District I 1825 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-6161 Fax:(575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone:(575) 748-1283 Fax:(575) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410 Phone:(505) 334-6178 Fax:(505) 334-6170 District IV

1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-101 August 1, 2011

Permit 176479

Lea

APPLIC/	ATION FOR PERMIT T	O DRILL, RE-	ENTER, DEEPE	N, PLUGBACI	K, OR ADD A	ZONE	
Operator Name and Address		698.5	2//	, d	2. 0	OGRID Number	
CHEVRON U.S.A.INC						4323	
Attn: Sandy Stedman-Daniel					3. /	API Number	
Houston, TX 77252						30-025-41486	6
4. Property Code	5. Property Name				6. \	Vell No.	
2634	CLHARDY					010	
		7. Surf	ace Location				
UL - Lot Section Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M 20 2	1S 37E		1310	S	330	W	Le
		8. Proposed E	ottom Hole Locatio	n			
UL - Lot Section Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County

0 Dool Information

1310

S

330

5.1 or information	0.00
PENROSE SKELLY;GRAYBURG	50350

Additional	MALOH	Inform	ation

Additional Well information								
11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3495				
16. Multiple N	17. Proposed Depth 4300	18. Formation Grayburg	19. Contractor	20. Spud Date				
Depth to Ground water		Distance from nearest fresh wat	ter well	Distance to nearest surface water				

☑ We will be using a closed-loop system in lieu of lined pits

20

218

37E

21. Proposed Casing and Cement Program

Ту	pe Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sads of Cement	Estimated TOC				
St	ırf 11	8.625	24	1100	475	0				
Pr	od 7.875	5.5	15.5	4300	1050	0				

Casing/Cement Program: Additional Comments

SURF:J5,STC,2%CACL2,0.35PPS,D39 CELLOFLAKE, W-14.8, PPG, Y-1.34 CUFT5/SX PROD:J55 LTC,LEAD:50 SX 35:65 POZ, CL C, 5%D44, 6%D20,0.4D112,0.25PPS,D29 CELLOFLAKE, 0.2%D46, TAIL: 500 SX 50:50 POZ C, 5%D44, 2%D20,0.25PPS,D29 CELLOFLAKE, W-12.4, PPG, LEAD: 14.2PPG,TAIL:Y-2.15 CUFT/SX, LEAD: 1.35 CUFT/SX

22. Proposed Blowout Prevention Program

	ELIT TOPOGG DIGITALLI TOGGGI									
Туре	Working Pressure	Test Pressure	Manufacturer							
Annular	3000	2500								
Blind	3000	2500								
Pipe	3000	2500								

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ⋈ and/or 19.15.14.9 (B) NMAC ⋈, if applicable. Signature:				OIL CONS	SERVATION DIVISION
Printed Name:	Electronically filed by De	nise Pinkerton	Approved By:	Paul Kautz	
Title:	Regulatory Specialist	Regulatory Specialist		Geologist	
Email Address:	leakejd@chevron.com	11 0.0 10 . 100 101	Approved Date:	11/6/2013	Expiration Date: 11/6/2015
Date:	11/4/2013	Phone: 432-687-7375	Conditions of Ap	proval Attached	

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District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico **Energy, Minerals and Natural Resources** Oil Conservation Division 1220 S. St Francis Dr. Santa Fe, NM 87505

Form C-102 August 1, 2011

Permit 176479

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-41486	2. Pool Code 50350	3. Pool Name PENROSE SKELLY;GRAYBURG	
4. Property Code	5. Property Name	6. Well No.	
2634	C L HARDY	010	
7. OGRID No.	8. Operator Name	9. Elevation	
4323	CHEVRON U S A INC	3495	

10. Surface Location

Tot outlied Location									
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	20	218	37E		1310	S	330	W	Lea

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres			13. Joint or Infill		14. Consolidation C	ode		15. Order No.	

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or ha a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary poolin agreement or a compulsory pooling order heretofore entered by the division.
E-Signed By: Denise Pinkerton
Title: Regulatory Specialist
Date: 11/4/2013
SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervisio and that the same is true and correct to the best of my belief.
Surveyed By: RONALD EIDSON
Date of Survey: 7/18/2008
Certificate Number: 3239

Form APD Comments

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 Phone:(575) 393-8161 Fax:(575) 393-0720

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Permit 176479

PERMIT COMMENTS

Operator Name and Address:	API Number:
CHEVRON U S A INC [4323]	30-025-41486
Attn: Sandy Stedman-Daniel	Well:
Houston, TX 77252	C L HARDY #010

Created By	Comment	Comment Date
DPINKERTON	PLATS WILL BE MAILED IN TODAY. THIS WELL WAS PERMITTED BACK IN 2008, BUT NEVER DRILLED, THUS THE API# HAS EXPIRED.	11/4/2013
pkautz	Land p/P	11/5/2013

Form APD Conditions

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Permit 176479

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address:	API Number:
CHEVRON U S A INC [4323]	30-025-41486
Attn: Sandy Stedman-Daniel	Well:
Houston, TX 77252	C L HARDY #010

OCD Reviewer	Condition
pkautz	Will require administrative order for non-standard location
pkautz	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water.