

Gamma Ridge Pooling 5H and 8H
TBSG Lower Sand Pay
Geologic Overview and Drill Plan



District I
1825 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-6720
District II
811 S. First St., Artesia, NM 88213
Phone: (575) 748-1283 Fax: (575) 748-6720
District III
1000 Rio Brazos Rd., Aztec, NM 87413
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 161259

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address CHEVRON U S A INC Attn: Sandy Stedman-Daniel Houston, TX 77002		2. OGRID Number 4323
4. Property Code 40461		3. API Number 30-025-42059
5. Property Name GRAMMA RIDGE 14 24 34		6. Well No. 005H

7. Surface Location									
UL - Lot	C	Section	14	Township	24S	Range	34E	Lot Idn	
		Feet From	330	N/S Line	N	Feet From	2310	E/W Line	W
		County	Lea						

8. Proposed Bottom Hole Location									
UL - Lot	N	Section	14	Township	24S	Range	34E	Lot Idn	N
		Feet From	280	N/S Line	S	Feet From	1980	E/W Line	W
		County	Lea						

9. Pool Information	
RED HILLS; BONE SPRING, NORTH	96434

Additional Well Information				
11. Work Type New Well	12. Well Type OIL	13. Cable Rotary	14. Lease Type Private	15. Ground Level Elevation 3500
16. Multiple N	17. Proposed Depth 16578	18. Formation Bone Spring	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

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

21. Proposed Casing and Cement Program						
Type	Hole Size	Casing Size	Casing Weight/lb	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1200	1300	0
Int1	12.25	9.625	43.5	9250	2800	0
Prod	8.5	5.5	17	16578	1781	8750

Casing/Cement Program: Additional Comments
PILOT HOLE, 8.5 HOLE SIZE, SETTING DEPTH @ 12156, 175 SX CMT. PILOT HOLE WILL BE DRILLED TO 12200. AN OPEN HOLE CEMENTED WHIPSTOCK WILL BE UTILIZED W/2 7/8" TAIL PIPE TO PLUG THE PILOT HOLE AFTER EVALUATION. TAIL PIPE WILL BE CEMENTED IN PLACE FROM PILOT HOLE TD OF 12,156 TO 50' ABOVE DETERMINED KOP.

22. Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	
Pipe	5000	5000	
Blind	5000	5000	

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 CONSERVATION DIVISION
Printed Name: Electronically filed by Denise Pinkerton Title: Regulatory Specialist Email Address: leakejd@chevron.com Date: 8/21/2014	Approved By: Paul Kautz Title: Geologist Approved Date: 8/21/2014 Conditions of Approval Attached
Expiration Date: 8/21/2016	

BEFORE THE OIL CONSERVATION
DIVISION
Santa Fe, New Mexico
Exhibit No. 1
Submitted by: CHEVRON U.S.A., INC.
Hearing Date: September 17, 2014

District I
1625 N. French Dr., Hobbs, NM 88240
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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
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Santa Fe, NM 87505

Form C-102
August 1, 2011
Perm# 101269

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-42059	2. Pool Code 96434	3. Pool Name RED HILLS, BONE SPRING, NORTH
4. Property Code 40461	6. Property Name GRAMMA RIDGE 14 24 34	5. Well No. 005H
7. OGRID No 4323	8. Operator Name CHEVRON U S A INC	9. Elevation 3500

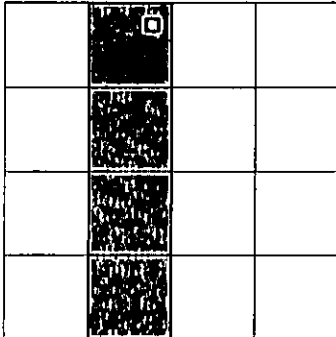
10. Surface Location

UL - Lot C	Section 14	Township 24S	Range 34E	Lot Idn	Feet From 330	N/S Line N	Feet From 2310	E/W Line W	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot N	Section 14	Township 24S	Range 34E	Lot Idn	Feet From 280	N/S Line S	Feet From 1980	E/W Line W	County Lea
12. Dedicated Acres 160.00			13. Joint or Infill		14. Consolidation Code			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>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 has 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 pooling agreement or a compulsory pooling order heretofore entered by the division</i> E-Signed By: Denise Pinkerton Title: Regulatory Specialist Date: 8/21/2014 SURVEYOR CERTIFICATION <i>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 supervision, and that the same is true and correct to the best of my belief.</i> Surveyed By: WILLIAM DANIEL Date of Survey: 6/10/2014 Certificate Number: 15078
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State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form APD Comments

Permit 161269

PERMIT COMMENTS

Operator Name and Address: CHEVRON U S A INC (4323) Attn: Sandy Stedman-Daniel Houston, TX 77002		API Number: 30-025-42059
		Well: GRAMMA RIDGE 14 24 34 #005H

Created By	Comment	Comment Date
DPINKERTON	PLATS WILL BE MAILED IN TODAY.	8/21/2014

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

Form APD Conditions

Permit 191289

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: CHEVRON U S A INC (4323) Attn: Sandy Stedman-Daniel Houston, TX 77002	API Number: 30-025-42059
	Well: GRAMMA RIDGE 14 24 34 #005H

OCD Reviewer	Condition
DMULL	Will require a directional survey with the C-104
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	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water

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

HOBBS OCD

AUG 21 2014

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

RECEIVED

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-42058	² Pool Code 96434	³ Pool Name Red Hills, Bone Spring, North
⁴ Property Code 40461	⁵ Property Name GRAMMA RIDGE 14 24 34	
⁶ OGRID No. 4323	⁷ Operator Name CHEVRON U.S.A. INC.	⁸ Well Number 5H
		⁹ Elevation 3500'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	14	24 SOUTH	34 EAST, N.M.P.M.		330'	NORTH	2310'	WEST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	14	24 SOUTH	34 EAST, N.M.P.M.		280'	SOUTH	1980'	WEST	LEA

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

Proposed First Take Point 330' FNL, 2310' FWL Proposed Last Take Point 330' FSL, 1984' FWL Proposed Producing Interval S 03°33'34"W 4,677.20' CORNER COORDINATES TABLE (NAD 27) <table border="1"> <tr><td>A - Y=446581.52, X=774849.59</td></tr> <tr><td>B - Y=446593.18, X=776171.00</td></tr> <tr><td>C - Y=445262.81, X=774880.71</td></tr> <tr><td>D - Y=445274.23, X=778182.05</td></tr> <tr><td>E - Y=441306.70, X=774894.06</td></tr> <tr><td>F - Y=441317.46, X=778215.18</td></tr> </table>	A - Y=446581.52, X=774849.59	B - Y=446593.18, X=776171.00	C - Y=445262.81, X=774880.71	D - Y=445274.23, X=778182.05	E - Y=441306.70, X=774894.06	F - Y=441317.46, X=778215.18	¹⁶ 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 or has 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 pooling agreement or a compulsory pooling order heretofore entered by the division. <i>Denise Pinkerton</i> 08/21/2014 Signature Date Denise Pinkerton Principal Name Leake.jd@chevron.com E-mail Address
	A - Y=446581.52, X=774849.59						
B - Y=446593.18, X=776171.00							
C - Y=445262.81, X=774880.71							
D - Y=445274.23, X=778182.05							
E - Y=441306.70, X=774894.06							
F - Y=441317.46, X=778215.18							
¹⁷ 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 supervision, and that the same is true and correct to the best of my belief. 6.10.14 Date of Survey <i>[Signature]</i> Signature and Seal of Professional Surveyor 15078 Certificate Number							

AUG 26 2014