	- 104.1588 12	EDD Y	MEXI CO	NEW MEXI CO	F		312 8	0	0
KOP Leg #1	295	FNL	217 2	FEL	25S	27E	35	Aliquot NWNE	32.09312 3	- 104.1588 12	EDD Y	NEW MEXI CO	NEW MEXI CO	i.		312 8	0	0
PPP Leg #1	100	FSL	243 0	FEL	25S	27E	26	Aliquot SWSE	32.09428 2	- 104.1599 13	EDD Y	NEW MEXI CO	NEW MEXI CO	F		312 8	0	0



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



APD ID: 10400032980 Submission Date: 08/13/2018

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH CE 26 23 FED 002 Well Number: 3H

Well Type: CONVENTIONAL GAS WELL Well Work Type: Drill



Show Final Text

Section 1 - Geologic Formations

Formation			True Vertical	Measured		1.	Producing
ID	Formation Name	Elevation	Depth	Depth	Lithologies	Mineral Resources	
1	QUATERNARY	3128	Ö	Ó	ANHYDRITE	NONE	No
2	CASTILE	2236	893	893	ANHYDRITE	NONE	No
3	LAMAR	806	2323	2323	LIMESTONE	NONE :	No
4	CHERRY CANYON	-56	3185	3185	SANDSTONE	NONE	No
5	BRUSHY CANYON	-1222	4351	4351	SANDSTONE	NATURAL GAS,OIL	No
6	AVALON SAND	-2966	6095	6095	LIMESTONE,SHALE,SA NDSTONE	NATURAL GAS,OIL	No
7	BONE SPRING 1ST	-3778	6907	6907	SANDSTONE	NATURAL GAS,OIL	No
8	BONE SPRING 2ND	-4373	7502	7502	SANDSTONE	NATURAL GAS,OIL	No
9	BONE SPRING 3RD	-5518	8647	8647	SHALE	NATURAL GAS,OIL	No
10	WOLFCAMP	-6787	9915	20317	LIMESTONE,SHALE,SA NDSTONE	NATURAL GAS,OIL	Yes

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M Rating Depth: 9812

Equipment: Chevron will have a minimum of a 5,000 psi rig stack (see proposed schematic) for drill out below surface casing. The Wolfcamp is not exposed until drill out of the intermediate casing, and the stack will be tested as specified in the attached testing requirements for 5K Stacks.

Requesting Variance? YES

Variance request: Chevron requests a variance to use a CoFlex hose with a metal protective covering that will be utilized between the BOP and Choke manifold. Chevron also request a variance to use a FMC Technologies UH-S Multibowl wellhead, which will be run through the rig floor on surface casing. BOPE will be nippled up and tested after cementing surface 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. An installation manual has been placed on file with the BLM office and remains unchanged from previous submittal.

Testing Procedure: A full BOP test will be performed unless approval from BLM is received otherwise. Please refer to the

Well Name: HH CE 26 23 FED 002

Well Number: 3H

attached testing and specification documents. BOP test will be conducted by a third party.

Choke Diagram Attachment:

5K_BOPE_Choke_Schematic_20180809145915.pdf

BOP Diagram Attachment:

5K BOPE Schematic 20180809145933.pdf

Continental_Test_Specs_and_Pressure_Test_20180809150159.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	17.5	13.375	NEW	API	N	0	450	0	450			450	J-55	54.5	STC	5.09	1.41	DRY	3.56	DRY	3.56
	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	9106	0	9106			ı	OTH ER	43.5	LTC	1.74	1.4	DRY	1.81	DRY	1.81
	PRODUCTI ON	8.5	5.5	NEW	API	N	0	20317	0	9915			20317	P- 110		OTHER - TXP BTC	1.53	1.11	DRY	2.35	DRY	2.35

Casing Attachments

Casing ID: 1

String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

13_3_8_Casing_Specs_20180809150253.pdf

Well Name: HH CE 26 23 FED 002

Well Number: 3H

Casing Attachments

Casing ID: 2

String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

9.625_Casing_Specs_20180809150308.pdf

Casing ID: 3

String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

5.5_Casing_Specs_20180809150318.pdf

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String Type	Lead/Tail	Stage Tool Depth	Тор МD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	450	488	1.34	14.8	117	50	Class C	N/A

INTERMEDIATE	Lead	2097	0	1597	276	2.56	11.9	126	50	Class C	N/A
INTERMEDIATE	Tail		1597	2097	118	1.33	14.8	28	0	Class C	N/A
INTERMEDIATE	Lead	2097	2097	8106	808	2.56	11.9	369	10	Class C	N/A

Well Name: HH CE 26 23 FED 002 Well Number: 3H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
INTERMEDIATE	Tail		8106	9106	287	1.33	14.8	68	10	Class C	N/A
PRODUCTION	Lead		8806	1931 7	1891	1.4	14.5	472	10	Class C	N/A
PRODUCTION	Tail		1931 7	2031 7	120	2.19	15	47	10	Class H	N/A

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: A closed system will be used 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 portatoilet 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.

Describe the mud monitoring system utilized: 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.

Circulating Medium Table

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	ЬН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	450	SPUD MUD	8.3	8.9							
450	9106	OIL-BASED MUD	8.7	9.6							
9106	9915	OIL-BASED MUD	9	13.6							

Well Name: HH CE 26 23 FED 002 Well Number: 3H

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Drill stem tests are not planned

The logging program will be as follows:

Type: Mudlogs Logs: 2 man mudlog Interval: Csg to TD Timing: Drillout of Int. Csg Vendor: TBD Type: LWD Logs: MWD gamma Interval: Int. and Prod. Hole Timing: while drilling Vendor: TBD

List of open and cased hole logs run in the well:

GR,MWD,MUDLOG

Coring operation description for the well:

Conventional whole core samples are not planned.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 7012

Anticipated Surface Pressure: 4830.7

Anticipated Bottom Hole Temperature(F): 150

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Contingency Plans geohazards attachment:

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

HH CE 26 23 FED 002 H2S PLAN 20180809152118.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

HH_CE_26_23_FED_002_3H_DIRECTIONAL_PLAN_Rev0_YJ_26Jul18_20180813112140.pdf
HH_CE_26_23_FED_002_3H_WALL_PLOT__Rev0_YJ_26Jul18_20180813112152.pdf
HH_CE_26_23_FED_002_3H_NP_AC_Summary_Report_Rev0_YJ_26Jul18_20180813112204.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

HH_CE_26_23_Fed_002_3H_9pt_Drilling_Plan_v1_20180813112129.pdf

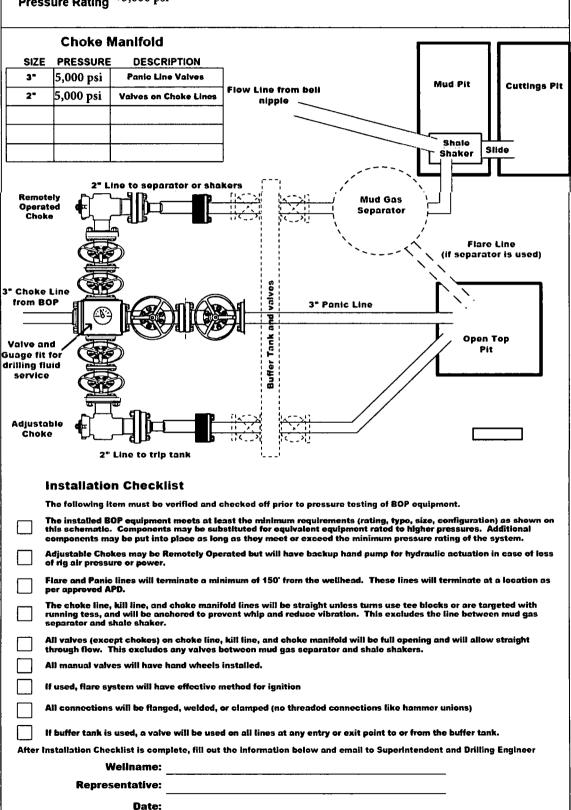
Other Variance attachment:

CHOKE MANIFOLD SCHEMATIC

Minimum Requirements

OPERATION: Intermediate and Production Hole Sections

Minimum System Pressure Rating :5,000 psi



BLOWOUT PREVENTOR SCHEMATIC

Minimum Requirements

OPERATION: Intermediate and Production Hole Sections

Minimum System
Pressure Rating :5,000 psi

Date:

	16330	are Rating					
		E PRESSU	T	٦			
	+	N/A	Bell Nipple				
 -	B 13 5/8" 5,000 psi C 13 5/8" 5,000 psi		Annular	Flowling to Shaker			
 -	+	13 5/8" 5,000 psi Pipe Ram		-			
-	D 13 5/8" 5,000 psi Blind Ram E 13 5/8" 5,000 psi Mud Cross			Fill Up Lino			
-		8" 5,000 psi	Mud Cross	-			
│ ├ ╹				<u> المالية الم</u>			
┞	DSA As required for each hole size		red for each hole size	- B			
┟┝		42.6		-			
	B-Sec 13-5/8" 5K x 11" 5K A-Sec 13-3/8" SOW x 13-5/8" 5K		· · · · · · · · · · · · · · · · · · ·	-			
L	7-360						
		Kill	Line				
_	SIZE	PRESSURE	DESCRIPTION	c c			
<u> </u>	2"	5,000 psi	Gate Valve				
	2"	5,000 psi	Gate Valve	100 m			
	2"	5,000 psi	Check Valve	Oto Do			
<u> </u>							
L				Kill Line- 2" minimum Choke Line to Choke Manifold- 3" minimum			
		Chok	ke Line				
_	SIZE	PRESSURE	DESCRIPTION LIT	And Sind . In Children			
<u> </u>	3.	5,000 psi	Gate Valve	HCR Valve			
	3-	5,000 psi	HCR Valve				
ļ							
L				G.			
	,	Inctallati	on Checklist				
	,	installati	on onecknot				
		The following	item must be verified and	d checked off prior to pressure testing of BOP equipment.			
ſ				east the minimum requirements (rating, type, size, configuration) as shown on			
ι				bstituted for equivalent equipment rated to higher pressures. Additional ng as they meet or exceed the minimum pressure rating of the system.			
ſ	_ A	li valves on t	ho kill line and choke line	will be full opening and will allow straight though flow.			
	 •	ha kill lina an	d abaka lina udil ba strais	whit unless turns use too blocks or are termeted with running toos			
Į			chored to prevent whip an	gnt unloss turns uso toe blocks or are targeted with running tess, id 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 kelly cock valve with handle will be available on rig floor along with safety valve and subs to fit all drill string connections in use.						
	fter Ins	tallation Che	cklist is complete, fill out	the information below and email to Superintendent and Drilling Engineer			
		v	/eliname:				
		Repres	entative:				

Ontinental **3**

Industrial Kft.

CONTITECH RUBBER No: QC-DB-617 / 2015

Page: 8/71

ContiTech

Hose Data Sheet

CRI Order No.	541802
Customer	ContiTech Oil & Manne Corp.
Customer Order No	4500606483 COM757207
liem No.	1
Hose Type	Flexible Hose
Standard	API SPEC 16 C -> TS(2)
Inside dia in Inches	3
Length	45 ft
Type of coupling one end	FLANGE 4.1/16" 10KPSI API SPEC 17D SV SWIVEL FLANGE C/W BX155ST/ST INLAID R.GR. SOUR
Type of coupling other end	FLANGE 4.1/15" 10KPSI API SPEC 17D SV SWIVEL FLANGE C/W BX155 ST/ST INLAID R.GR. SOUR
H2S service NACE MR0175	Yes
Working Pressure	10 000 psi
Design Pressure	10 000 psi
Test Pressure	15 000 psi
Safety Factor	2,25
Marking	USUAL PHOENIX
Cover	NOT FIRE RESISTANT
Outside protection	Stistoel outer wrap
Internal stripwound tube	No
Lining	OIL + GAS RESISTANT SOUR
Safety cizmp	Yes
Lifting collar	Yes
Element C	Yes
Safety chain	No
Safety wire rope	Yes
Max.design temperature [°C]	100
Min.design temperature [°C]	-20
Min. Bend Radius operating (m)	0,90
Min. Bend Radius storage [m]	0.90
Electrical continuity	The Hose is electrically continuous
Type of packing	WOODEN CRATE ISPM-15

ATTACHMENT OF OUALITY CONTROL INSPECTION AND TEST CERTIFICATE CONTITECH RUBBER No: QC-DB- 617 / 2015 No: 1609, 1610 Industrial Kft. Page: 7/71 2 Hirmin Crear ! Contiffeeh Rubbs 5,000 see 1, 2016/03/01 12,50:50 000 1, 2016/03/03 14,30:25 000 Industrial Eff.

Quality Control Dept.
(1) 14:00 00 Seryting Int. Start Time Stop Fune take on take in the in the Alectric Three in the in Ciabin A. 008172_71303.71304.QEV......038197_71303.71304.QEV 71303.71304 QX10 SSPUSO399 1304 01,00,00,000 Volume Presso-Toma 2018/2000 12:50:50,000 - 2015/0003 14:33 25,000 33.00 BC 0251 7015/0605 14:37:00:00 Oraco Vote B 13.37:00 000 A DRIED A 100000 Authorn Tomporatus Tres Carresort Abachdu Time Cata No :300 Š ę. Ę Fire Massage Fire Massage Device Type Serial No. Outs Could Print Graup Print Ranga Comment (estantase Dengaranan inadash



Casing and Tubing Performance Data

PIPE BODY DATA

C	MA	CT	ъ.

			GEOMETRI		
Outside Diameter	13.375 in	Wall Thickness	0.380 in	API Drift Diameter	12.459 in
Nominal Weight	54.50 lbs/ft	Nominal ID	12.615 in	Alternative Drift Diameter	n.a.
Plain End Weight	52.79 lbs/ft	Nominal cross section	15.513 in		
		P	ERFORMANCI		
Steel Grade	J55	Minimum Yield	55,000 psi	Minimum Ultimate	75,000 psi
Tension Yield	853,000 in	Internal Pressure Yield	2,730 psi	Collapse Pressure	1,130 psi
Available Seamless	Yes	Available Welded	Yes		
		CON	NECTION DA	TA	
TYPE: STC			GEOMETR1		
Coupling Reg OD	14.375 in	Threads per in	8	Thread turns make up	3.5
		Р	ERFORMANCI		
Steel Grade	J55	Coupling Min Yield	55,000 psi	Coupling Min Ultimate	75,000 psi
Joint Strength	514,000 lbs			Internal Pressure Resistance	2,730 psi



TH DS-12.0880 12 Dec 13 Rev 00

9 5/8" 43.50 ppf L80 IC - LTC

(USC Units)

		PIPE BOD	Y DATA		
		GEOM	ETRY		
Nominal OD	9.625 in.	Nominal Weight	43.50 lbs/ft	Standard Drift Diameter	8.599 in.
Nominal ID	8.755 in.	Wall Thickness	0.435 in.	Special Drift Diameter	8.625 in.
Plain End Weight	42.73 lbs/ft				
		PERFORI	MANCE		
Body Yield Strength	1005 x 1000 lbs	Internal Yield	6330 psi	Collapse	4830 psi
		CONNECTI	ON DATA		
		GEOM	ETRY		
Coupling Regular OD	10.625 in.	Threads per inch	8	Hand-Tight Standoff Thread Turns	3.5
		PERFORM	ANCE (1)		
Joint Strength	813 x 1000 lbs.	Internal Pressure Resistance	6330 psi		

⁽¹⁾ Non API size/grade combination for LTC.
Performance calculated according to API Standards 5CT and 5B and API Technical Report 5C3.
Joint Strength as per API TR 5C3 1st Edition/ISO 10400:2007 - Section 9
Internal Pressure Resistance as per API TR 5C3 1st Edition/ISO 10400:2007 - Section 10

For the latest performance data, always visit our website: www.tenaris.com

July 07 2015



Casing/Tubing: CAS

Connection: TenarisXP™ BTC

Coupling Option: REGULAR

Size: 5.500 in. Wall: 0.361 in.

Weight: 20.00 lbs/ft

Grade: P110

Min. Wall Thickness: 87.5 %

		GEOMET	ΓRY		
Nominal OD	5.500 in.	Nominal Weight	20.00 lbs/ft	Standard Drift Diameter	4.653 in.
Nominal ID	4.778 in.	Wall Thickness	0.361 in.	Special Drift Diameter	N/A
Plain End Weight	19.83 lbs/ft				
		PERFORM	ANCE		
Body Yield Strength	641 x 1000 lbs	Internal Yield	12630 psi	SMYS	110000 psi
Collapse	11100 psi				
	TEI	NARISXP™ BTC CO		ATA	
		GEOMET			
Connection OD	6.100 in.	Coupling Length	9.450 in.	Connection ID	4.766 in.
Critical Section Area	5.828 sq. in.	Threads per in.	5.00	Make-Up Loss	4.204 in.
•		PERFORM	ANCE		
Tension Efficiency	100 %	Joint Yield Strength	641 x 1000 lbs	Internal Pressure Capacity ⁽¹⁾	12630 psi
Structural Compression Efficiency	100 %	Structural Compression Strength	641 x 1000 lbs	Structural Bending ⁽²⁾	92 °/100 ft
External Pressure Capacity	11100 psi				
	E	STIMATED MAKE-	UP TORQUES	3)	
Minimum	11270 ft-lbs	Optimum	12520 ft-lbs	Maximum	13770 ft-lb
		OPERATIONAL LI	MIT TORQUES	3	
Operating Torque	21500 ft-lbs	Yield Torque	23900 ft-lbs		

BLANKING DIMENSIONS

Blanking Dimensions

- (1) Internal Pressure Capacity related to structural resistance only. Internal pressure leak resistance as per section 10.3 API 5C3 / ISO 10400 - 2007.
- (2) Structural rating, pure bending to yield (i.e no other loads applied)
- (3) Torque values calculated for API Modified thread compounds with Friction Factor=1. For other thread compounds please contact us at <u>licensees@oilfield.tenaris.com</u>. Torque values may be further reviewed. For additional information, please contact us at contact-tenarishydril@tenaris.com

H₂S Preparedness and Contingency Plan Summary



Training

MCBU Drilling and Completions H₂S training requirements are intended to define the minimum level of training required for employees, contractors and visitors to enter or perform work at MCBU Drilling and Completions locations that have known concentrations of H₂S.

Awareness Level

Employees and visitors to MCBU Drilling and Completions locations that have known concentrations of H₂S, who are not required to perform work in H₂S areas, will be provided with an awareness level of H₂S training prior to entering any H₂S areas. At a minimum, awareness level training will include:

- 1. Physical and chemical properties of H₂S
- 2. Health hazards of H₂S
- 3. Personal protective equipment
- 4. Information regarding potential sources of H₂S
- 5. Alarms and emergency evacuation procedures

Awareness level training will be developed and conducted by personnel who are qualified either by specific training, educational experience and/or work-related background.

Advanced Level H₂S Training

Employees and contractors required to work in areas that may contain H_2S will be provided with Advanced Level H_2S training prior to initial assignment. In addition to the Awareness Level requirements, Advanced Level H_2S training will include:

- H₂S safe work practice procedures;
- Emergency contingency plan procedures;
- 3. Methods to detect the presence or release of H₂S (e.g., alarms, monitoring equipment), including hands-on training with direct reading and personal monitoring H₂S equipment.
- 4. Basic overview of respiratory protective equipment suitable for use in H₂S environments. Note: Employees who work at sites that participate in the Chevron Respirator User program will require separate respirator training as required by the MCBU Respiratory Protection Program;
- 5. Basic overview of emergency rescue techniques, first aid, CPR and medical evaluation procedures. Employees who may be required to perform "standby" duties are required to receive additional first aid and CPR training, which is not covered in the Advanced Level H₂S training;
- 6. Proficiency examination covering all course material.

Advanced H₂S training courses will be instructed by personnel who have successfully completed an appropriate H₂S train-the-trainer development course (ANSI/ASSE Z390.1-2006) or who possess significant past experience through educational or work-related background.

H₂S Preparedness and Contingency Plan Summary



H₂S Training Certification

All employees and visitors will be issued an H₂S training certification card (or certificate) upon successful completion of the appropriate H₂S training course. Personnel working in an H₂S environment will carry a current H₂S training certification card as proof of having received the proper training on their person at all times.

Briefing Area

A minimum of two briefing areas will be established in locations that at least one area will be upwind from the well at all times. Upon recognition of an emergency situation, all personnel should assemble at the designated upwind briefing areas for instructions.

H₂S Equipment

Respiratory Protection

- a) Six 30 minute SCBAs 2 at each briefing area and 2 in the Safety Trailer.
- b) Eight 5 minute EBAs 5 in the dog house at the rig floor, 1 at the accumulator, 1 at the shale shakers and 1 at the mud pits.

Visual Warning System

- a) One color code sign, displaying all possible conditions, will be placed at the entrance to the location with a flag displaying the current condition.
- b) Two windsocks will be on location, one on the dog house and one on the Drill Site Manager's Trailer.

H₂S Detection and Monitoring System

- a) H₂S monitoring system (sensor head, warning light and siren) placed throughout rig.
 - Drilling Rig Locations: at a minimum, in the area of the Shale shaker, rig floor, and bell nipple.
 - Workover Rig Locations: at a minimum, in the area of the Cellar, rig floor and circulating tanks or shale shaker.

H₂S Preparedness and Contingency Plan Summary



Well Control Equipment

- a) Flare Line 150' from wellhead with igniter.
- b) Choke manifold with a remotely operated choke.
- c) Mud/gas separator

Mud Program

In the event of drilling, completions, workover and well servicing operations involving a hydrogen sulfide concentration of 100 ppm or greater the following shall be considered:

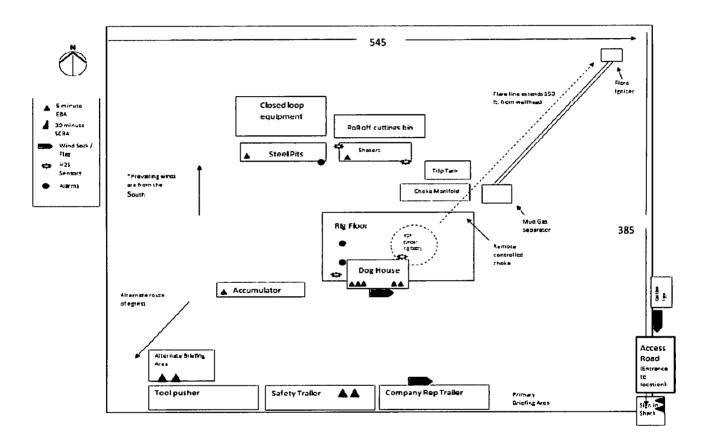
- 1. Use of a degasser
- 2. Use of a zinc based mud treatment
- 3. Increasing mud weight

Public Safety - Emergency Assistance

Agency	Telephone Number
Eddy County Sheriff's Department	575-887-7551
Carlsbad Fire Department	575-885-3125
Carlsbad Medical Center	575-887-4100
Eddy County Emergency Management	575-885-3581
Poison Control Center	800-222-1222



H₂S Preparedness and Contingency Plan Summary



Page 4 of 4

Schlumberner

Chevron HH CE 26 23 FED 002 3H Rev0 YJ 26Jul18 Proposal Geodetic Report



(Non-Def Plan)

August 03, 2018 - 02:15 PM Report Date: Client: Chevron

Field:

CREATON
NM Eddy County (NAD 27)
Chevron HH CE 26 23 FED 002 3H / HH CE 26 23 FED 002 3H
HH CE 26 23 FED 002 3H Structure / Slot:

Wall. Original Borehole Unknown / Unknow LIVA / API#:

Survey Name: Chevron HH CE 26 23 FED 002 3H Rev0 YJ 26Jul18

Survey Date: Tort / AHD / DDI / ERD Ratio: August 02, 2018 101.283 * / 10994.212 ft / 6,358 / 1,109

NAD27 New Mexico State Plane, Eastern Zone, US Feet N 32* 5'34.80068", W 104* 9'29.95675" N 397601.000 ftUS, E 554198.000 ftUS Coordinate Reference System: Location Lat / Long: Location Grid N/E Y/X:

CRS Grid Convergence Angle: Grid Scale Factor: 0.0930 ° 0.99991246 Version / Patch:

2.10.740.0

Survey / DLS Computation: Vertical Section Azimuth; Vertical Section Origin: TVD Reference Datum: Minimum Curvature / Lubinski 359.322 * (Grid North) 0.000 ft, 0.000 ft RKB=30' TVD Reference Elevation: Seabed / Ground Elevation: Magnetic Declination: Total Gravity Field Strength: 3158.000 ft above MSL 3128.000 ft above MSL

7.266 * 998.4431mgn (9.80665 Based) GARM **Gravity Model:**

Total Magnetic Field Strength: Magnetic Dip Angle: Declination Date: Magnetic Declination Model: 59.788 * Grid North 0.0930 * Grid Convergence Used: Total Corr Mag North->Grid 7 1728 * North: Local Coord Referenced To:

47908,103 nT August 02, 2018 HDGM 2018 Well Head

Comments	MD (ft)	Incl (*)	Azim Grid	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (*/100ft)	Northing (RUS)	Easting (ftUS)	Latitude (N/S * ' ')	Longitude (E/W * ' *)
Surface	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	397601.00		N 32 5 34.80 W	
Location	100,00	0.00	245.22	100.00	0.00	0.00	0.00	0.00	397601.00	554198,00	N 32 5 34,80 W	V 104 9 29.96
	200.00	0.00	245.22	200.00	0.00	0.00	0.00	0.00	397601.00		N 32 5 34.80 W	
	300,00 400.00	0,00 0.00	245,22 245,22	300,00 400,00	0,00 0,00	0,00 0,00	0.00 0.00	0,00 0,00	397601.00 397601.00		N 32 5 34,80 W N 32 5 34,80 W	
Surface Casing	450.00	0.00	245.22	450.00	0.00	0.00	0.00	0.00	397601.00	554198.00	N 32 534.80 W	/104 9 29.96
D 344 55 D1 0	500.00	0.00	245.22	500.00	0.00	0.00	0.00	0.00	397601.00		N 32 5 34.80 W	
Build 1.5° DLS	600.00 700.00	0.00 1.50	245.22 245.22	600.00 699.99	0.00 -0.53	0.00 -0.55	0.00 -1.19	0.00 1.50	397601.00 397600.45		N 32 5 34.80 W N 32 5 34.80 W	
	800.00	3.00	245.22	799.91	-2.14	-2.19	-4.75	1.50	397598.81		N 32 5 34.78 W	
	900.00 939.87	4.50 5.10	245.22	899,69 939,42	-4.81	-4.93 -6.33	-10.69	1.50 1.50	397596.07		N 32 5 34.75 W	V 104 9 30.08
Hold Tangent	1000.00	5.10	245.22 245.22	939.42	-6.17 -8.35	-8.57	-13.72 -18.57	0.00	397594.67 397592.43		N 32 5 34.74 W N 32 5 34.72 W	
	1100.00	5.10	245.22	1098.92	-11.98	-12,30	-26.64	0.00	397588.71	554171.36	N 32 5 34,68 W	V 104 9 30.27
	1200.00	5.10	245.22	1198.52	-15.61	-16.02	-34.71	0.00	397584.98		N 32 5 34.64 W	
	1300.00 1400.00	5,10 5,10	245.22 245.22	1298.13 1397.73	-19.24 -22.86	-19.74 -23.47	-42.78 -50.84	0.00 0.00	397581.26 397577.53		N 32 5 34.61 W N 32 5 34.57 W	
	1500.00	5,10	245.22	1497.34	-26.49	-27.19	-58.91	0.00	397573.81		N 32 5 34.53 W	V 104 9 30.64
	1600,00	5,10	245,22	1596.94	-30.12	-30.92	-66.98	0.00	397570.09		N 32 5 34.50 W	V 104 9 30.74
	1700.00 1800.00	5.10 5.10	245.22 245.22	1696.54 1796.15	-33.75 -37.38	-34.64 -38.36	-75.05 -83.12	0.00 0.00	397566.36 397562.64		N 32 5 34.46 W N 32 5 34.42 W	
	1900.00	5.10	245.22	1895.75	-41.01	-42.09	-91.18	0.00	397558.92	554106.82	N 32 5 34.39 W	V 1D4 9 31.02
	2000.00	5.10	245.22	1995.36	-44.63	-45,81	-99.25	0.00	397555.19	554098.76		
	2100.00 2200.00	5.10 5.10	245.22 245.22	2094,96 2194,57	-48.26 -51.89	-49,54 -53,26	-107.32 -115.39	0.00 0.00	397551.47 397547.75		N 32 5 34,31 W N 32 5 34,28 W	
	2300.00	5.10	245.22	2294.17	-55.52	-56.98	-123.46	0.00	397544.02		N 32 5 34.24 V	
	2400.00	5.10	245.22	2393,78	-59,15	-60.71	-131.53	0.00	397540,30		N 32 5 34,20 V	
	2500.00 2600.00	5.10 5.10	245.22 245.22	2493.38 2592.98	-62.77 -66.40	-64,43 -68,16	-139.59 -147.66	0.00 0.00	397536.57 397532.85		N 32 5 34.17 V N 32 5 34.13 V	
	2700.00	5.10	245.22	2692.59	-70.03	-71.88	-155.73	0,00	397529,13	554042,28	N 32 5 34.09 V	V 104 9 31.77
	2800,00	5,10	245,22	2792,19	-73,66	-75,60	-163,80	0.00	397525.40		N 32 5 34.06 V	
	2900.00 3000.00	5.10 5.10	245.22 245.22	2891.80 2991.40	-77.29 -80.92	-79.33 -83.05	-171.87 -179.93	0.00 0.00	397521.68 397517.96	554026.15 554018.08	N 32 5 34.02 V N 32 5 33.98 V	
	3100.00	5.10	245.22	3091.01	-84.54	-86.78	-188.00	0.00	397514.23		N 32 5 33.94 V	V 104 9 32.14
	3200.00	5.10	245.22	3190.61	-88.17	-90.50	-195.07	0.00	397510.51	554001.95	N 32 5 33.91 V	
	3300.00 3400.00	5.10 5.10	245.22 245.22	3290.22 3389.82	-91.80 -95.43	-94.22 -97.95	-204.14 -212.21	0.00 0.00	397506.79 397503.06		N 32 5 33.87 V N 32 5 33.83 V	
	3500.00	5.10	245.22	3489.42	-99.06	-101.67	-220.27	0.00	397499.34	553977.75		
	3600.00	5.10	245.22	3589.03	-102,69	-105.39	-228.34	0.00	397495,61		N 32 5 33.76 V	
	3700.00 3800.00	5.10 5.10	245.22 245.22	3688.63 3788.24	-106.31 -109.94	-109.12 -112.84	-236,41 -244,48	0,00 0,00	397491,89 397488,17		N 32 5 33,72 V N 32 5 33,69 V	
	3900.00	5,10	245.22	3887,84	-113.57	-116,57	-252.55	0,00	397484,44	553945.48	N 32 5 33.65 V	V 104 9 32.89
	4000.00	5,10	245,22	3987.45	-117,20	-120.29	-260,62	0.00	397480,72	553937.41		
	4100,00 4200.00	5,10 5,10	245,22 245.22	4087,05 4186.65	-120.83 -124.45	-124,01 -127,74	-268.68 -276.75	0.00 0.00	397477,00 397473,27	553929,34 553921,27	N 32 5 33,58 V N 32 5 33,54 V	
	4300.00	5.10	245.22	4286.26	-128.08	-131.46	-284.82	0.00	397469.55	553913.21	N 32 5 33.50 V	V 104 9 33.27
	4400.00	5.10	245.22	4385.86	-131.71	-135.19	-292.89	0.00 0.00	397465.83		N 32 5 33,47 V N 32 5 33,43 V	
	4500.00 4600.00	5.10 5.10	245.22 245.22	4485,47 4585,07	-135,34 -138,97	-138.91 -142.63	-300.96 -309.02	0.00	397462.10 397458.38		N 32 5 33.43 V N 32 5 33.39 V	
Drop 1.5° DLS	4675.80	5.10	245.22	4660.58	-141.72	-145.46	-315.14	0.00	397455.56	553882.89	N 32 5 33.37 V	V 104 9 33.62
	4700.00 4800.00	4.74 3,24	245.22 245,22	4684.68 4784,44	-142.56 -145,40	-146.33 -149.24	-317.02 -323.33	1.50 1.50	397454.69 397451.77		N 32 5 33.36 V N 32 5 33.33 V	
	4900.00	1.74	245.22 245.22	4884.34	-147,17	-151.06	-323.33 -327.27	1.50	397449.96		N 32 5 33.31 V	
	5000.00	0.24	245,22	4984.32	-147.87	-151.78	-328.83	1.50	397449,24	553869,20	N 32 5 33,30 V	V 104 9 33.78
Hold Vertical	5015.68 5100.00	0.00 0.00	245.22 245.22	5000.00 5084.32	-147.89 -147.89	-151,79 -151,79	-328,86 -328,86	1.50 0.00	397449.22 397449.22	553869,17 553869,17	N 32 5 33,30 V N 32 5 33,30 V	V 104 9 33.78 V 104 9 33.78
	5200.00	0.00	245.22	5184.32	-147.89	-151.79	-328.86	0.00	397449,22	553869,17	N 32 5 33.30 V	V 104 9 33.78
	5300.00	0.00	245,22	5284.32	-147,89	-151.79	-328.86	0.00	397449.22	553869.17		
	5400.00 5500.00	0,00 0.00	245.22 245.22	5384,32 5484,32	-147.89 -147.89	-151.79 -151.79	-328.86 -328.86	0.00 0.00	397449.22 397449.22		N 32 5 33.30 V N 32 5 33.30 V	
	5600.00	0.00	245.22	5584.32	-147.89	-151.79	-328.86	0.00	397449.22	553869.17		
	5700.00	0.00	245.22	5684.32	-147.89	-151.79	-328.86	0.00	397449.22	553869.17		
	5800.00 5900.00	0.00 0.00	245.22 245.22	5784.32 5884.32	-147.89 -147.89	-151.79 -151,79	-328.86 -328.86	0.00 0.00	397449.22 397449,22	553869.17 553869,17		
	6000.00	0.00	245.22	5984.32	-147.89	-151.79	-328.86	0.00	397449.22	553869,17	N 32 5 33,30 V	V 104 9 33,78
	6100.00	0,00	245,22	6084,32	-147,89	-151.79	-328,86	0.00	397449.22	553869.17	N 32 5 33.30 V	V 104 9 33.78
	6200.00 6300.00	0.00 0.00	245.22 245.22	6184.32 6284.32	-147.89 -147.89	-151,79 -151,79	-328.86 -328.86	0.00 0.00	397449,22 397449,22	553869,17 553869,17		
	6400.00	0.00	245.22	6384.32	-147.89	-151.79	-328.86	0.00	397449.22	553869.17		
	6500.00	0.00	245.22	6484.32	-147.89	-151.79	-328.86	0.00	397449.22	553869.17	N 32 5 33.30 V	V 104 9 33.7
	6600.00	0.00	245.22	6584.32	-147.89	-151.79	-328.86	0.00	397449.22		N 32 5 33.30 V	
	6700.00 6800.00	0.00 0.00	245.22 245.22	6684,32 6784,32	-147,89 -147,89	-151.79 -151.79	-328.86 -328.86	0.00 0.00	397449.22 397449.22		N 32 5 33.30 V N 32 5 33.30 V	
	6900.00	0.00	245.22	6884.32	-147.89	-151.79	-328.86	0.00	397449.22	553869.17	N 32 5 33.30 V	V 104 9 33.7
	7000.00	0.00	245.22	6984.32	-147.89	-151.79	-328.66	0.00	397449.22		N 32 5 33.30 V	V 104 9 33.7
	7100.00	0.00	245.22	7084.32	-147.89	-151.79	-328.86	0.00	397449.22		N 32 5 33.30 V	
	7200,00	0.00	245.22	7184.32	-147.89	-151,79	-328.86	0.00	397449,22	553050 17	N 32 5 33.30 V	V 104 9 33.78

Turn 1: DLS Held to TD	Landing Point	Build 10" DLS	Intermediate Casing	Comments
10700 00 11000 00 11000 00 11000 00 11000 00	9900.00 10000.00 10100.00 10200.00 10257.72 10300.00 10500.00	8800 00 9000 00 9100,00 9200 00 9200 00 9307 72 9400 00 9500 00 9500 00	7700,00 7700,00 7700,00 7800,00 8000,00 8100,00 8200,00 8300,00 8300,00 8400,00 8600,00	MD 7400.00 7500.00
	54.23 64.23 74.23 84.23 90.00 90.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0		0.00 the
556,78 556,78	358.78 358.78 358.78 358.78 358.78 358.78 358.78 358.78	245.22 245.22 245.22 245.22 245.22 245.22 245.22 245.22 245.22 245.22 358.78 358.78	245.22 245.22 245.22 245.22 245.22 245.22 245.22 245.22 245.22	Azim Grid (1) 245.22 245.22
9915.00 9915.00	9866.91 9858.01 9853.43 9912.10 9915.00 9915.00 9915.00 9915.00	8884.32 8884.32 8984.32 9084.32 9184.32 9284.32 9342.04 9342.87 9342.87 9564.33	7684.32 7784.32 7784.32 7784.32 7994.32 8184.32 8284.32 8384.32 8484.32 8584.32	7384.32 7484.32 7484.32
867.31 867.32 1167.20 1167.20 1267.27 1667.	90.13 175.94 269.32 367.43 425.04 467.32 567.32 667.32	-147,89 -147,89 -147,89 -147,89 -147,89 -147,89 -147,89 -146,31 -130,31 -130,31 -130,31 -14,66	-147.89 -147.89 -147.89 -147.89 -147.89 -147.89 -147.89 -147.89 -147.89 -147.89	VSEC (ft) -147.89
861.22 861.22 861.23 1061.17 1163.16 1263.11 1163.10 1653.06 1653.06 1763.02 1652.99 2262.90 2362.81 2662.81	85.19 171.98 265.34 363.43 421.04 463.31 563.28 663.26 763.24	-151.79 -151.79 -151.79 -151.79 -151.79 -151.79 -150.23 -134.22 -134.23 -101.33	-151.79 -151.79 -151.79 -151.79 -151.79 -151.79 -151.79 -151.79 -151.79 -151.79 -151.79	.151.79
350,00 354,75 354,75 354,75 355,60 355,60 355,60 355,60 356,60 376,60 376,60 376,60 376,60 376,60 376,60 377,70 384,57 384,57 384,57 384,57 384,57 386,50	-333.93 -335.76 -337.75 -339.84 -341.07 -341.97 -344.10 -346.23	-328.86 -328.86 -328.86 -328.86 -328.86 -328.86 -328.86 -328.89 -329.23 -329.23 -329.23	-328.86 -328.86 -328.86 -328.86 -328.86 -328.86 -328.86 -328.86 -328.86	-328.86 -328.86 -328.86
	0.00 0.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00		(*/100ft) 0.00 0.00
198584, 11 198584, 10 198784, 10 198784, 10 198784, 10 198784, 10 198784, 10 199785, 10 199785, 10 199785, 10 199785, 17	397687.18 397772.96 397766.32 39766.40 398022.00 398064.27 398164.24 398264.21 398264.21	397449.22 397449.22 397449.22 397449.22 397449.22 397449.22 397449.22 397450.78 397450.78 397450.79	397449,22 397449,22 397449,22 397449,22 397449,22 397449,22 397449,22 397449,22 397449,22 397449,22 397449,22	Northing (ftUS) 397449.22 397449.22
553847,54 553841,28 553841,28 553841,28 553841,28 553841,28 553841,28 553821	55364.10 553662.27 553660.28 55368.19 553856.97 553856.93 553853.93 553851.80 553849.67	53869.17 553869.17 553869.17 553869.17 553869.17 553869.17 553869.14 553868.80 553868.80 553868.80	33333 3 3333333	Easting (NUS) 553869.17 553869.17 553869.17
N 22 54.3.3 W (100 N 22 54.5.3 W (100 N 22 54.5.2 W (100 N 22 54.5.2 W (100 N 22 55.7.20 W	33 S S S S S S S S S S S S S S S S S S	*********	88888 <i>8</i> 88888888888888888888888888888	₹ ₹ ₹
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	99999999	9 9 9 9 9 9 9 9 9 9 9 9		Longitude (EW***) 04 9 33.78 04 9 33.78

ie / Chevron HH 202 3H Revo YJ Ie / Chevron HH (e / Chevron HH	CE 26 23 FED (26Ju Original Borehol		H+GWW_MWD+H VinO B001Ma_MWI	(bep)	000.0£ 000.0£	000.05	000.001\1	000.0E	000.00	ı		
/ Survey	eloranoB	4 Type	Survey Too	Expected Max Inclination	natemail gniss) (ni)	esis eloH (rii)	pen 국 VO크 (ff)	ot CIM (#)	mon T GM (취)	haq		Descubtion
				veM bottomy3			ı	smgiz 0000.£ eorebiì	no 3 %1 70. 7€ G-€	2CM2∀ K∞ 3 :	4	Survey Error Model: Survey Program:
										nel9 1s0-noi	ŧ	Survey Type:
												3H - PBHL
11.25 9 301 W	02.81 7 SE N	00.857528	00,61080>	00.0	10.031-	10,87401	29,683,01	00.2166	78.62£	00.06	77.81502	Se S3 LED 00S Cµexton HH CE
11'SE 6 #01 M	PE'81 / ZE N	\$0.85755 6	408062.23	00.0	00.031-	11.58401	88.33401	00.2166	78.63£	00.06	20300.00	30 NA40
11.25 6 401 W			407962.24	00.0	TT.621-	71.Saco1	88.88001	00.2166	78.62C	00.06	20200.00	
11.85 6 401 W			407862.25	00.0	£5.651-	10262.17	10266.69	9915.00	78.62£	00.06	20100.00	
11.85 6 POT W			407762.26	00.0	05.621-	10.53101	68.89101	00.2166	78.62£	00.06	20000.00	
M 104 9 32 10			407662.27	00.0	70.62¥-	11.23001	06.99001	00.2166	78.62£	00.08	00.00661	
01.35 @ b01 W			82.Z92Y04	00.0	£8.83+-	71.S966	06.8966	00,2166	78.625	00.09	00.00891	
01.35 6 101 W			407462.29	00.0	09.821-	71,S889	06.888	99.5.00	78.63£	90.09	00.00761	
W 104 9 35.10			407362,29	00.0	7E.88.	71,237e	16.8876	9915,00	78.62£	00.08	00.00361	
W 104 935.10			407262.30	00.0	E1.821-	71.S389	16,888	00.2166	78.62£	00.09	00,00391	
01.25 6 MOI W			16.531704	00.0	06.72 1.	71.S388	26.9926	00.2166	78.62£	90.00	19400,00	
01.25 6 MOI W			SE.S3070>	00.0	78.72 1.	71.S348	26.88 1 6	00.2166	78.62£	00.09	19300,00	
01.25 @ b01 W			££.236304	00.0	E4.724-	71.28E9	56,8856	00.2166	78.63£	00.09	19200.00	
01.25 9 401 W			₽£.Z3830A	00.0	02.72 4-	71.232e	66.9926	00.2166	78.62£	00.08	00.00161	
01.25 6 b01 W			406762.35	00.0	76.88 1-	71.2319	16.8816	00.2166	78.62£	00.06	00.00001	
01.25 9 401 W			406682.36	00.0	£7.88 1-	71.Sa0e	¥6.8806	00.2199	78.62£	00.09	00.00681	
01.25 9 bot W			406562.37	00.0	08.88	71.2368	66.8968	00.2166	78.62£	00.09	00.00881	
60.8E 6 #01 W			406462.38	00.0	75.821-	71.S388	26.888	00.2166	78.62£	00.09	00.00781	
60.25 6 #01 W			406362.39	00.0	CO.821-	71.2378	26.8878	00.2166	78.62£	00.09	00.00381	
60.25 6 401 W			406262.40	00.0	08,221	71.S338	96.9938	00,2166	78.62£	00.08	00.00281	
60.25 6 PO! W			406162.41	00.0	78.22 1	71,2928	96.9928	00.2166	78.62£	00.06	00.00481	
60.85 6 401 W			14,500004	00.0	¢£.22.	71,5348	76.88	00.2166	78.62£	00.06	00,00581	
90.25.9 bot W			405962.42	00.0	01.223-	71.5858	76.8858	00.2166	78.62£	00.09	18200,00	
90.25.9 #01 W			405862.43	00.0	38.424-	71.2828	86.9958	00.2166	78.62£	00.06	00.00181	
60.25 6 +01 W			40.5762.44	00.0	£8.424-	71,2318	86.3318	00.2166	78.62£	00.09	00.00081	
90.25 8 MOT W			405662.45	00.0	09.424-	71.S308	66.8808	00.8166	78.62£	00.08	00.00971	
60.25 6 \$01 W			94.292304	00.0	91.454-	71.S367	66.8967	00.2166	78.62£	00.09	00.00871	
935.09 W			74.284804	00.0	£6.£21-	71,2887 T1 2007	00.7887	00.2166	78.62E	00.09	00.00771	
(E/W)	(s/N)	(eus)	(sun)	(MOOF1")	(H)	(ij)	(4)	(11)	(J	(.)	(ij)	
Longitude	Latitude	Eesqud	guirthoM	DES	M3	SN	AZEC	QVT	bh9 misA	lani	αw	Somments

Chevron Schlumberger Plan - Rev0 Chevron **Original Borehole** HH CE 26 23 FED 002 3H NM Eddy County (NAD 27) Chevron HH CE 26 23 FED 002 3H ABOUR HH GE 28 23 FED TVD Ref: RK8=30'(31687 002 3H Chevron MH GE 26 23 FED 002 3H Rev0 YJ 26JuH 8 998,443mgn (8, vion HH CF 26 23 FED 002 1H Rev0 YJ 26Jul18 WON HH CE 28 23 FED 001 2H Rev0 YJ WON HH CE 28 23 FED 001 2H Rev0 YJ 27 Jul 18 IN HH CE 26 23 FED 001 1H Rev0 YJ 27 Jul 18 vron HH CE 26 23 FED 002 2H Rav0 YJ 26Jul 18 330 HL Grid 500 True Mag 9000 1000 8500 1500 **Grid North** 2000 ☐ Tot Corr (M->G 7.173°) 7000 Mag Dec (7.266°) 2500 Grid Conv (0.093°) 6500 Fine 3000 3500 5500 4000 4500 4500 = 1:450.00(ft) 4000 5000 3500 TVD (ft) Scale 5500 2500 6000 2000 6500 1500 1000 7000 11 Section Line 8500 -4000 -3500 -3000 -2500 -2000 -1500 -1000 -500 9000 EW (ft) Scale = 1:600.00(ft) 9500 10000 10500 Chevron HH CE 26 23 FED 002 3H Revo YJ 26Jul 18 11000 2500 3000 3500 4500 5000 5500 6000 6500 -1000 500 1000 1500 2000 Vertical Section (ft) Azim = 359.32* Scale = 1:450.00(ft) Origin = 0N/-S, 0E/-W 4,00 -13.77 CONTROLLED 9.10 1.00 1.00 1.00 1.00 1.00 411.79 4151.79 4151,71 421.84 5480.80

Schlumberger

Chevron HH CE 26 23 FED 002 3H Rev0 YJ 26Jul18 Anti-Collision Summary Report

Min Pts:

Version / Patch: Database \ Project:

Trajectory Error Model:

Analysis Date-24hr Time: Client: Field: Structure: Slot: Well: August 03, 2018 - 14:09 Chevron NM Eddy County (NAD 27) Chevron HH CE 28 23 FED 002 3H HH CE 26 23 FED 002 3H HH CE 28 23 FED 002 3H Chicinal Bacabola. Original Borehole 0.00ft - 20316,77ft

Scan MD Range:

ISCWSA3 3-D 97.071% Confidence 3.0000 sigma

Offset Trajectories Summary

Offset Selection Criteria Wellhead distance scan: Selection filters:

Restricted within 61327,27 ft
Definitive Surveys - Definitive Plans - Definitive surveys exclude definitive plans
- All Non-Def Surveys when no Def-Survey is set in a borehole - All Non-Def Plans when no Def-Plan is set in a borehole

Normal Plane Chevron HH CE 26 23 FED 002 3H Rev0 YJ 26Jul18 (Non-Def Plan) Every 10.00 Measured Depth (ft) Chevron DCM-ST-102008 rev 0214 - updated 04/15 Analysis Method: Reference Trajectory: Depth Interval: Rule Set:

Chevron

2.10.740.0 us1153app452.dir.slb.com\drilling-NM Eddy County 2.10

All local minima indicated.

Offset Trajectory		Separation		Allow	Sep.	Controlling	Reference			Risk Level		Alert	Statu
		MAS (ft)	EOU (ft)	Dev. (ft)	Fact.	Rule	MD (ft)	TVD (ft)	Alert	Minor	Major		
ults highlighted: Sep-Facti	r separation <=	1,00 ft											
015-37916 Chevron													
ksey 26 Federal Com #1H Iset) - A Blind+MWD 0-													
D25' (Def Survey)													Fail Major
<u>V</u>	5857.95	699.05	4958.90	4958.90	8.09	SF1.00	632.32	632.32				MmPt-CtCt	
	5673.74	1901.01	3772.74	3772.74	2.98	SF1.00		1269.81	SF<3.00			Enter Alert	
	5704.97	3815.91	1889.06	1889,06	1.50	SF1.00		2550.19		SF<1.50		Enter Minor	
	5729.81	5730.97	-1,16	-1.16	1.00	SF1.00	3842,78	3830.85			SF<1.00	Enter Major	
	5247,98	8500.56	-3252.58	-3252.68	0.62	SF 1.00		6360.44				MinPts	
	1053.48	8500,49	-7445.01	-7445.01	0,12	SF1.00		6336.61				MinPts	
	2601.02	8500.54	-5899.52	-5899.52	0.31	SF1.00		6346.77 9843.57			SF>1,00	MmPts Ext Major	
	4003.00 3736.19	4012.02 2511.17	-9.03 1225.02	-9.03 1225.02	1.00	SF1.00 SF1,00		9887.49		SF>1.50	5771,00	Ext Minor	
	3617.39	1225.70	2391.69	2391.69	2.95	SF1,00		9908.48	SF>3.00	3771.30		Ext Alert	
	3579.23	440.78	3138.45	3138.45	8.12	SF1.00		9915 00	0 0.02			MinPt-CtCt	
	3580.18	429.57	3151.62	3151,62	8.35	SF1.00		9915.00				MmPt-O-SF	
	3580.03	428.50	3151.53	3151.53	8.35	SF1.00		9915.00				MinPte	
	3580.01	428.42	3151.59	3151.59	8.36	SF1.00		9915.00				MinPt-C1C1	
	3583.54	413.25	3170.29	3170.29	8,67	SF 1.00	11494.91	9915.00				MinPta	
	3573.07	385.04	3188.03	3188.03	9.28	SF1.00	12064.65	9915.00				MmPts	
	3571.61	380.67	3190.94	3190.94	9.38	SF1.00		9915.00				MinPt-CICI	
	3073.76	8500.54	-5426.78	-5426,78	0.36	SF1.00		6340.37	SF<3.00	SF<1.50	SF<1,00	Enter Major	
	3530.50	8500.55	-4970.05	4970.05	0,42	\$F1.00		6349.58				MnPts	
	4198.10	4684.25	-486.15	-486.15	0,90	SF1.00		9815.83	SF>3.00	SF>1.50	SF>1.00	Exil Major MmPt-CtCt	
	3571.63	380.48	3191.15 3147.77	3191.15	9.39 8.46	SF1.00		9915.00 9915.00				MinPt-CtCt	
	3569.66 4526.36	421.89 8500.55	-3974.20	3147,77 -3974,20	0.53	SF1,00 SF1.00		6352.43	SF<3.00	SF<1.50	SF<1.00	Enter Major	
	4523.21	8500.55	-3977.34	-3977.34	0.63	SF1.00		6352.43	G/ -0.50	31 - 1.30	01 -1.00	MmPts	
	4483.25	8500.55	4017.30	-4017.30	0.53	SF1.00						MinPts	
	5278.30	6479.02	-1200.71	-1200.71	0.81	SF1.00		9706.79				ManPts	
	4943.01	6100.93	-1157.91	-1157.91	0.81	SF1.00		9735.24				MmPt-O-SF	
	4789.70	5899.80	-1110.10	-1110.10	0.81	SF1.00	9810.24	9748.96	SF>3.00	SF>1.50	SF>1.00	Exit Major	
	3569.73	423.77	3145.96	3145.96	8.42	SF1.00	13224.04	9915.00				MinPi-CICI	
	3568.05	480.32	3087.73	3087.73	7.43	\$F1.00		9915.00				ManP1-C1C1	
	3567.27	483.83	3083.44	3083.44	7.37	SF1.00		9915.00				ManPt-O-SF	
	3565.65	485.97	3079.67	3079,67	7.34	\$F1.00		9915.00				MmPI-CICI	
	3565.98	487,08	3078.89	3078.89	7.32	SF1.00		9915.00				MmPts	
	3566.00	487.09	3078.91	3078.91	7.32	SF1.00		9915.00				MmPt-O-SF MmPt-CtCt	
	3559.32	446,41	3112.91	3112.91	7.97	SF1.00 SF1.00		9915,00 6354,69	SF<3.00	SF<1.50	SF<1.00	Enter Major	
	4921.11	6500.56 6500.56	-3579.45 -3657.58	-3579.45 -3657.58	0.58 0.57	SF1.00		6355.02	3r<3.00	SF<1,30	351.00	ManPte	
	6368.40	7173.62	-805.22	-805.22	98.0	SF 1.00		9642.48				MinPts	
	5816.04	6824.66	-8.61	-8.61	1.00	SF1.00					SF>1.00	Ext Major	
	7498.56	5007.51	2491.06	2491.06	1,50	SF1.00				SF>1.50		Exit Minor	
	8616.19	2885.68	5730.51	5730.51	2.99	SF1.00	9854.58	9778.93	SF>3.00			Ext Alert	I
	9838.03	100.45	9735.58	9735.58	97.92	SF1.00	15487.89	9915.00				MmPts	
	9846.03	100.43	9745.60	9745.60	98.04	SF1.00	15487.89	9915.00				TD	1
	6358.49		-815.00	-815.00	0.89	SF1.00			SF<3.00	SF<1.50	SF<1.00	Enter Major	
	6129.19	7105.79	-976.61	-976.61	38.0	SF1.00	9682.44	9649.66				MmPts	
15-01147 Pre-Ongard W													
IBland Cat to 102661 - P	9												
Survey)													Fail Major
	1772.40	597.65	1174.75	1174.75	2.97	SF1.00	479.00	479,00	SF<3.00			Enter Alert	
	1772.40		996.56	998.56	2.28	SF1.00						MmPt-C1C	
	1778.66		588.24	588.24	1,49	SF1.00				SF<1.50		Enter Manor	
	1807.76		-2.17	-2.17	1.00	SF1,00					SF<1.00	Enter Major	
	2122.21 2168.23	14550.15 14798.00	-12527.94 -12629.77	-12527.94 -12629.77	0.14	SF1.00 SF1.00						MinPt-O-SF MinPts	
	2169.56		-12629.65		0.15	SF1.00 SF1.00						TD	
	2109.30	14/33,13	-12020.00	-12029.00	0.15	SF1.00	3513.30	5013.04					
15-27790 POGO 23 Stat													
Offset) - P Blind 0-6,100*													F-3.86 111
Survey)	-						=						Fail Major
	10459.35		9802.30		15,92 2,99	SF1.00 SF1.00			SF<3.00			MinPt-CtCt Enter Aleri	
	10486.04	3507.64 7006.65	6978.40						SF<3.00	SF<1 50		Enter Aleri Enter Manor	
	10527.59 10528.50		3500.94 1540.92	3500.94 1640.92	1,50	SF1,00 SF1,00		4721,14 6200,30		SF<1,50		Enter Minor	
	10529,50		3730,47	3730.47	1.17	SF1.00 SF1.00				SF>1.50		Ext Minor	
	12193.97		8119.64	8119,64	2.99	SF1,00			SF>3,00	or-1,30		Exit Aleri	
	12193.97		9882.78	9882.78	57.15	SF1,00			37-3,00			TC	
	6227.20		4147.52	4147.52	2.99	SF1.00			SF<3,00			Enter Alen	
	5059.27		1683,60		1.50	SF1,00			5. 5.50	SF<1.50		Enter Minor	
	4404.87		-19.61	-19.61	1.00	SF1.00					SF<1,00	Enter Major	
	4318.56				0.94	SF1.00						MinPte	
								-					
5-26924 Chi Operating crine ST #001 Bland Oil	ne .												

Enter Alert

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9510.20 6821.25

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SF1.00

1967 74

Offset Trajectory	T	Separation		Allow	Sep.	Controlling	Reference	Trajectory	-	Risk Level		Alert	Status
Oneth majoritory	Ct-Ct (ft)	MAS (ft)	EOU (ft)	Dev. (ft)	Fact.	Rule	MD (R)	TVD (ft)	Alert	Minor	Major	-{	
·	10365.62	6915.03	3450.78	3450.78	1,50	SF1.00	4308.45	4294.67	rquitI	SF<1.50		Enter Minor	
	10383.65	7449.78	2933.87	2933.87	1,39	SF1.00	4692.76	4577.47				MmPts	
	10379.71	8631,19	1748.52	1748.52	1,20	SF1.00	5972.68	5957.00				MmPts	
	11103.52	7415.62	3687.91	3687.91	1,50	SF1.00	9574.70	9553,88		SF>1.50		Ext Minor	
	12078.64	4028,44	8050,21	8050,21	3,00	SF1.00	9677,41	9645,40	SF>3.00	-		Exit Alert	
	9977,62	172.86	9804.76	9804.76	57.72	SF1.00	19930.05	9915.00				TD	
	5806,77	1937,84	3868.93	3868.93	3.00	SF1,00	19930.05	9915,00	SF<3.00			Enter Alert	
	4651,09	3112.06	1539.03	1539.03	1.49	SF1.00	19930.05	9915.00		SF<1,50		Enter Minor	
	4338.85	3541.78	797.07	797,07	1.23	SF1.00	19930.05	9915,00				MmPts	
Chevron HH CE 26 23 FED 00 2H Rev0 YJ 25Jul 18 (Non-Def	2	-											
Plan)												Enter Alert	aming Alert
	25.00	2.50	22.50	22.50	10.00	SF1.00	0,00	0,00	Ct-Ct<30,00				
	25,00	8.25	16,75	16,75	3,03	SF1.00	599.00	599.00				MnPt-CtCt MnPts	
	26,30	11.87	14.43		2.22	SF1.00 SF1.00	950.99 1000.98	950.50 1000.29				MinPt-O-SF	
	27.15 97.49	12.39 20.91	14.76 76.58	14,76 76,58	2.19 4.66	SF1.00 SF1.00	1787.51	1783.71	C1 C1×20 00			Ext Alart	
	398,14	101,78	76.58 294,36	76.58 294.36	4.66 3.89	SF1,00	9419,78	9403.98	Ct-Ct>30.00			MinPt-CtCt	
	396,14	101.78	293.85	291.85	3.89	SF1.00 SF1.00	9419,78	9480.60				MinPts	
	390.38	102.99	293,83		3,86	SF1.00	9552.95	9533.52				MmPt-O-SF	
	541.97	180,69	254.36 361.27	294.38 351.27	3.00	SF1.00	16535.39	9915.00	SF<3.00			Enter Alert	
	563.02	266.33	296,69	298.69	2.11	SF1.00	20316.77	9915.00	3/3.00			MmPts	
Chevron HH CE 26 23 FED 00 4H Rev0 YJ 26Jul18 (Non-Def	2												
Pten)													arning Alert
	25.02	2.50	22.52		10.01	\$F1,00	0.00	0,00	Ct-Ct<30.00			Enter Alert	
	25.02	2.50	22.52	22.52	10.01	\$F1.00	30.00	30,00				WRP	
	25.02	8.25	16.77	16,77	3.03	SF1.00	600.00	600,00				MinPi-CiCi	
	25,17	8.56	16,60		2,94	SF1,00	629.82	629.82				MnPts	
	26,33	9,18	17.15	17.15	2.87	SF1.00	689.44	689.43				MinPt+O-SF	
	97,93	16.11	81,82	81.82	6.08	SF1.00	1353.11	1351.03	Ct-Ct>30.00			Ext Alert	
	422,43	101.19	321,24	321.24	4.17	SF1.00	9412.31	9396,56				MinPts	
	424.87	102.26	322.61	322.61	4,16	\$F1,00	9511,66	9494,14				MinPt-O-SF	
	820,10	163.98	356.12	356.12	3,17	SF1.00	15224,86	9915.00				MinPt-CtCt	
	520,23	173.56	346,67	346,67	3,00	SF1.00	15698.21	9915.00	SF<3.00			Enter Alort	
	520,27	274.89	245.37	245,37	1,89	SF1.00	20313.79	9915,00				MmPts	
Chevron HH CE 26 23 FED 00 1H Rev0 YJ 26Jul18 (Non-Def	2 '										-		
													arning Alert
	*	2.50	47,51	47.51	20,01	SF1.00	0.00	0.00	Q.Q<30,00			Enter Alert	
	50,01					SF1,00	599,00	599.00				MinPt-CtCt	
Plan)	50,01	8.25	41,77	41,77	6,06		050 00	OF 0 ==					
	50,01 51,28	8,25 11,88	39.41	39,41	4.32	SF1.00	953.03	952.52				MnPts	
	50,01 51,28 54,91	8,25 11,88 13,25	39.41 41,66	39,41 41.66	4,32 4,14	SF1.00 SF1.00	1082.95	1081,94				MmPt-O-SF	
	50,01 51,28 54,91 97,34	8,25 11,88 13,25 17,88	39.41 41,66 79,46	39,41 41,66 79,46	4.32 4.14 5.44	SF1.00 SF1.00 SF1,00	1082.95 1510,62	1081.94 1507.92	Ct-Ct>30.00			MmPt-O-SF Ext Alert	
	50,01 51,28 54,91 97,34 112,11	8,25 11,88[13,25 17,88 18,86	39,41 41,66 79,46 93,25	39,41 41.66 79,46 93.25	4,32 4,14 5,44 5,94	SF1.00 SF1.00 SF1.00 SF1.00	1082,95 1510,62 1599,42	1081,94 1507,92 1596,37	CI-CI>30.00			MmP1-O-SF Exil Alert MmP1-O-SF	
	50,01 51,28 54,91 97,34 112,11 813,84	8,25 11,88 13,25 17,88 18,86 102,03	39.41 41.66 79.46 93.25 713.61	39,41 41,66 79,46 93,25 713,61	4.32 4.14 5.44 5.94 7.99	SF1.00 SF1.00 SF1.00 SF1.00 SF1.00	1082,95 1510,62 1599,42 9379,09	1081,94 1507,92 1596,37 9363,41	Ct-Ct>30.00			MmPI-O-SF Exil Alert MmPI-O-SF MmPI-CICI	
	50,01 51,28 54,91 97,34 112,11	8,25 11,88[13,25 17,88 18,86	39,41 41,66 79,46 93,25	39,41 41.66 79,46 93.25	4,32 4,14 5,44 5,94	SF1.00 SF1.00 SF1.00 SF1.00	1082,95 1510,62 1599,42	1081,94 1507,92 1596,37	Ct-Ct>30.00			MmP1-O-SF Exil Alert MmP1-O-SF	

ONSHORE ORDER NO. 1 Chevron HH CE 26 23 FED 002 3H Eddy County, NM

1. FORMATION TOPS

The estimated tops of important geologic markers are as follows:

FORMATION	SUB-SEA TVD	KBTVD	MD
Castile		893	
Lamar		2,323	
Bell Canyon		2,357	
Cherry Canyon		3,185	
Brushy Canyon		4,351	
Avalon		6,095	
First Bone Spring		6,907	
First Bone Spring Shale		7,114	
Second Bone Spring		7,502	
Third Bone Spring		8,647	
Wolfcamp A		9,006	
Wolfcamp C		9,810	
Wolfcamp C Target		9,915	20317
Wolfcamp D		9,957	

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 Ex	spected Base of Fresh Water	450
Water	Castile	893
Water	Cherry Canyon	3,185
Oil/Gas	Brushy Canyon	4,351
Oil/Gas	Avalon	6,095
Oil/Gas	First Bone Spring	6,907
Oil/Gas	Second Bone Spring	7,502
Oil/Gas	Third Bone Spring	8,647
Oil/Gas	Wolfcamp A	9,006
Oil/Gas	Wolfcamp C	9,810
Oil/Gas	Wolfcamp D	9,957

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

3. **BOP EQUIPMENT**

Chevron will have a minimum of a 5,000 psi rig stack (see proposed schematic) for drill out below surface casing. The Wolfcamp is not exposed until drill out of the intermediate casing, and the stack will be tested as specified in the attached testing requirements for 5K Stacks. Batch drilling of the surface, intermediate, and production will take place. A full BOP test will be performed unless approval from BLM is received otherwise. Flex choke hose will be used for all wells on the pad (see attached specs). Chevron requests a variance to use a CoFlex hose with a metal protective covering that will be utilized between the BOP and Choke manifold. Please refer to the attached testing and specification documents. BOP test will be conducted by a third party.

Chevron requests a variance to use a FMC Technologies UH-S Multibowl wellhead, which will be run through the rig floor on surface casing. BOPE will be nippled up and tested after cementing surface 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. An installation manual has been placed on file with the BLM office and remains unchanged from previous submittal.

CONFIDENTIAL – TIGHT HOLE DRILLING PLAN PAGE¹ 2

4. CASING PROGRAM

a. The proposed casing program will be as follows:

Purpose	From	То	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Surface	0'	450'	17-1/2"	13-3/8"	54.5#	J-55	STC	New
Intermediate	0'	9,106'	12-1/4"	9-5/8"	43.5#	L-80IC	LTC	New
Production	0'	20,317'	8-1/2"	5-1/2"	20.0#	P-110	TXP BTC	New

An alternative casing design with a contingency string is as follows:

Purpose	From	То	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Surface	0'	800'	17-1/2"	13-3/8"	54.5#	J-55	STC	New
Intermediate Csg	0'	9,106'	12-1/4"	9-5/8"	43.5 #	L-80IC	LTC	New
Intermediate Liner	8,806'	10,000'	8-1/2"	7-5/8"	29.7 #	P-110	Wedge 513	New
Production	0,	9,257'	6-3/4"	5-1/2"	20.0#	P-110	TXP BTC	New
FIGURE	9,257'	20,317] 0-3/4	5"	18.0 #	P-110	Wedge 521	New

For the four string contingency case, Chevron formally requests a variance from the annular spacing requirements for the BLM. Our b. contingency design includes 7-5/8" liner with 5.5" x 5" production casing. Because the 5.5" casing goes into the 7-5/8" liner, the spacing requirements will not be met. We request that the additional 300' above the liner top qualify as the required cement tieback interval for the production casing cement job.

- c. Casing design subject to revision based on geologic conditions encountered and actual formation tops.
 - ***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,
- d. then the Casing Safety Factors will be recalculated & sent to the BLM prior to drilling.

Chevron will fill casing at a minimum of every 20 jts (840') while running for intermediate and production casing in order to maintain e. collapse SF.

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

Surface Casing: 450' TVD
Intermediate Casing: 9241' TVD
Intermediate Liner Casing: 10369' TVD
Production Casing: 21,291' MD/10,369' TVD

Г	Casing String	Min SF Burst	Min SF Collapse	Min SF Tension	Min SF Tri-Axial
Г	Surface	1.41	5.09	3.56	1.54
Г	Intermediate	1.40	1.74	1.81	1.49
Г	Production	1 11	1.53	2 35	1.20

For alternate casing design with contingency:

Casing String	Min SF Burst	Min SF Collapse	Min SF Tension	Min SF Tri-Axial
Intermediate Liner	2.16	2.07	2.11	2.51
Production	1.11	1.70	1.71	1.20

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

Burst Design	Surf	Int	Liner	Prod
Pressure Test- Surface, Int, Prod Csg	X	X	X	X
P external: Mud weight above TOC, PP below				1
P internal: Test psi + next section heaviest mud in csg				
Displace to Gas- Surf Csg	X			
P external: Mud weight above TOC, PP below				
P internal: Dry Gas from Next Csg Point				
Gas over mud (60/40) - Int Csg/Liner	}	X	X	
P external: Mud weight above TOC, PP below		1		
P internal: 60% gas over 40% mud from hole TD PP		l		
Stimulation (Frac) Pressures- Prod Csg				Х
P external: Mud weight above TOC, PP below				j
P internal: Max inj pressure w/ heaviest injected fluid				
Tubing leak- Prod Csg (packer at KOP)				X
P external: Mud weight above TOC, PP below				l
P internal: Leak just below surf, 8.45 ppg packer fluid			L	
Collapse Design	Surf	Int	Liner	Prod
Full Evacuation	Х	X	X	X
P external: Mud weight gradient				
P internal: none				
Cementing- Surf, Int, Prod Csg	Х	X	x	Х
P external: Wet cement				
P internal: displacement fluid - water				
Tension Design	Surf	Int	Liner	Prod
100k lb overpull	X	X	X	X

5. CEMENTING PROGRAM

CONFIDENTIAL - TIGHT HOLE DRILLING PLAN

PAGE:

Slurry	Туре	Тор	Bottom	Weight	Yield	%Excess	Sacks	Water	Volume
Surface				(ppg)	(cu ft/sk)	Open Hole		gal/sk	bbls
Tail	Class C	0'	450'	14.8	1.34	50	488	6.40	117
Intermediate Csg - Sta	qe 1								•
Lead	Class C	2,097'	8,106'	11.9	2.56	10	808	14.66	369
Tail	Class C	8,106'	9,106'	14.8	1.33	10	287	6.38	68
Intermediate Csg - Sta	ge 2 (DV tool @ +/- 20)97')		•					
Lead	Class C	0'	1,597'	11.9	2.56	50	276	14.66	126
Tail	Class C	1,597'	2,097'	14.8	1.33	0	118	6.38	28
<u>Production</u>									
Lead	Class C	8,806'	19,317'	14.5	1.4	10	1891	6.77	472
Tail	Class H	19,317'	20,317'	15	2.19	10	120	9.54	47

Cementing Program for alternate casing design with contingency string:

*No change to surface and intermediate cement design with implementation of contingency liner.

Slurry	Туре	Тор	Bottom	Weight	Yield	%Excess	Sacks	Water	Volume
				(ppg)	(cu ft/sk)	Open Hole		gal/sk	bbls
Intermediate Liner									
Tail	Class C	8,806'	10,000'	14.5	1.4	10	92	6.77	23
Production									
Lead	Class C	8,506'	19,317'	14.5	1.4	10	969	6.77	242
Tail	Class H	19,317'	20,317'	15	2.19	10	60	9.54	24

- 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.
- 3. Production casing will have one horizontal type centralizer on every joint for the first 1000' from TD, then every other joint to EOB, and then every third joint to KOP. Bowspring type centralizers will be run from KOP to intermediate casing. No centralizers will
- 4. Intermediate casing cement job will be a 2 stage job with DV tool set at the base of Lamar.
- 5. Chevron requests a variance to qualify the additional 300' of cement above the liner top as the required cement tieback interval with >0.422" clearance for the production csg cmt job in the four string design. See 4.b. above.

From	To	Type	Weight	Viscosity	Filtrate
0'	450'	Spud Mud	8.3 - 8.9	28-30	N/C
450'	9,106'	OBM	8.7 - 9.6	10-20	10-12
9,106'	20,317'	ОВМ	9-13.6	10-15	15-25

A closed system will be used 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

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

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

- c. Conventional whole core samples are not planned.
- d. A directional survey will be run.

8. ABNORMAL PRESSURES AND HYDROGEN SULFIDE

a. No abnormal pressure or temperatures are expected. Estimated BHP is: 7/012 psi
b. Hydrogen sulfide gas is not anticipated. An H2S Contingency plan is attached with this APD in the even

b. Hydrogen sulfide gas is not anticipated. An H2S Contingency plan is attached with this APD in the event that H2S is encountered



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



APD ID: 10400032980

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH CE 26 23 FED 002

Well Type: CONVENTIONAL GAS WELL

Submission Date: 08/13/2018

Well Number: 3H

Well Work Type: Drill

Show Final Text

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

HH_CE_26_23_FED_002_3H_TOPO_ACESS_ROAD_MAP_20180813112229.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? YES

Existing Road Improvement Description: The operator will improve or maintain existing roads in a condition the same as or better than before operations begin. The operator will also repair any pot holes, clear ditches, repair crown; etc. All existing structures on the entire access route such as cattle guards, other range improvements project, culverts, etc. will be properly repaired or replace if they are damaged or have deteriorated beyond practical use. We will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or wind events. BLM written approval will be acquired before application of surfactants, binding agents, or other dust suppression chemicals on roadways. Existing lease roads operated by Chevron will be maintained as needed or upon request (based on historical weather data, CVX expects that maintenance will likely occur four to five times annually). Existing lease roads used by multiple operators will be maintained through road maintenance parameters with all parties.

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

HH CE 26 23 FED 002 3H ACCESS ROAD MAP 20180813113037.pdf



ACOE Permit Number(s):

Well Name: HH CE 26 23 FED 002

Well Number: 3H

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New road access plan attachment:

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Access road engineering design attachment:

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Access surfacing type description:

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Offsite topsoil source description:

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Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

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Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

HH_CE_26_23_FED_002_3H_ACCESS_ROAD_MAP_20180813113037.pdf

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Operator Name: CHEVRON USA INCORPORATED Well Name: HH CE 26 23 FED 002 Well Number: 3H ACOE Permit Number(s): New road access plan attachment: Access road engineering design attachment: Access surfacing type description: that as to cannot strong will not that Girphic Offsite topsoil source description: Access miscellaneous information: Number of access turnouts: Access turnout map: Drainage Control to the first of a program is suggested in the superior of the Road Drainage Control Structures (DCS) attachment: **Access Additional Attachments** Additional Attachment(s): **Section 2 - New or Reconstructed Access Roads** Will new roads be needed? YES **New Road Map:** HH_CE_26_23_FED_002_3H_ACCESS_ROAD_MAP_20180813113037.pdf

Well Name: HH CE 26 23 FED 002 Well Number: 3H

ACOE Permit Number(s):

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New road access plan attachment:

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Access road engineering design attachment:

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Access surfacing type description:

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Offsite topsoil source description:

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Access miscellaneous information:

Number of access turnouts: Access turnout map:

Drainage Control

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Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

HH CE 26 23 FED 002 3H 1 MILE RADIUS_MAP_AND_DATA_20180813113055.pdf

Existing Wells description:

Well Name: HH CE 26 23 FED 002 Well Number: 3H

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? DEFER

Estimated Production Facilities description: Facilities: Existing production facilities located in the NE corner of Sec. 35, T26S-R27E where oil and gas sales will take place. Gas compression will occur within the proposed facility boundaries. Gas purchaser pipeline is in place at the tank battery. Open top tanks or open containments will be netted. Open vent exhaust stacks will be modified to prevent birds or bats from entering, discourage perching, roosting, and nesting. Facilities will have a secondary containment 1.5 times the holding capacity of largest storage tank. All above ground structures will be painted non-reflective shale green for blending with surrounding environment. Pipelines Include: 3,394' of Flowlines carrying production (buried) 3,437' Gas Lift Line carrying pressurized gas (buried) 3,484' Temporary Water line carrying fresh water (surface) A ROW will be applied (if necessary; "Cicada Unit" pending) for through the State and BLM. (30' wide) All construction activity will be confined to the approved ROW. Pipeline will run parallel to the road and will stay within approved ROW.

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: INTERMEDIATE/PRODUCTION CASING,

Water source type: GW WELL

SURFACE CASING **Describe type**:

Source latitude:

Source longitude:

Source datum:

Water source permit type: PRIVATE CONTRACT

Source land ownership: FEDERAL

Water source transport method: PIPELINE

Source transportation land ownership: FEDERAL

Water source volume (barrels): 716000

Source volume (gai): 30072000

Source volume (acre-feet): 92.28746

Water source and transportation map:

HH_CE_26_23_FED_002_3H_TOPO_MAP_20180813113117.pdf

Water source comments: Private source with ponds located in SW4 Section 9 T26S R27E. A temporary 10" expanding pipe surface transfer line will run along established disturbance corridors, such as along access roads or on top of flowline or pipeline right of way. Water line will run parallel to road and will stay within 10' of access road. Temporary BLM ROWs will be applied for as needed for the water transfer lines. Existing ponds in Section 2, 9 & 10, T26S-R27E will be also utilized for fresh water or recycled water.

New water well? NO

New	Water	Well	Into

Well latitude: Well Longitude: Well datum:

Well Name: HH CE 26 23 FED 002 Well Number: 3H

Well target aquifer:

Est. depth to top of aquifer(ft): Est thickness of aquifer:

Aquifer comments:

Aguifer documentation:

Well depth (ft): Well casing type:

Well casing outside diameter (in.): Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method: Drill material:

Grout material: Grout depth:

Casing length (ft.): Casing top depth (ft.):

Well Production type: Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: Caliche will be sourced from a chevron operated NMSLO pit in S2 NW4 Sec. 16, T26S R27E or an alternate private pit in Sec. 13, T24S R27E Eddy County, NM.

Construction Materials source location attachment:

Section 7 - Methods for Handling Waste

Waste type: GARBAGE

Waste content description: Garbage and Trash Human waste and grey water Other wastes material i.e. chemicals, salts,

frac sand Drill cutting

Amount of waste: 200 pounds

Waste disposal frequency: Daily

Safe containment description: Collected in a trash container collected for disposal. Properly contained and disposed of state approved disposal facility. Properly disposed of into steel tanks. All to be properly disposed at a State approved disposal facility.

Safe containment attachment:

Waste disposal type: HAUL TO COMMERCIAL Disposal location ownership: STATE

FACILITY

Disposal type description:

Disposal location description: STATE APPROVED FACILITY: Carlsbad 6601 Hobbs HWY Carlsbad, NM 575-393-1079 Eunice Sundance Services 5 miles East of Eunice on HWY 18 and Wallach Ln 575-390-0342 Seminole Permian Disposal 587 US HWY 385 S 432-955-0322 Proposed Facilities location: ID 1 26S 27E Section 2 Unit Letter M ID 2 25S 27E Section 16 Unit Letter F ID 3 25S 27E Section 26 Unit Letter P ID 4 26S 27E Section 12 Unit Letter L ID 5 26S 27E Section 2 Unit Letter P

Well Name: HH CE 26 23 FED 002

Well Number: 3H

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.)

Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Description of cuttings location

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

HH_CE_26_23_FED_002_3H_WELL_PLAT_R1_Cert_7_25_18_20180813113145.pdf

Comments: Exterior well pad dimensions are 495' x 380'.

Well Name: HH CE 26 23 FED 002 Well Number: 3H

Section 10 - Plans for Surface Reclamation

Multiple Well Pad Name: HH CE 26 23 FED 002 Type of disturbance: New Surface Disturbance

Multiple Well Pad Number: 1H - 4H

Recontouring attachment:

HH_CE_26_23_FED_002_INTERIM_REC_20180809160342.pdf

HH CE 26 23 FED 002 CUT_FILL_PAD_AND_ROAD_ACCESS_20180809160409.pdf

HH_CE_26_23_FED_002_FLOWLINE_DETAIL_Cert_7_20_18_20180809162517.pdf

Drainage/Erosion control construction: Proper erosion control methods will be used on the area to control erosion, runoff, and siltation of the surrounding area.

Drainage/Erosion control reclamation: The well pad, road, and surrounding area will be cleared of material, trash, and equipment. All surfacing material will be removed and returned to the original mineral pit or recycled to repair for build roads and well pads.

Well pad proposed disturbance

(acres): 6.6

Road proposed disturbance (acres):

1.14

Powerline proposed disturbance

(acres): 0

Pipeline proposed disturbance

(acres): 0.29790002

Other proposed disturbance (acres): 0

Total proposed disturbance: 8.0379

Well pad interim reclamation (acres): Well pad long term disturbance

(acres): 2.5

Road interim reclamation (acres): 0.57 Road long term disturbance (acres):

Powerline interim reclamation (acres): Powerline long term disturbance

Pipeline interim reclamation (acres):

0.018181818

Other interim reclamation (acres): 0

Total interim reclamation: 4.688182

(acres): 0

Pipeline long term disturbance

(acres): 0.2797182

Other long term disturbance (acres): 0

Total long term disturbance: 3.349718

Disturbance Comments: All disturbed area, including roads, pipelines, pads, production facilities, and interim reclaimed areas will be re-contoured to the contour existing prior to initial construction or a contour that blends in distinguishably with the surrounding landscape.

Reconstruction method: All surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads.

Topsoil redistribution: Topsoil that was spread over the interim reclamation areas will be stockpiled prior to re-contouring. The topsoil will be redistributed evenly over the entire disturbed site to ensure successful revegetation.

Soil treatment: After all the disturbed areas have been properly prepared; the areas will be seeded with the proper BLM seed mixure, free of noxious weeds.

Existing Vegetation at the well pad: Mesquite, grass, shrubs

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: Mesquite, grass, shrubs

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: Mesquite, grass, shrubs

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: Mesquite, grass, shrubs

Existing Vegetation Community at other disturbances attachment:

Non native seed used? NO	
Non native seed description:	
Seedling transplant description:	
Will seedlings be transplanted for this project	? NO
Seedling transplant description attachment:	
Will seed be harvested for use in site reclama	tion? NO
Seed harvest description:	
Seed harvest description attachment:	
Seed Management	
Seed Table	
Seed type:	Seed source:
Seed name:	
Source name:	Source address:
Source phone:	
Seed cultivar:	
Seed use location:	
PLS pounds per acre:	Proposed seeding season:
Seed Summary	Total pounds/Acre:
Seed Type Pounds/Ac	cre
Seed reclamation attachment:	
Operator Contact/Responsible (Official Contact Info
First Name: Kevin	Last Name: Dickerson
Phone:	Email: lfuh@chevron.com
Seedbed prep:	
Seed BMP:	
Seed method:	
Existing invasive species? NO	

Well Number: 3H

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH CE 26 23 FED 002

Well Name: HH CE 26 23 FED 002 Well Number: 3H

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: Treat with BLM seed mixture (BLM #2) free of noxious weeds.

Weed treatment plan attachment:

Monitoring plan description: The interim reclamation will be monitored periodically to ensure that vegetation has re-

established.

Monitoring plan attachment:

Success standards: As per BLM requirements.

Pit closure description: None

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Section 12 - Other Information

Right of Way needed? YES

Use APD as ROW? YES

ROW Type(s): 281001 ROW - ROADS, 287001 ROW - Water Facility, 288100 ROW - O&G Pipeline, Other

Well Name: HH CE 26 23 FED 002 Well Number: 3H

ROW Applications

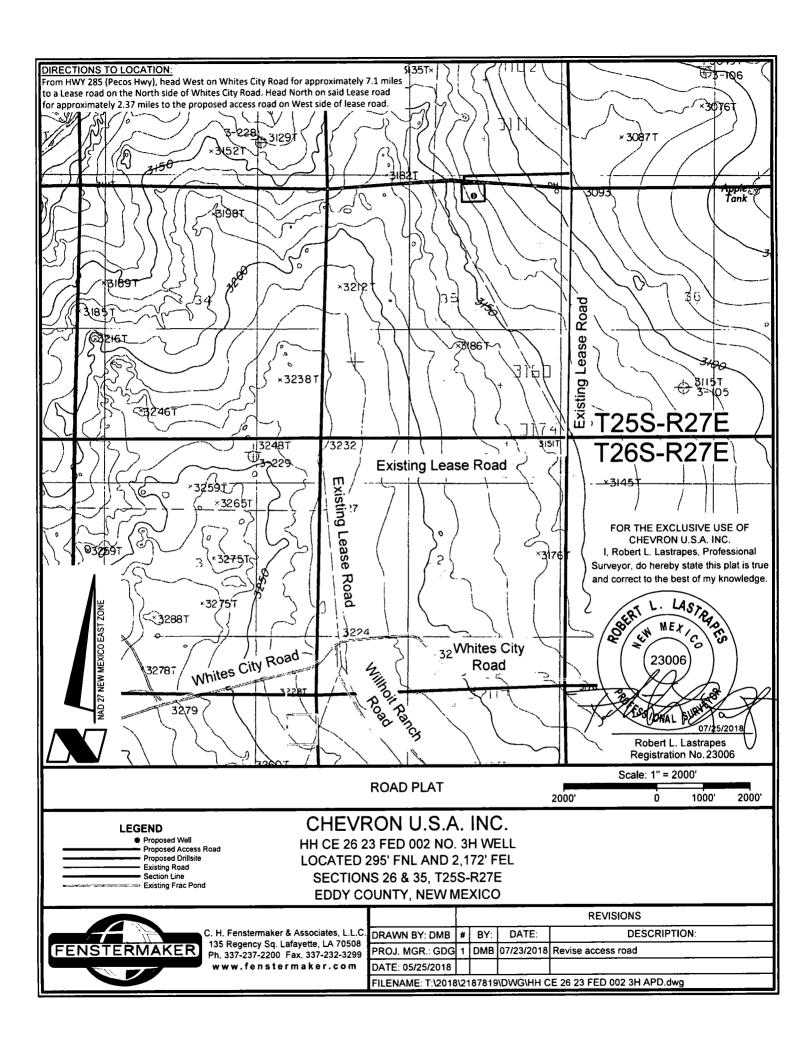
SUPO Additional Information: Recycle containment pond design feature. -Four permanent recycle containment ponds will be required. -Permanent buried pipelines will be installed to transport water. -All wells covered by the MDP will require hydraulic fracturing. -The ponds will be designed as "multiwell fluid management pits. o Berms - Berms shall be sloped at 3:1. - Berm top will have at least 12' of working area. - Berm height, thickness, and depth will be determined based on-site specific information. o Liners - Ponds shall be double lined and have a method of leak detection. - An 8 oz geotextile fabric shall be used to line the soil prior to installation. - Primary liner should be 60-mil smooth. - Minimum 200-mil geonet shall be installed between primary and secondary liner. o Fencing - Ponds shall have eight game fencing installed. - The fence bottom shall be keyed-in around the perimeter of the pond site. o Wildlife Protection - Typical bird deterrent options include molded decoy owls and noise-making streamers. - Wildlife protection measure, including thoe for migratory birds, shall be monitored at least monthly to ensure deterrents are effective.

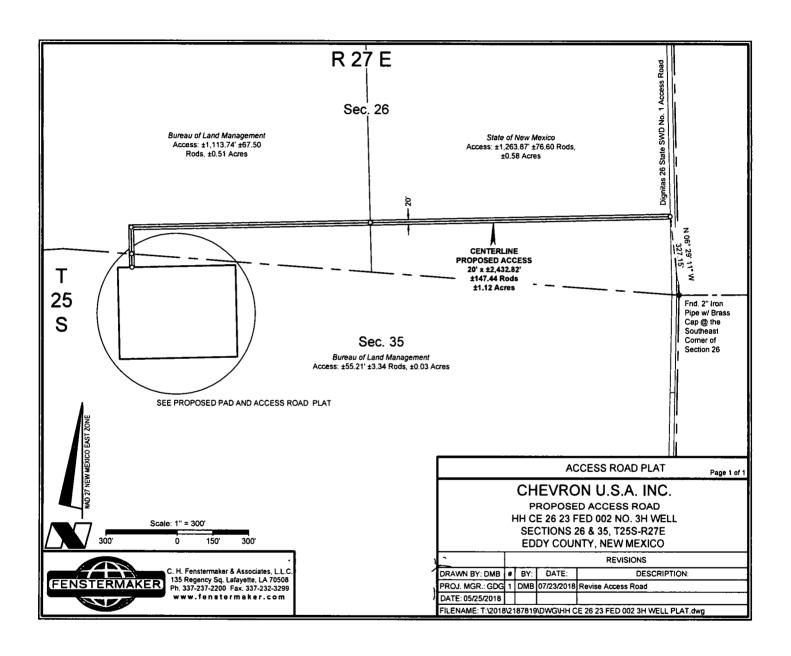
Use a previously conducted onsite? YES

Previous Onsite information: On-site performed by BLM, Mr. Paul Murphy.

Other SUPO Attachment

HH_CE_26_23_FED_002_SUPO__20180813113212.pdf

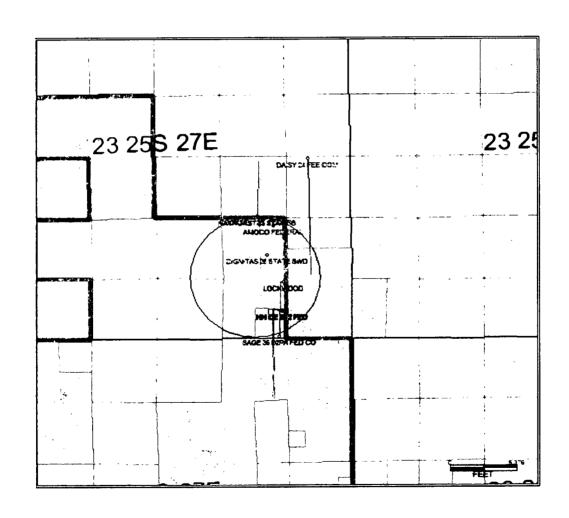


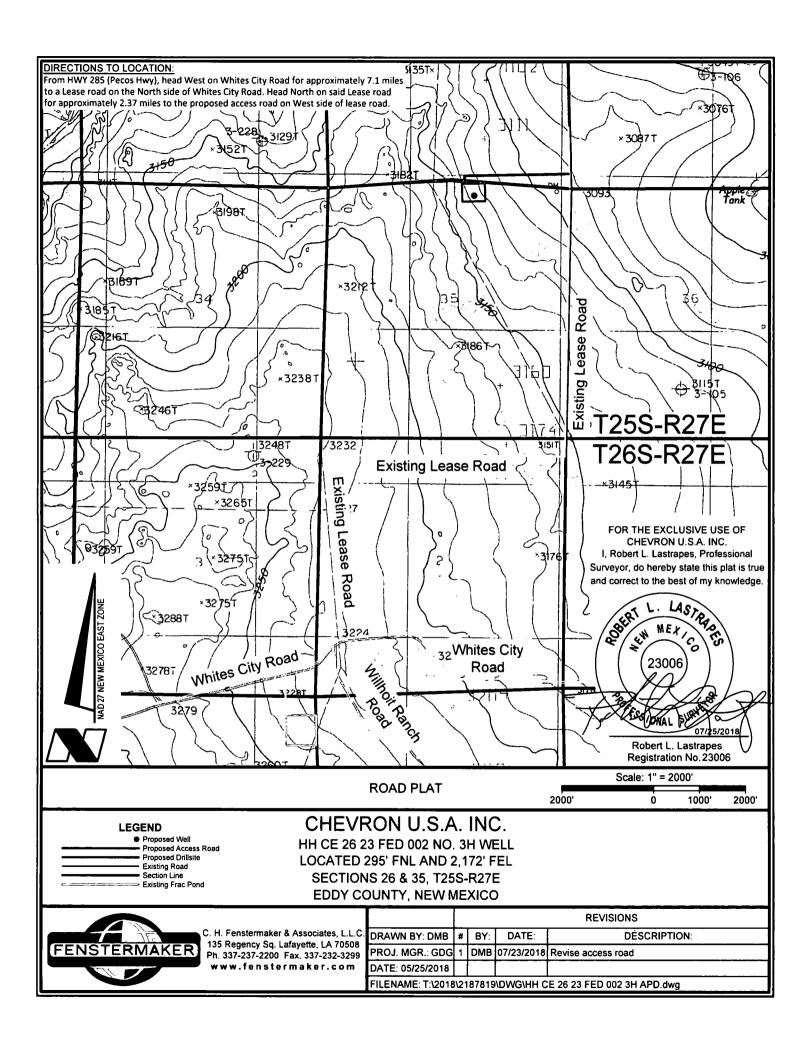


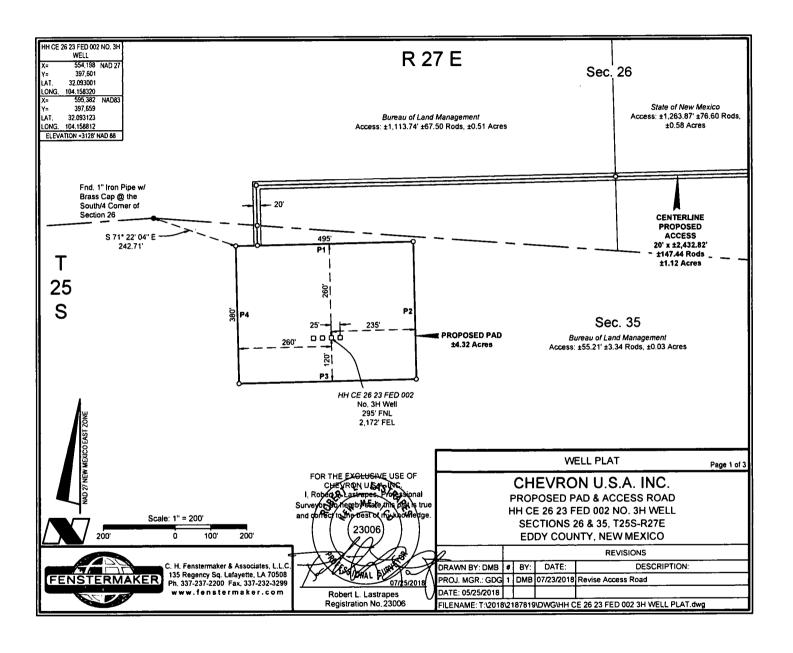


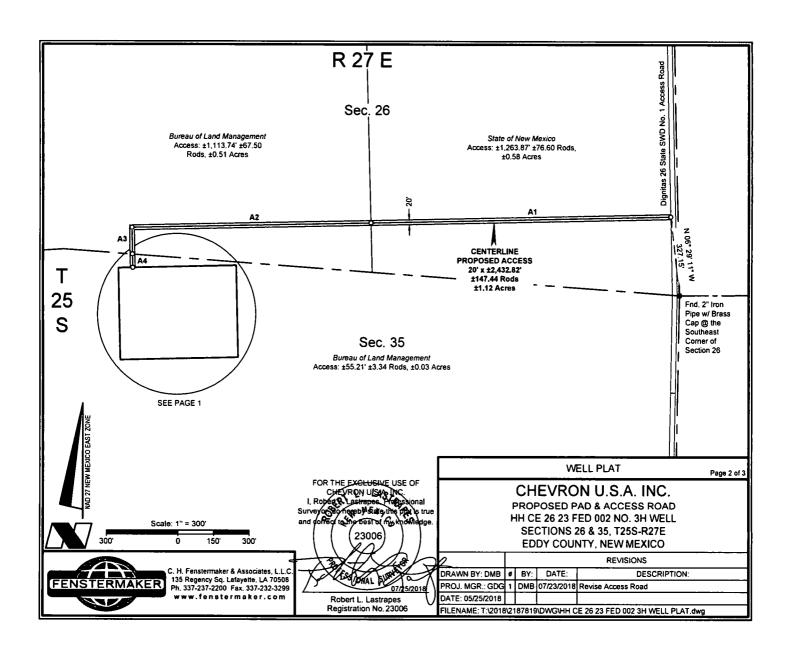
1 MILE RADIUS MAP & WELL DATA

API	Well Name	Well Number	Operator	Final Status	SHL to SHL DistanceHH CE 26 23 FED 002 3H
30015442020000	DIGNITAS 26 STATE SWD	1	CHEVRON U S A INCORPORATED	WELL PERMIT	2225
30015011470000	LOCKWOOD	1	CHAMBERS&KENEDY-RITCHIE	DRY & ABANDONED	1735
30015443470000	HH CE 35 2 FED 006	001H	CHEVRON U S A INCORPORATED	AT TOTAL DEPTH	3080
30015443460000	HH CE 35 2 FED 006	002H	CHEVRON U S A INCORPORATED	WELL START	3095
30015443500000	HH CE 35 2 FED 006	003H	CHEVRON U S A INCORPORATED	AT TOTAL DEPTH	3115
30015443490000	HH CE 35 2 FED 006	004H	CHEVRON U S A INCORPORATED	AT TOTAL DEPTH	3140
30015443450000	HH CE 35 2 FEDERAL 006	005H	CHEVRON U S A INCORPORATED	WELL START	3165
30015443480000	HH CE 35 2 FED 006	006Н	CHEVRON U S A INCORPORATED	WELL START	3185
30015238480000	AMOCO FEDERAL	1	WOOD & LOCKER INCORPORATED	ABD-OW	4875
30015378040000	HAYHURST 23 STATE COM	1H	MEWBOURNE OIL COMPANY	SPUD & ABONDONED	5570
30015379160000	COOKSEY '26' FEDERAL COM	1H	CHESAPEAKE OPERATING INCORPORATED	OIL PRODUCER	5615
30015351490000	CROSSMAN STATE COM	1	MARBOB ENERGY CORPORATION	ABANDON LOCATION	5270
30015413550000	HAYHURST 23 OB STATE COM	1H	MEWBOURNE OIL COMPANY	WELL PERMIT	5770
30015394260000	HAYHURST '23' STATE COM	2H	MEWBOURNE OIL COMPANY	OIL PRODUCER	5790
		1H	MEWBOURNE OIL COMPANY	OIL PRODUCER	5900









PROPOSED PAD					
COURSE	BEARING	DISTANCE			
P1	N 88° 46' 37" E	495.00'			
P2	S 01° 13' 23" E	380.00'			
P3	S 88* 46' 37" W	495.00'			
P4	N 01° 13' 23" W	380,00'			

CENTERLINE PROPOSED ACCESS ROAD					
COURSE	BEARING	DISTANCE			
A1	S 88° 48' 27" W	1263.87'			
A2	S 88° 48' 27" W	1003.73'			
A3	S 01° 11' 33" E	110.01			
A4	S 01° 11' 33" E	55.21			

N/	N PAD CORN	ER	N	E PAD CORNI	R
X=	553,933	NAD 27	X≖	554,428	NAD 27
Y=	397,856		Y=	397,866	
LAT.	32.093702		LAT.	32.093728	
LONG.	104.159176		LONG.	104,157578	
X=	595,117	NAD83	X=	595,612	NAD83
Y=	397,913		Y≖	397,924	
LAT.	32.093824		LAT.	32.093850	
LONG.	104.159668		LONG.	104.158070	
ELEV	ATION +3134' I	VAD 88	ELEV	ATION +3119' I	S8 CAP
SI	N PAD CORN	ER	S	E PAD CORNI	ER .
X=	553,941	NAD 27	X=	554,436	NAD 27
Y=	397,476		Y=	397,486	
LAT.	32.092657		LAT.	32.092684	
LONG.	104.159152		LONG.	104.157554	
X=	595,125	NAD83	X=	595,620	NAD83
Υ¤	397,533		Y=	397,544	
LAT.	32.092779		LAT.	32.092806	
LONG.	104,159644		LONG.	104,158046	
į.					

DISCLAIMER: At this time, C. H. Fenstermaker & Associates, L.L.C. has not performed nor was asked to perform any type of engineering, hydrological modeling, flood plain, or "No Rise" certification analyses, including but not limited to determining whether the project will impact flood hazards in connection with federal/FEMA, state, and/or local laws, ordinances and regulations. Accordingly, Fenstermaker makes no warranty or representation of any kind as to the foregoing issues, and persons or entities using this information shall do so at their own risk.

NOTE:

Please be advised, that while reasonable efforts are made to locate and verify pipelines and anomalies using our standard pipeline locating equipment, it is impossible to be 100 % effective. As such, we advise using caution when performing work as there is a possibility that pipelines and other hazards, such as fiber optic cables. PVC pipelines, etc. may exist undetected on site.

NOTE:

Many states maintain information centers that establish links between those who dig (excavators) and those who own and operate underground facilities (operators). It is advisable and in most states, law, for the contractor to contact the center for assistance in locating and marking underground utilities. For guidance, New Mexico One Call www.mnonecall.org

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WELL PLAT

Page 3 of 3

CHEVRON U.S.A. INC.

PROPOSED PAD & ACCESS ROAD HH CE 26 23 FED 002 NO. 3H WELL SECTIONS 26 & 35, T25S-R27E EDDY COUNTY, NEW MEXICO

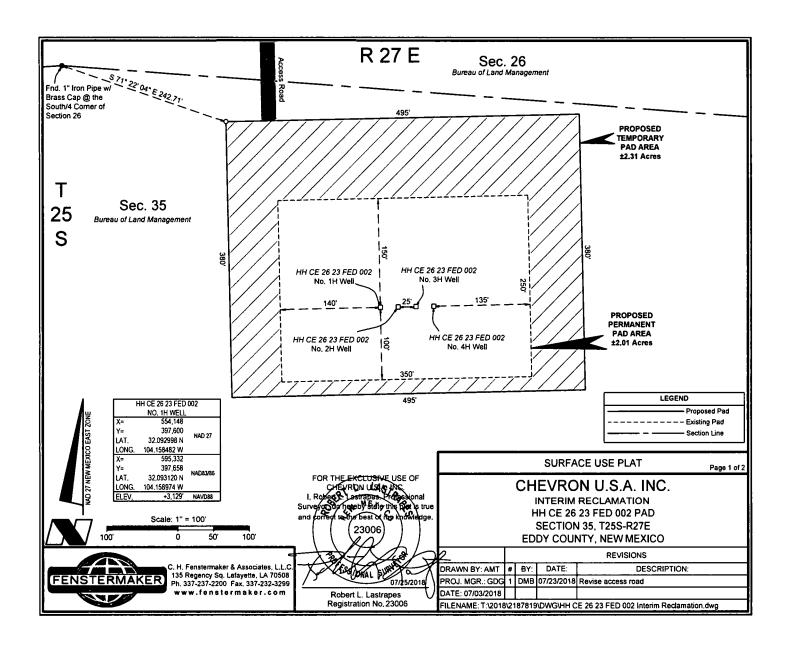
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PROJ. MGR.: GDG	1	DMB	07/23/2018	Revised Access Road			
DATE: 05/25/2018							
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FENSTERMAKER

C. H. Fenstermaker & Associates, L.L.C 135 Regency Sq. Lafayette, LA 70508 Ph. 337-237-2200 Fax. 337-232-3299 www.fenstermaker.com

Robert L. Lastrapes

Robert L. Lastrapes Registration No. 23006



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	NW PAD CORN	ER		NE PAD CORNE	R
X=	553,933		X=	554,428	
Y=	397,856	NAD 27	Y=	397,866	NAD 27
LAT.	32.093702 N	NAD ZI	LAT.	32.093728 N	11021
LONG.	104.159176 W		LONG.	104.157578 W	
X=	595,117		X=	595,612	
Y=	397,913	NAD83/2011	Y≐	397.924	NAD83/2011
LAT.	32.093824 N	104003/2011	LAT.	32.093850 N	10-203/2011
LONG.	104.159668 W		LONG.	104.158070 W	
ELEV.	+3,134	NAVD88	ELEV.	+3,119	NAVD88
	SW PAD CORN	R		SE PAD CORNE	R
X=	SW PAD CORNI 553,941	R	X=	SE PAD CORNE 554,436	R
X= Y=			X= Y=		
	553,941	NAD 27		554,436	R NAD 27
Υ=	553,941 397,476 32.092657 N		Y=	554,436 397,486 32,092684 N	
Y= LAT,	553,941 397,476 32.092657 N		Y= LAT.	554,436 397,486 32,092684 N	
Y= LAT, LONG,	553,941 397,476 32.092657 N 104.159152 W	NAD 27	Y= LAT. LONG.	554,436 397,486 32.092684 N 104,157554 W	NAD 27
Y= LAT, LONG, X=	553,941 397,476 32,092657 N 104,159152 W 595,125		Y= LAT. LONG. X=	554,436 397,486 32,092684 N 104,157554 W 595,610	
Y= LAT. LONG. X= Y=	553,941 397,476 32.092657 N 104.159152 W 595,125 397,533 32.092779 N	NAD 27	Y= LAT. LONG. X= Y=	554,436 397,486 32,092684 N 104,157554 W 595,610 397,544	NAD 27

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SURFACE USE PLAT

Page 2 of 2

CHEVRON U.S.A. INC.

INTERIM RECLAMATION HH CE 26 23 FED 002 PAD **SECTION 35, T25S-R27E** EDDY COUNTY, NEW MEXICO

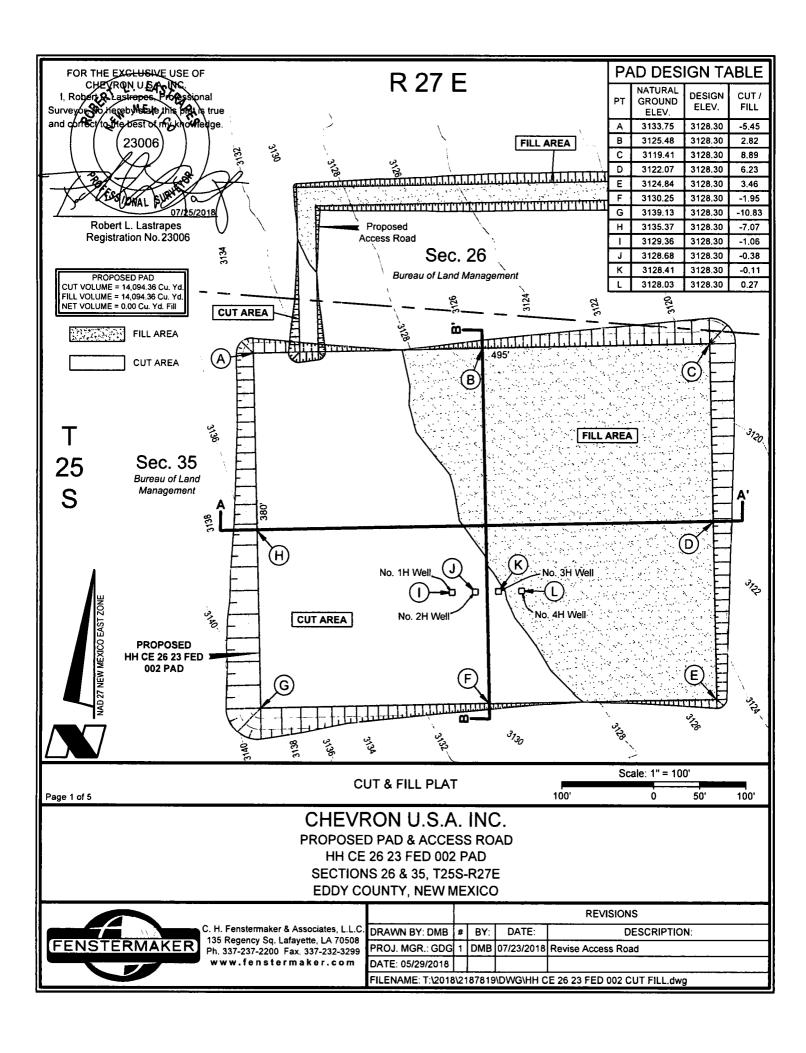
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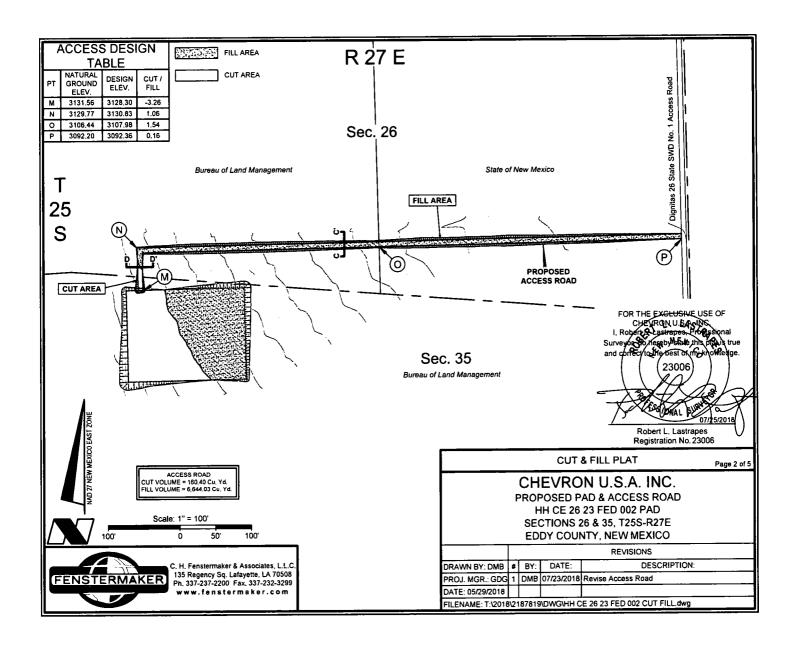
C. H. Fenstermaker & Associates, L.L.C 135 Regency Sq. Lafayette, LA 70508 Ph. 337-237-2200 Fax. 337-232-3299 www.fenstermaker.com

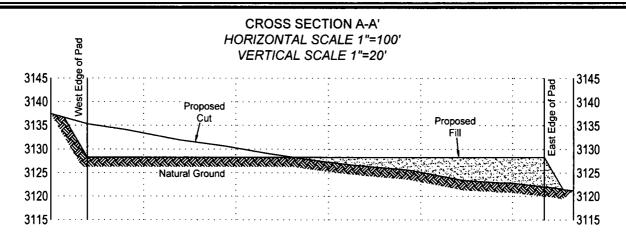
07/25/2018

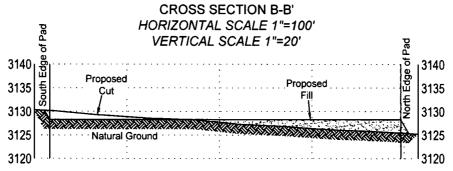
Robert L. Lastrapes Registration No. 23006

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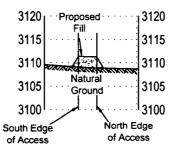




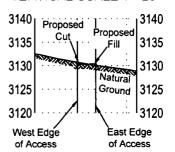
FOR THE EXCLUSIVE USE OF CHEVRON U.S.A. INC.

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CROSS SECTION C-C' HORIZONTAL SCALE 1"=100' VERTICAL SCALE 1"=20'



CROSS SECTION D-D'
HORIZONTAL SCALE 1"=100'
VERTICAL SCALE 1"=20'



CUT & FILL PLAT

Page 3 of 5

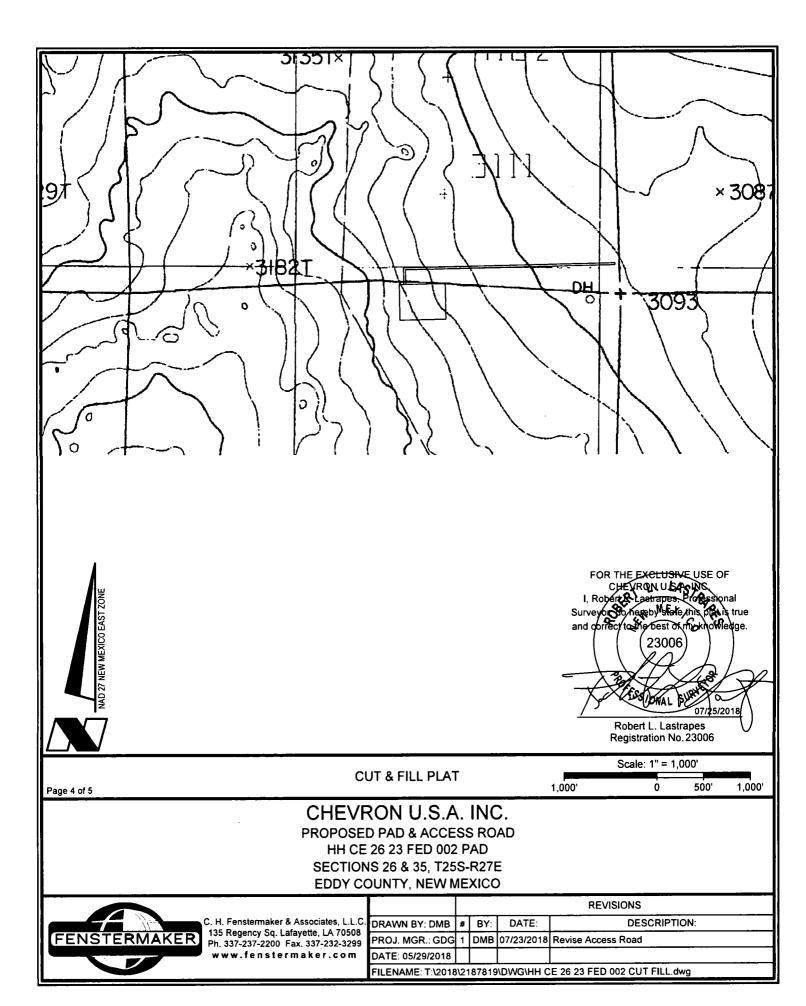
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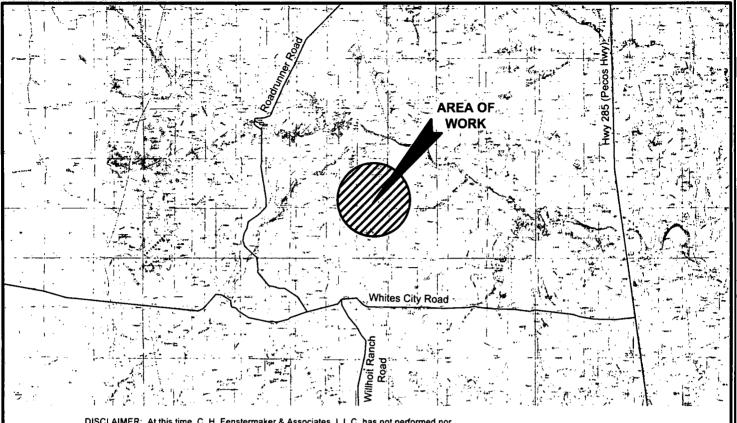
PROPOSED PAD & ACCESS ROAD HH CE 26 23 FED 002 PAD SECTIONS 26 & 35, T25S-R27E EDDY COUNTY, NEW MEXICO



C. H. Fenstermaker & Associates, L.L.C. 135 Regency Sq. Lafayette, LA 70508 Ph. 337-237-2200 Fax. 337-232-3299 www.fenstermaker.com

1			REVISIONS						
۱.	DRAWN BY: DMB	#	BY:	DATE:	DESCRIPTION:				
	PROJ. MGR.: GDG	1	DMB	07/23/2018	Revise Access Road				
	DATE: 05/29/2018								
	FILENAME: T:\2018\2187819\DWG\HH CE 26 23 FED 002 CUT FILL.dwg								





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2. The design pad elevation recommendation is based solely on a cut and fill (1:1 ratio) balance of the pad and does not include material required for the access roads. A detailed soil test and slope stability analysis shall be performed prior to construction to ensure proper compaction and working performance of the pad under the anticipated loadings. This material balance sheet does not constitute a foundation design and C. H. Fenstermaker & Associates, L.L.C. makes no warranty to the structural integrity of the site layout as shown. Fenstermaker also makes no recommendation or warranty about the layout relative to flood hazards, erosion control, or soil stability issues. Elevations refer to the North American Vertical Datum of 1988.

3. Please be advised, that while reasonable efforts are made to locate and verify pipelines and anomalies using our standard pipeline locating equipment, it is impossible to be 100 % effective. As such, we advise using caution when performing work as there is a possibility that pipelines and other hazards, such as fiber optic cables, PVC pipelines, etc. may exist undetected on site.

FOR THE EXCLUSIVE USE OF CHEVRON UISAA INC.

I, Robert & Lastrepes. Progessional Surveyor Bonereb Matare, this part is true and confect to the best of my knowledge.

23006

Robert L. Lastrapes Registration No. 23006

CUT & FILL PLAT

10.000'

Scale: 1" = 10,000'

5.000

10,000'

CHEVRON U.S.A. INC.

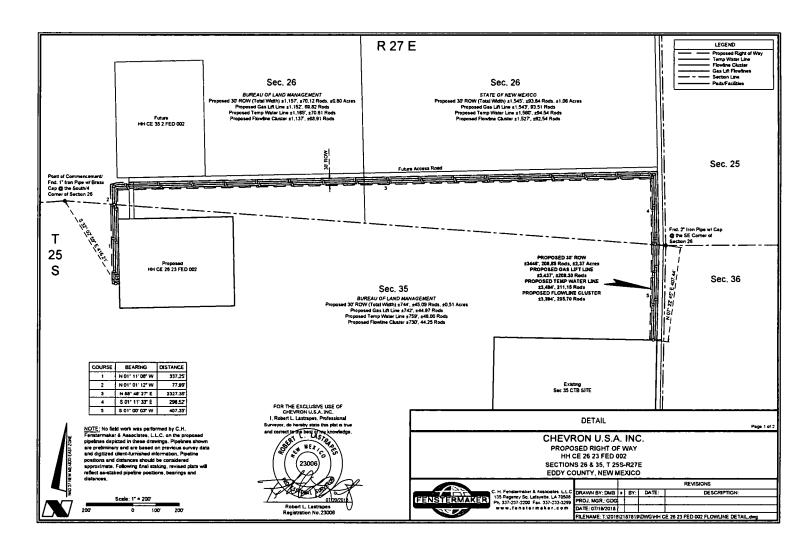
PROPOSED PAD & ACCESS ROAD HH CE 26 23 FED 002 PAD SECTIONS 26 & 35, T25S-R27E EDDY COUNTY, NEW MEXICO



Page 5 of 5

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		REVISIONS				
DRAWN BY: DMB	#	BY:	DATE:	DESCRIPTION:		
PROJ. MGR.: GDG	1	DMB	07/23/2018	Revise Access Road		
DATE: 05/29/2018						
FILENAME: T:\2018\2187819\DWG\HH CE 26 23 FED 002 CUT FILL.dwg						



DISCLAMER: All this time, C.H. Ferstermaker & Associates, L.L.C. has not performed not was actual to perform any type of engineering, hydrological modeling, Bood plain. or 'No Rise' confidence analyses, including that not invested to determining whether the project will impact filed plazards in connection with indextal/FEMA, state, and/or local bray, confiances and regulations. Accordingly, Ferstermaker makes no warrancy or representation of any bird as to the foregoing issues, and persons or entities using this information shall do set their own and.

NOTE:

- Please be advised, that while reasonable efforts are made to locate and serily
 pipelines and assonaties using our standard pipeline locating equipment, it is
 unpossible to be 100 s² effection. As such, we adv as easing cattions when performing
 work in there is a passible; that pipelines used other hazards, such as (their option
 acidion, PVC popelines, circ. user, source instituted control one.)
- Many states maintain information centers that crabbials links between those who dig (excervator) and those who own and operate underground fundates (operators) It is and habite and in most state, Inc., for the contractor to contact the caster for anxiety of the contractor of the contractor to contact the caster for savintance in locating and marking underground withins. For guidance, New Mexico One Call ways moneted large
- No field work was performed by C.H. Ferstermaker & Associates, L.L.C. on the proposed pipelines depicted in these drawing. Popelines shown are preliminary and are based on previous survey data and digitated client-furnished information. Pipeline postoms and distances should be considered approximate. Fedorwing Institution, switched plats will refer to establish popular postoms and distances whould be considered approximate. Fedorwing Institution, switched plats will refer to establish popular postoms. Institution arising and
- 4. It is not a boundary survey. As such, this survey does not, nor was intended, to comply with the NSUFPS minimum standards of practice for a land boundary survey. (OH) intend measurements were node and lease these were established and complete from these measurements and records. This plan is strictly for the standard of the North Conference of the North Conference on the North Conf

METES AND BOUNDS DESCRIPTION OF A PROPOSED RIGHT OF WAY LOCATED IN SECTIONS 26 AND 35 OF T258-R27E EDDY COUNTY, NEW MEXICO

HII CE 26 23 FED 602 RIGHT OF WAY

Description of the contertine of a proposed 30 feet wide by 3.446 feet or 285.85 rods of right of way (15 feet each side of conterline) scross Burean of Land Management property located in sections 26 and 35 of Township 25 South, Range 27 East, and described as follows:

Commoneting at the North quarter corner of said section 35 Township 25 South Range 27 East at a found 1" iron pipe with heat cap. Thomes South 32 degrees 02 minutes 59 seconds East 416.21 feet to the Point of Berginning Said Point of Berginning have in the Colonisis governments. N = 553.923.74, Y = 397.850 44 New Mexico State Plane Coordinate System, East Zone, NAD 27)

Theree North OI degrees 11 minutes 08 seconds West 337.25 feet to a common section line of said sections 33 and 26.7159-R277E:
Theree North OI degrees 01 minutes 12 econds West 17.59/cet to a point.
Theree North 18 degrees 48 minutes 17 econds East 2.3.97.35 feet to a point.
Theree South OI degrees 11 minutes 33 seconds East 2.3.97.35 feet to a common section line of said soctions 26 and 33.7155-R27E;

Thence South 01 degrees 00 minutes 03 seconds West 407.35 feet to the Potnet of Ending, has ing the following coordinates N=556,241.15 and Y=397,340.31 (New Mexico State Plane Coordinate System, East Zone, NAD 27)

The bearings recited hereon are oriented to New Mexico State Plane Coordinate System, East Zone, NAD 27.

This description represents a survey made on the ground for a right of way and intended solely for that purpose. This description does not represent a boundary survey.



DETAIL

Page 2 of

CHEVRON U.S.A. INC. PROPOSED RIGHT OF WAY HH CE 26 23 FED 002 SECTIONS 26 & 35, T 25S-R27E EDDY COUNTY, NEW MEXICO

					REVISIONS
C. H. Fenstermaker & Associates LLC.	DRAWN BY: DMB	•	BY:	DATE:	DESCRIPTION:
FENSTERMAKER 135 Regency Sq. Lateyette, LA 70508 Ph. 337-237-2200 Feat 337-232-3299	PROJ. MGR.: GDG				
www.fenstermaker.com	DATE: 07/19/2018				
	FILENAME: T:\2018\2167619\DWG\HH CE 26 23 FED 002 FLOWLINE DETAIL.dwg				



APD Surface Use Plan of Operations

This Surface Use Plan of Operations has been designed to be reviewed in conjunction with Hayhurst Development Area (HDA) Master Development Plan

HDA Master Development Plan Reference Table

The contents referenced below apply to all HDA APD's

Existing Roads	Exhibit 1, MDP SUPO Page 1
Construction Materials	MDP SUPO Page 6
Methods for Handling Waste	MDP SUPO Page 6
Reclamation Objectives	MDP SUPO Page 6-8
Final Surface Reclamation	MDP SUPO Page 6-8

Driving Directions

Driving Directions – From Malaga, New Mexico. The location is approximately 11.5 miles from the nearest town, which is Malaga, New Mexico. From Malaga, proceed South on Highway 285 approximately 11.5 miles and turn right (West) onto White City Rd and go approximately 6.5 miles on White City Road until the road reaches an intersection with a lease road in Section 2 (T26S R27E). Turn right onto this and travel 2.6 mi, then turn left (West) onto the access road and well location is on the left in .5 miles.

New or Reconstructed Access Roads - (MDP SUPO Pg. 1)

• There will be 2,432.82' of new road construction for this proposal (1.12 acres)

Ditches: See MDPCulverts: See MDPRoad Cuts: See MDP

Location of Existing Wells

• 1-Mile radius map is attached

Location of Existing Production Facilities (MDP SUP Pg. 2)

- Facilities: Existing production facilities located in the NE corner of Sec. 35, T26S-R27E where oil and gas sales will take place.
 - o Gas compression will occur within the proposed facility boundaries
 - o Gas purchaser pipeline is in place at the tank battery.
 - o Open top tanks or open containments will be netted.
 - Open vent exhaust stacks will be modified to prevent birds or bats from entering, discourage perching, roosting, and nesting.
 - Facilities will have a secondary containment 1.5 times the holding capacity of largest storage tank.
 - All above ground structures will be painted non-reflective shale green for blending with surrounding environment.
- Pipelines: See Detail
 - o Pipelines Include:
 - 3,394' of Flowlines carrying production (buried)
 - 3,437' Gas Lift Line carrying pressurized gas (buried)
 - 3,484' Temporary Water line carrying fresh water (surface)
 - A ROW will be applied (if necessary; "Cicada Unit" pending) for through the State and BLM. (30' wide)
 - o All construction activity will be confined to the approved ROW.
 - o Pipeline will run parallel to the road and will stay within approved ROW.

Location and Types of Water Supply (MDP SUPO Pg. 5)

- Existing ponds in Section 2, 9 & 10, T26S-R27E will be utilized for fresh water or recycled water.
- Fresh water will be obtained from a private water source.

Construction Materials (MDP SUPO Pg. 6)

• Caliche will be sourced from a Chevron operated NMSLO pit in S2 NW4 Section 16 T26S R27E, or an alternate private pit in Section 13, T24S R27E in Eddy County, NM.

Methods for Handling Waste

- Drilling fluids and produced oil and water from the well during drilling and completion operations will be stored safely and disposed of properly in an NMOCD approved disposal facility.
- Garbage and trash produced during drilling and completion operations will be collected in a trash container and disposed of properly at a state approved disposal facility. All trash on and around the well site will be collected for disposal.
- Human waste and grey water will be properly contained and disposed of properly at a state approved disposal facility.
- After drilling and completion operations, trash, chemicals, salts, frac sand and other
 waste material will be removed and disposed of properly at a state approved
 disposal facility.
- The well will be drilled utilizing a closed loop system. Drill cutting will be properly disposed of into steel tanks and taken to an NMOCD approved disposal facility.

Well Site Layout

- Surveyor Plat
 - o Exterior well pad dimensions are 495' x 380'
 - o Interior well pad dimensions from point of entry (well head) of the well are described on well plat, attached. Total disturbance area needed for construction of well pad will be approximately 4.3 acres
 - o Topsoil placement is on the west where interim reclamation is planned to be completed upon completion of well and evaluation of best management practices.
 - o Cut and fill: will be minimal.
- Rig Layout (see diagram)

Plans for Surface Reclamation (MDP SUPA Pg. 8)

Interim Reclamation Procedures

- Reclaimed pad size: 250' x 350' (approximately 2 acres)
- Reclaimed pad layout, topsoil location & erosion control features

Surface Ownership

- BLM Surface
 - o Surface Tenant Joy Cooksey.
- Nearest Post Office: Malaga Post Office; 11.4 Miles north

Other Information

- On-site performed by BLM NRS: Paul Murphy 4/19/2018
- Cultural report attached: MDP Participating Agreement attached: N/A

Chevron Representatives

Primary point of contact: Kevin Dickerson kevin.dickerson@chevron.com O = 432-687-7104 M = 432-250-4489



U.S. Department of the Interior BUREAU OF LAND MANAGEMENT



Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Decribe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Injection well mineral owner:

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:	
PWD surface owner:	PWD disturbance (acres):
Unlined pit PWD on or off channel:	
Unlined pit PWD discharge volume (bbl/day):	
Unlined pit specifications:	
Precipitated solids disposal:	
Decribe precipitated solids disposal:	
Precipitated solids disposal permit:	
Unlined pit precipitated solids disposal schedule:	
Unlined pit precipitated solids disposal schedule attachment:	
Unlined pit reclamation description:	
Unlined pit reclamation attachment:	
Unlined pit Monitor description:	
Unlined pit Monitor attachment:	
Do you propose to put the produced water to beneficial use?	
Beneficial use user confirmation:	
Estimated depth of the shallowest aquifer (feet):	
Does the produced water have an annual average Total Disso that of the existing water to be protected?	lved Solids (TDS) concentration equal to or less than
TDS lab results:	
Geologic and hydrologic evidence:	
State authorization:	
Unlined Produced Water Pit Estimated percolation:	
Unlined pit: do you have a reclamation bond for the pit?	
Is the reclamation bond a rider under the BLM bond?	
Unlined pit bond number:	
Unlined pit bond amount:	
Additional bond information attachment:	
Section 4 - Injection	
Would you like to utilize Injection PWD options? NO	
Produced Water Disposal (PWD) Location:	
PWD surface owner:	PWD disturbance (acres):
Injection PWD discharge volume (bbl/day):	

Injection well type:	
Injection well number:	Injection well name:
Assigned injection well API number?	Injection well API number:
Injection well new surface disturbance (acres):	
Minerals protection information:	
Mineral protection attachment:	
Underground Injection Control (UIC) Permit?	
UIC Permit attachment:	
Section 5 - Surface Discharge	
Would you like to utilize Surface Discharge PWD options? NO	
Produced Water Disposal (PWD) Location:	
PWD surface owner:	PWD disturbance (acres):
Surface discharge PWD discharge volume (bbl/day):	
Surface Discharge NPDES Permit?	
Surface Discharge NPDES Permit attachment:	
Surface Discharge site facilities information:	
Surface discharge site facilities map:	
Section 6 - Other	
Would you like to utilize Other PWD options? NO	
Produced Water Disposal (PWD) Location:	
PWD surface owner:	PWD disturbance (acres):
Other PWD discharge volume (bbl/day):	
Other PWD type description:	
Other PWD type attachment:	
Have other regulatory requirements been met?	
Other regulatory requirements attachment:	

Bond Information

Federal/Indian APD: FED

BLM Bond number: CA0329

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment: