| Carlsbad Field OCD Hob | hs | | | | | |
|--|---|--|--------------------|--|--|-----------------|
| Form 3160-3 (March 2012) UNITED STATES | ŀ | OBBS C | CD | OMB | APPROVE No. 1004-013 October 31, 2 | 7 |
| DEPARTMENT OF THE I BUREAU OF LAND MAN | | MAR 0 9 20 | 17 | 5. Lease Serial No. NMLC065876A | | |
| APPLICATION FOR PERMIT TO I | | | | 6. If Indian, Allotee | or Tribe N | Name |
| la. Type of work: | | NE - | | 7. If Unit or CA Agre | eement, Na | me and No. |
| lb. Type of Well: 🔽 Oil Well 🔲 Gas Well 💭 Other | 🖌 Sin | gle Zone 🔲 Multip | ole Zone | 8. Lease Name and SD WE 24 FED P2 | | (317518) |
| 2. Name of Operator CHEVRON USA INC (4323) | | | | 9. API Well No. 30-025- | 4367 | 73 |
| 3a. Address 6301 Deauville Blvd. Midland TX 79706 | 3b. Phone No. (432)687-7 | (include area code) 866 | WC | 10. Field and Pool, or 025 6-06 | - | |
| 4. Location of Well (Report location clearly and in accordance with any At surface SESE / 200 FSL / 1210 FEL / LAT 32.021488 | / LONG -10 | 3.623729 | | 11. Sec., T. R. M. or E SEC 24 / T26S / R | | |
| At proposed prod. zone NENE / 180 FNL / 1265 FEL / LAT 14. Distance in miles and direction from nearest town or post office* 33 miles | 32.049881 / | LONG -103.62389 | 94 | 12. County or Parish LEA | | 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 a 80 | cres in lease | 17. Spacin 320 | g Unit dedicated to this | well | |
| Distance from proposed location* to nearest well, drilling, completed, 25 feet applied for, on this lease, ft. | 19. Proposed 9120 feet / | IDepth 19318 feet | 20. BLM/ FED: C | BIA Bond No. on file A0329 | | |
| 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3137 feet | 22 Approxir 01/01/201 | nate date work will sta 7 | rt* | 23. Estimated duration 120 days | on | |
| | 24. Attac | | | | | |
| The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form: 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office). 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification 6. Such other site specific information and/or plans as may be required by the BLM. | | | | | | |
| 25. Signature (Electronic Submission) | the second se | (Printed/Typed) e Pinkerton / Ph: (| 432)687-7 | 7375 | Date 10/17/ | 2016 |
| Title Regulatory Specialist | | | | | | |
| Approved by (Signature) (Electronic Submission) | | (Printed/Typed) Layton / Ph: (575)2 | 234-5959 | | Date 03/01/ | 2017 |
| Title Supervisor Multiple Resources | Office HOBE | 3S | | | | |
| Application approval does not warrant or certify that the applicant hold conduct operations thereon. Conditions of approval, if any, are attached. | s legal or equit | table title to those right | ts in the sul | oject lease which would | entitle the | applicant to |
| Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a cr States any false, fictitious or fraudulent statements or representations as t | rime for any pe to any matter w | erson knowingly and within its jurisdiction. | willfully to r | nake to any department | or agency | of the United |
| (Continued on page 2) | | | | | truction | s on page 2) |
| APPROVED WITH CONDITIONS KEE 03/10/17 | | | | | | |

KE 10/17

AFMSS

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

APD ID: 10400006774 **Operator Name: CHEVRON USA INC** Well Name: SD WE 24 FED P24 Well Type: OIL WELL

Submission Date: 10/17/2016

Application

Section 1 - General

10400006774 Tie to previous NOS? Submission Date: 10/17/2016 APD ID: User: Denise Pinkerton Title: Regulatory Specialist **BLM Office: HOBBS** Federal/Indian APD: FED Is the first lease penetrated for production Federal or Indian? FED Lease number: NMLC065876A Lease Acres: 80 Surface access agreement in place? Allotted? Reservation: Agreement in place? NO Federal or Indian agreement: Agreement number: Agreement name: Keep application confidential? NO Permitting Agent? NO APD Operator: CHEVRON USA INC **Operator letter of designation:** Keep application confidential? NO

Operator Info

Operator Organization Name: CHEVRON USA INC Operator Address: 6301 Deauville Blvd. **Operator PO Box:** State: TX **Operator City: Midland** Operator Phone: (432)687-7866 **Operator Internet Address:**

Section 2 - Well Information

Well in Master Development Plan? NO Mater Development Plan name: Well in Master SUPO? NO Master SUPO name: Well in Master Drilling Plan? NO Master Drilling Plan name:

Page 1 of 26

Zip: 79706

APD Print Report 03/06/2017

> Highlight All Changes

Federal/Indian APD: FED Well Number: 6H

Well Work Type: Drill

| Operator Name: Well Name: SD V | CHEVRON USA INC | Well N | umber: 6H | |
|---|------------------------------------|--------------------------------------|------------------|----------------------------------|
| well Name: SD v | VE 24 FED P24 | VVell IN | umber. on | |
| | | | | |
| Well Name: SD W | /E 24 FED P24 | Well Numb | ber: 6H | Well API Number: |
| Field/Pool or Exploratory? Field and Pool | | Field Name | e: JENNINGS | Pool Name: UPPER BN SPR SHALE |
| Is the proposed v | well in an area containing other r | mineral resource | es? OIL | OTALL |
| Describe other m | inerals: | | | |
| Is the proposed v | well in a Helium production area | ? N Use Existi | ng Well Pad? NO | New surface disturbance? |
| Type of Well Pad Well Class: HOR | : MULTIPLE WELL | Multiple W WE 24 FEI Number of | | Number: 5H - 7H |
| Well Work Type: | Drill | | | |
| Well Type: OIL W | /ELL | | | |
| Describe Well Ty | pe: | | | |
| Well sub-Type: I | NFILL | | | |
| Describe sub-typ | e: | | | |
| Distance to town | : 33 Miles Distance | to nearest well: | 25 FT Distan | ce to lease line: 200 FT |
| Reservoir well sp | oacing assigned acres Measuren | nent: 320 Acres | | |
| Well plat: SD | WE 24 FED P24 6H_WellPlat_10- | 14-2016.pdf | | |
| SD | WE 24 P24 6H_C102_12-15-2016 | .pdf | | |
| Well work start D | ate: 01/01/2017 | Duration: | 120 DAYS | |
| Section 3 | 3 - Well Location Table | | | |
| Survey Type: RE | CTANGULAR | | | |
| Describe Survey | Туре: | | | |
| Datum: NAD83 | | Vertical Da | atum: NGVD29 | |
| Survey number: | | | | |
| | STATE: NEW MEXICO | Meridian: NEW | MEXICO PRINCIPAL | County: LEA |
| | Latitude: 32.021488 | Longitude: -103 | 3.623729 | |
| SHL | Elevation: 3137 | MD: 0 | | TVD: 0 |
| Leg #: 1 | Lease Type: FEDERAL | Lease #: NMLC | 065876A | |
| | NS-Foot: 200 | NS Indicator: | FSL | |
| | EW-Foot: 1210 | EW Indicator: | FEL | |
| | Twsp: 26S | Range: 32E | | Section: 24 |
| | Aliquot: SESE | Lot: | | Tract: |

Well Name: SD WE 24 FED P24

,

.

Well Number: 6H

| | STATE: NEW MEXICO | Meridian: NEW MEXICO PRINCIPA | L County: LEA |
|----------|-------------------------------|--|------------------|
| | Latitude: 32.049881 | Longitude: -103.623894 | |
| KOP | Elevation: -5471 | MD: 8613 | TVD: 8608 |
| Leg #: 1 | Lease Type: FEDERAL | Lease #: NMNM118722 | |
| | NS-Foot: 180 | NS Indicator: FNL | |
| | EW-Foot: 1265 | EW Indicator: FEL | |
| | Twsp: 26S | Range: 32E | Section: 13 |
| | Aliquot: NENE | Lot: | Tract: |
| | STATE: NEW MEXICO | Meridian: NEW MEXICO PRINCIPA | L County: LEA |
| | Latitude: 32.049881 | Longitude: -103.623894 | |
| PPP | Elevation: -5879 | MD: 9102 | TVD: 9016 |
| Leg #: 1 | Lease Type: FEDERAL | Lease #: NMNM118722 | |
| | NS-Foot: 180 | NS Indicator: FNL | |
| | EW-Foot: 1265 | EW Indicator: FEL | |
| | Twsp: 26S | Range: 32E | Section: 13 |
| | Aliquot: NENE | Lot: | Tract: |
| | STATE: NEW MEXICO | Meridian: NEW MEXICO PRINCIPA | L County: LEA |
| | Latitude: 32.049881 | Longitude: -103.623894 | |
| EXIT | Elevation: -5985 | MD: 19168 | TVD: 9122 |
| Leg #: 1 | Lease Type: FEDERAL | Lease #: NMNM118722 | |
| | NS-Foot: 180 | NS Indicator: FNL | |
| | EW-Foot : 1265 | EW Indicator: FEL | |
| | Twsp: 26S | Range: 32E | Section: 13 |
| | Aliquot: NENE | Lot: | Tract: |
| | STATE: NEW MEXICO | Meridian: NEW MEXICO PRINCIPA | L County: LEA |
| | Latitude: 32.049881 | Longitude: -103.623894 | |
| BHL | Elevation: -5983 | MD: 19318 | TVD: 9120 |
| Leg #: 1 | Lease Type: FEDERAL | Lease #: NMNM118722 | |
| | | | |
| | NS-Foot : 180 | NS Indicator: FNL | |
| | NS-Foot: 180 EW-Foot: 1265 | NS Indicator: FNL EW Indicator: FEL | |

| Operator Name: CHEVRON USA INC | | |
|----------------------------------|---------------------------|----------------------|
| Well Name: SD WE 24 FED P24 | Well Number: 6H | |
| Twsp: 26S | Range: 32E | Section: 13 |
| Aliquot: NENE | Lot: | Tract: |
| | Drilling Plan | |
| Section 1 - Geologic Fo | rmations | |
| ID: Surface formation | Name: RUSTLER | - - |
| Lithology(ies): | | |
| ANHYDRITE | | |
| Elevation: 3137 | True Vertical Depth: 0 | Measured Depth: 0 |
| Mineral Resource(s): | | 1 |
| NONE | | |
| Is this a producing formation? N | | |
| ID: Formation 1 | Name: CASTILE | |
| Lithology(ies): | | |
| DOLOMITE | | |
| Elevation: 137 | True Vertical Depth: 3000 | Measured Depth: 3000 |
| Mineral Resource(s): | , | |
| NONE | | |
| Is this a producing formation? N | | |
| ID: Formation 2 | Name: LAMAR LS | |
| Lithology(ies): | | |
| LIMESTONE | | |
| Elevation: -1563 | True Vertical Depth: 4700 | Measured Depth: 4700 |
| Mineral Resource(s): | | |
| NONE | | |
| Is this a producing formation? N | | |
| | | |

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| Operator Name: CHEVRON USA INC | | |
|---------------------------------|---------------------------|----------------------|
| Well Name: SD WE 24 FED P24 | Well Number: 6H | |
| D: Formation 3 | Name: BELL CANYON | |
| .ithology(ies): | | |
| SANDSTONE | | |
| Elevation: -1843 | True Vertical Depth: 4980 | Measured Depth: 4980 |
| Aineral Resource(s): | | |
| NONE | | |
| s this a producing formation? N | | |
| D: Formation 4 | Name: CHERRY CANYON | |
| _ithology(ies): | | |
| SANDSTONE | | |
| Elevation: -2738 | True Vertical Depth: 5875 | Measured Depth: 5875 |
| Mineral Resource(s): | | |
| NONE | | |
| s this a producing formation? N | | |
| D: Formation 5 | Name: BRUSHY CANYON | |
| _ithology(ies): | | |
| SANDSTONE | | |
| Elevation: -4288 | True Vertical Depth: 7425 | Measured Depth: 7425 |
| Mineral Resource(s): | | |
| NONE | | |
| s this a producing formation? N | | |
| D: Formation 6 | Name: BONE SPRING LIME | |
| _ithology(ies): | | |
| LIMESTONE | | |
| Elevation: -5668 | True Vertical Depth: 8805 | Measured Depth: 8805 |
| /lineral Resource(s): | | |
| NONE | | |

,

| Operator Name: CHEVRON USA INC Well Name: SD WE 24 FED P24 | Well Number: 6H | |
|---|---------------------------|-----------------------|
| Is this a producing formation? N | | |
| ID: Formation 7 | Name: AVALON | |
| Lithology(ies): | | |
| SHALE | | с , |
| Elevation: -5983 | True Vertical Depth: 9120 | Measured Depth: 19318 |
| Mineral Resource(s): | | |
| OIL | | |
| Is this a producing formation? Y | | · · · · · |
| | | |

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M

Rating Depth: 22000

Equipment: MINIMUM OF 5000 PSI BOP STACK AND CHOKE (SEE PROPOSED SCHEMATIC(WILL BE UTILIZED

Requesting Variance? YES

Variance request: CHEVRON REQUESTS A VARIANCE TO USE A FMC UH2 MULTIBOWN WELLHEAD. PLEASE SEE THE ATTACHED WELLHEAD SCHEMATIC.

Testing Procedure: STACK WILL BE TESTED AS SPECIFIED IN THE ATTACHED TESTING REQUIREMENTS, UPON NU AND NOT TO EXCEED 30 DAYS.

Choke Diagram Attachment:

SD WE 24 P24 6H_BOPE CHOKE_10-14-2016.pdf

BOP Diagram Attachment:

SD WE 24 P24 6H_BOPE CHOKE_10-14-2016.pdf

Section 3 - Casing

| Operator Name: CHEVRON USA INC Well Name: SD WE 24 FED P24 | | Well Number: 6H |
|---|--------------------|---------------------------------|
| | | |
| String Type: INTERMEDIATE | Other String Type: | |
| Hole Size: 12.25 | | |
| Top setting depth MD: 750 | | Top setting depth TVD: 0 |
| Top setting depth MSL: -5983 | | |
| Bottom setting depth MD: 4600 | | Bottom setting depth TVD: -4595 |
| Bottom setting depth MSL: -1388 | | |
| Calculated casing length MD: 3850 | | |
| Casing Size: 9.625 | Other Size | |
| Grade: HCK-55 | Other Grade: | |
| Weight: 40 | | |
| Joint Type: LTC | Other Joint Type: | |
| Condition: NEW | | |
| Inspection Document: | | |
| Standard: API | | |
| Spec Document: | | |
| Tapered String?: N | | |
| Tapered String Spec: | | |
| Safety Factors | | |

Collapse Design Safety Factor: 3.02 Joint Tensile Design Safety Factor type: DRY Body Tensile Design Safety Factor type: DRY Casing Design Assumptions and Worksheet(s): Burst Design Safety Factor: 1.21 Joint Tensile Design Safety Factor: 2.15 Body Tensile Design Safety Factor: 1.48

SD WE 24 Fed P24 6H 9ppt plan_10-14-2016.pdf

| Operator Name: CHEVRON USA INC | | |
|----------------------------------|--------------------|--------------------------------|
| Well Name: SD WE 24 FED P24 | | Well Number: 6H |
| | | |
| String Type: SURFACE | Other String Type: | |
| Hole Size: 17.5 | | |
| Top setting depth MD: 0 | | Top setting depth TVD: 0 |
| Top setting depth MSL: -5983 | | |
| Bottom setting depth MD: 750 | | Bottom setting depth TVD: -750 |
| Bottom setting depth MSL: -5233 | | |
| Calculated casing length MD: 750 | | |
| Casing Size: 13.375 | Other Size | |
| Grade: J-55 | Other Grade: | |
| Weight: 55 | | |
| Joint Type: STC | Other Joint Type: | |
| Condition: NEW | | |
| Inspection Document: | | |
| Standard: API | | |
| Spec Document: | | |
| Tapered String?: N | | |
| Tapered String Spec: | | |
| Safety Factors | | |

Collapse Design Safety Factor: 1.92 Joint Tensile Design Safety Factor type: DRY Body Tensile Design Safety Factor type: DRY Casing Design Assumptions and Worksheet(s): Burst Design Safety Factor: 1.4 Joint Tensile Design Safety Factor: 2.4 Body Tensile Design Safety Factor: 1.75

SD WE 24 Fed P24 6H 9ppt plan_10-14-2016.pdf

| Operator Name: CHEVRON USA INC | | |
|------------------------------------|--------------------|---------------------------------|
| Well Name: SD WE 24 FED P24 | | Well Number: 6H |
| | | |
| String Type: PRODUCTION | Other String Type: | |
| Hole Size: 8.75 | | |
| Top setting depth MD: 0 | | Top setting depth TVD: 0 |
| Top setting depth MSL: -5983 | | |
| Bottom setting depth MD: 19318 | | Bottom setting depth TVD: -9048 |
| Bottom setting depth MSL: 3065 | | |
| Calculated casing length MD: 19318 | | |
| Casing Size: 5.5 | Other Size | |
| Grade: HCP-110 | Other Grade: | |
| Weight: 20 | | |
| Joint Type: OTHER | Other Joint Type: | TXP BTC |
| Condition: NEW | | |
| Inspection Document: | | |
| Standard: API | | |
| Spec Document: | | |
| Tapered String?: N | | |
| Tapered String Spec: | | |

Safety Factors

Collapse Design Safety Factor: 2.51 Joint Tensile Design Safety Factor type: DRY Body Tensile Design Safety Factor type: DRY Casing Design Assumptions and Worksheet(s): Burst Design Safety Factor: 1.3 Joint Tensile Design Safety Factor: 2.48 Body Tensile Design Safety Factor: 1.51

SD WE 24 Fed P24 6H 9ppt plan_10-14-2016.pdf

SALADO DRAW PROD CSG SPEC_10-14-2016.pdf

Section 4 - Cement

Casing String Type: SURFACE

Operator Name: CHEVRON USA INC Well Name: SD WE 24 FED P24

Well Number: 6H

Stage Tool Depth:

Lead

Top MD of Segment: 0 Additives: NONE Density: 14.8

| Bottom MD Segment: 750 | | |
|------------------------|--|--|
| Quantity (sks): 865 | | |
| Volume (cu.ft.): 208 | | |

Bottom MD Segment: 3600

Bottom MD Segment: 4600

Quantity (sks): 1030

Volume (cu.ft.): 446

Quantity (sks): 464

Volume (cu.ft.): 110

Cement Type: CLASS C Yield (cu.ff./sk): 1.35 Percent Excess: 125

Casing String Type: INTERMEDIATE

Stage Tool Depth:

Lead

Top MD of Segment: 0 Additives: NONE Density: 11.9 <u>Tail</u> Top MD of Segment: 3600

Additives: NONE
Density: 14.8

Casing String Type: PRODUCTION

Stage Tool Depth:

Lead

Top MD of Segment: 8613 Additives: NONE Density: 12.5 Tail

Top MD of Segment: 18318 Additives: NONE Density: 15 Bottom MD Segment: 18318 Quantity (sks): 2743 Volume (cu.ft.): 591

Bottom MD Segment: 19318 Quantity (sks): 116 Volume (cu.ft.): 45 Cement Type: 50:50 POZ CLASS C Yield (cu.ff./sk): 2.43 Percent Excess: 150

Cement Type: CLASS C Yield (cu.ff./sk): 1.33 Percent Excess: 85

Cement Type: 50:50 POZ CL H, TXI Yield (cu.ff./sk): 1.62 Percent Excess: 35

Cement Type: ACID SOLUBLE Yield (cu.ff./sk): 2.18 Percent Excess: 0

Page 10 of 26

Well Name: SD WE 24 FED P24

Well Number: 6H

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: in compliance with onshore order #2

Describe the mud monitoring system utilized: VISUAL MUD MONITORING EQPT, PVT, STROKE COUNTER, FLOW SENSOR IN COMPLIANCE WITH ONSHORE ORDER #2

Circulating Medium Table

| Top Depth: 0 | Bottom Depth: 750 |
|--|--|
| Mud Type: SPUD MUD | |
| Min Weight (lbs./gal.): 8.3 | Max Weight (Ibs./gal.): 8.7 |
| Density (lbs/cu.ft.): | Gel Strength (lbs/100 sq.ft.): |
| PH: | Viscosity (CP): |
| Filtration (cc): | Salinity (ppm): |
| Additional Characteristics: | |
| | |
| Top Depth: 750 | Bottom Depth: 4600 |
| Top Depth: 750 | Bottom Depth: 4600 |
| Top Depth: 750 Mud Type: SALT SATURATED | Bottom Depth: 4600 |
| | Bottom Depth: 4600 Max Weight (Ibs./gal.): 10.2 |
| Mud Type: SALT SATURATED | |
| Mud Type: SALT SATURATED Min Weight (Ibs./gal.): 9.5 | Max Weight (Ibs./gal.): 10.2 |
| Mud Type: SALT SATURATED Min Weight (Ibs./gal.): 9.5 Density (Ibs/cu.ft.): | Max Weight (Ibs./gal.): 10.2 Gel Strength (Ibs/100 sq.ft.): |

| Operator Name: CHEVRON USA INC Well Name: SD WE 24 FED P24 | Well Number: 6H |
|---|--------------------------------|
| Top Depth: 4600 | Bottom Depth: 19318 |
| Mud Type: OIL-BASED MUD | |
| Min Weight (lbs./gal.): 8.3 | Max Weight (lbs./gal.): 9.6 |
| Density (lbs/cu.ft.): | Gel Strength (lbs/100 sq.ft.): |
| PH: | Viscosity (CP): |
| Filtration (cc): | Salinity (ppm): |
| Additional Characteristics: | |

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures: DRILL STEM TESTS NOT PLANNED List of open and cased hole logs run in the well: MWD Coring operation description for the well: CONVENTIONAL HOLE CORE SAMPLES ARE NOT PLANNED; DIRECTIONAL SURVEY TO BE RUN.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 4500

Anticipated Surface Pressure: 2493.16

Anticipated Bottom Hole Temperature(F): 160

Anticipated abnormal proessures, 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:

SD WE 24 P24 H2S PLAN_10-14-2016.pdf

Well Name: SD WE 24 FED P24

Well Number: 6H

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

SD WE 24 Fed P24 6H_Directional_Plot_10-14-2016.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Other Variance attachment:

SUPO

Section 1 - Existing Roads

Will existing roads be used? YES Existing Road Map: SD WE 24 FED P24 5H-7H_AerialDetail_R_10-14-2016.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: REPAIR POT HOLES, CLEAR DITCHES, REPAIR CROWN, ETC. Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

SD WE 24 FED P24 6H WellPlat 10-14-2016.pdf

New road type: LOCAL

Length: 47

Max slope (%): 2

Width (ft.): 14

Max slope (%): 2

Max grade (%): 3

Army Corp of Engineers (ACOE) permit required? NO

ACOE Permit Number(s):

New road travel width: 14

New road access erosion control: SEE SURFACE USE PLAN

Feet

New road access plan or profile prepared? NO

Well Name: SD WE 24 FED P24

Well Number: 6H

New road access plan attachment: Access road engineering design? NO Access road engineering design attachment:

Access surfacing type: OTHER

Access topsoil source: ONSITE

Access surfacing type description: CALICHE

Access onsite topsoil source depth: 0

Offsite topsoil source description:

Onsite topsoil removal process: NONE NEEDED

Access other construction information:

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: OTHER

Drainage Control comments: DITCHING ON BOTH SIDES OF ROAD

Road Drainage Control Structures (DCS) description: DITCHING ON BOTH SIDES OF ROAD

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: SD WE 24 P24_ONE MILE RAD_10-14-2016.pdf Existing Wells description:

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

Submit or defer a Proposed Production Facilities plan? SUBMIT Estimated Production Facilities description: Production Facilities description: Production Facilities map: SD WE 24 FED P24 5H-7H_AerialDetail_R_10-14-2016.pdf

Well Name: SD WE 24 FED P24

Well Number: 6H

Section 5 - Location and Types of Water Supply

Water Source Table

 Water source use type: INTERMEDIATE/PRODUCTION CASING,
 Water source type: OTHER

 STIMULATION, SURFACE CASING
 Describe type: GW WELL OR RECYCLED WATER

 Source longitude:
 Source longitude:

Source latitude:

Source datum:

Water source permit type: PRIVATE CONTRACT

Source land ownership: PRIVATE

Water source transport method: PIPELINE

Source transportation land ownership: OTHER

Water source volume (barrels): 659461.25

Source volume (gal): 27697372

Water source and transportation map:

SD WE 24 FED P24 5H-7H_AerialDetail_R_10-14-2016.pdf

Water source comments: FRESH WATER WILL BE OBTAINED FROM A PRIVATE WATER SOURCE, STORED IN EXISTING PONDS IN PRIMARY PONDS IN NENE S13&23 T26S-R32E OR SECONDARY PONDS IN NENW S19 OF T26S-R33E & NWNW S29 OF T26S-R33E. New water well? NO

New Water Well Info

| Well latitude: | Well Longitude: | Well datum: |
|-------------------------------------|-------------------------|---------------|
| Well target aquifer: | | |
| Est. depth to top of aquifer(ft): | Est thickness of aq | uifer: |
| Aquifer comments: | | |
| Aquifer documentation: | | |
| Well depth (ft): | Well casing type: | |
| Well casing outside diameter (in.): | Well casing inside dia | imeter (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: | | |

Describe transportation land ownership:

Source volume (acre-feet): 85

Well Name: SD WE 24 FED P24

Well Number: 6H

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: CALICHE WILL BE SOURCED FROM A PIT IN SECTION 22, T26S-R33E, OR AN ALTERNATIVE PIT IN SECTION 21, T26S-R32E, LEA COUNTY, NM **Construction Materials source location attachment:**

Section 7 - Methods for Handling Waste

Waste type: GARBAGE

Waste content description: GARBAGE AND TRASH

Amount of waste: 200 pounds

Waste disposal frequency : Daily

Safe containment description: WILL BE COLLECTED IN TRASH CONTAINER AND DISPOSED OF AT STATE APPROVED FACILITY.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL **Disposal location ownership: STATE** FACILITY **Disposal type description:**

Disposal location description: STATE APPROVED FACILITY

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.)

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.)

Reserve pit volume (cu. yd.)

Well Name: SD WE 24 FED P24

Well Number: 6H

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:

SD WE 24 Fed P24 5-7H Pace X-30 Rig Layout_10-14-2016.pdf SD WE 24 FED P24 6H_WellPlat_10-14-2016.pdf Comments:

Section 10 - Plans for Surface Reclamation

Type of disturbance: NEW **Recontouring attachment:** SD WE 24 P24_Reclamation_10-14-2016.pdf SD WE 24 P24 7H APD SUP_10-14-2016.pdf Drainage/Erosion control construction: SEE SURFACE USE PLAN Drainage/Erosion control reclamation: SEE SURFACE USE PLAN Wellpad long term disturbance (acres): 2.5 Wellpad short term disturbance (acres): 4 Access road long term disturbance (acres): 0.02 Access road short term disturbance (acres): 0.02 Pipeline long term disturbance (acres): 0.002295684 Pipeline short term disturbance (acres): 1097.4149 Other long term disturbance (acres): 0 Other short term disturbance (acres): 0 Total short term disturbance: 1101.4349 Total long term disturbance: 2.5222957 Reconstruction method: SEE SURFACE USE PLAN Topsoil redistribution: SEE SURFACE USE PLAN Soil treatment: SEE SURFACE USE PLAN Existing Vegetation at the well pad: MESQUITE, SHRUBS, GRASS Existing Vegetation at the well pad attachment:

Well Name: SD WE 24 FED P24

Existing Vegetation Community at the road: MESQUITE, SHRUBS, GRASS Existing Vegetation Community at the road attachment: Existing Vegetation Community at the pipeline: MESQUITE, SHRUBS, GRASS Existing Vegetation Community at the pipeline attachment: Existing Vegetation Community at other disturbances: MESQUITE, SHRUBS, GRASS Existing Vegetation Community at other disturbances attachment: Non native seed used? Non native seed description: Seedling transplant description: Will seedlings be transplanted for this project? Seedling transplant description attachment: Will seed be harvested for use in site reclamation? Seed harvest description:

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

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

Pounds/Acre

First Name: Last Name: Phone: Email:

Seedbed prep:

Well Name: SD WE 24 FED P24

Well Number: 6H

Seed BMP:

Seed method:

Existing invasive species? NO Existing invasive species treatment description: Existing invasive species treatment attachment: Weed treatment plan description: NONE NEEDED Weed treatment plan attachment: Monitoring plan description: NONE NEEDED Monitoring plan attachment: Success standards: N/A Pit closure description: N/A 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: Wilitary Local Office: USFWS Local Office: Other Local Office: USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Well Name: SD WE 24 FED P24

Well Number: 6H

Disturbance type: NEW ACCESS ROAD 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: USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Disturbance type: EXISTING ACCESS ROAD 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: USFS Region: USFS Forest/Grassland:

USFS Ranger District:

Well Name: SD WE 24 FED P24

Well Number: 6H

Disturbance type: PIPELINE 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 ROW Type(s): 288100 ROW – O&G Pipeline,Other Use APD as ROW? YES

ROW Applications

SUPO Additional Information: Use a previously conducted onsite? YES Previous Onsite information: HARD STAKED 04/16/2016 WITH PAUL MURPHY

Other SUPO Attachment

PWD

Well Name: SD WE 24 FED P24

Well Number: 6H

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: 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:

PWD disturbance (acres):

Well Name: SD WE 24 FED P24

Well Number: 6H

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

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 Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

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:

PWD disturbance (acres):

Well Name: SD WE 24 FED P24

Well Number: 6H

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location: PWD surface owner: Injection PWD discharge volume (bbl/day): Injection well mineral owner: Injection well type: Injection well type: Assigned 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: 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: Other PWD discharge volume (bbl/day): Other PWD type description: Other PWD type attachment: Have other regulatory requirements been met? PWD disturbance (acres):

Injection well name: Injection well API number:

PWD disturbance (acres):

PWD disturbance (acres):

Well Name: SD WE 24 FED P24

Well Number: 6H

Other regulatory requirements attachment:

Bond Info

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:

Operator Certification

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: Denise Pinkerton Signed on: 10/14/2016 Title: Regulatory Specialist Street Address: 6301 Deauville Blvd City: Midland State: TX Zip: 79706 Phone: (432)687-7375 Email address: leakejd@chevron.com

Field Representative

| Representative Name: | |
|----------------------|--|
| Street Address: | |

| Operator Name: CHEVRON | USA INC | | | |
|-----------------------------|-------------------|--------------|-----------------|--|
| Well Name: SD WE 24 FED P24 | | Well Numbe | Well Number: 6H | |
| | | | | |
| City: | State: | | Zip: | |
| Phone: | | | | |
| Email address: | | | | |
| | | Payment Info | | |
| Payment | | | | |
| APD Fee Payment Method: | BLM DIRECT | | | |
| CBS Receipt number: | 3677645 | | | |