

District I
1625 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 162178

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 77252 | | 2. OGRID Number 4323 |
| 4. Property Code 29923 | | 3. API Number 30-025-40998 |
| 5. Property Name CENTRAL VACUUM UNIT | | 6. Well No. 438 |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| M | 25 | 17S | 34E | M | 575 | S | 1170 | W | LEA |

8. Proposed Bottom Hole Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| M | 25 | 17S | 34E | M | 575 | S | 1170 | W | Lea |

9. Pool Information

| | |
|----------------------------|-------|
| VACUUM;GRAYBURG-SAN ANDRES | 62180 |
|----------------------------|-------|

Additional Well Information

| | | | | |
|---------------------------|----------------------------|--|-------------------------|------------------------------------|
| 11. Work Type New Well | 12. Well Type OIL | 13. Cable/Rotary | 14. Lease Type State | 15. Ground Level Elevation 4007 |
| 16. Multiple N | 17. Proposed Depth 5300 | 18. Formation San Andres | 19. Contractor | 20. Spud Date |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |

21. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 14.75 | 11.75 | 42 | 1545 | 1300 | |
| Int1 | 11 | 8.625 | 32 | 3200 | 750 | |
| Prod | 7.875 | 5.5 | 17 | 5300 | 1150 | |

Casing/Cement Program: Additional Comments

SURF: 13.6PPG, 1.72 FT3/SK, 8.759 GPS MIX WATER - TOC-SURF INTER: LEAD:12.8PPG, 1.97 FT3/SK, 10.850 GPS MIX WTR - TOC-SURF TAIL: 14.2PPG, 1.51 FT3/SK, 7.334 GPS MIX WTR - TOC - SURF PROD: LEAD: 13.5PPG, 1.27 FT3/SK, 6.096 GPS MIX WTR - TOC - SURF TAIL: 16.00 PPG, 1.12 FT3/SK, 3.495 GPS MIX WTR - TOC - SURF

22. Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|---------|------------------|---------------|--------------|
| Annular | 3000 | 1500 | |
| Blind | 5000 | 3000 | |
| Pipe | 5000 | 3000 | |

| | |
|--|--|
| 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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable. Signature: | OIL CONSERVATION DIVISION |
| Printed Name: Electronically filed by Denise Pinkerton | Approved By: Paul Kautz |
| Title: Regulatory Specialist | Title: Geologist |
| Email Address: leakage@chevron.com | Approved Date: 2/14/2013 Expiration Date: 2/14/2015 |
| Date: 2/11/2013 Phone: 432-687-7375 | Conditions of Approval Attached |

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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 C-102
August 1, 2011
Permit 162178

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|-------------------------------|---|--|
| 1. API Number 30-025-40998 | 2. Pool Code 62180 | 3. Pool Name VACUUM;GRAYBURG-SAN ANDRES |
| 4. Property Code 29923 | 5. Property Name CENTRAL VACUUM UNIT | 6. Well No. 438 |
| 7. OGRID No. 4323 | 8. Operator Name CHEVRON U S A INC | 9. Elevation 4007 |

10. Surface Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|---------|------------------|---------------|-------------------|---------------|---------------|
| UL - Lot M | Section 25 | Township 17S | Range 34E | Lot Idn | Feet From 575 | N/S Line S | Feet From 1170 | E/W Line W | County 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 40.00 | 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

| | | | |
|--|--|--|--|
| | <p align="center">OPERATOR CERTIFICATION</p> <p><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></p> <p>E-Signed By: Denise Pinkerton Title: Regulatory Specialist Date: 2/11/2013</p> | | |
| | <p align="center">SURVEYOR CERTIFICATION</p> <p><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></p> <p>Surveyed By: RONALD EIDSON Date of Survey: 10/22/2012 Certificate Number: 3239</p> | | |
| | | | |
| | | | |

Permit Comments

Operator: CHEVRON U S A INC , 4323

Well: CENTRAL VACUUM UNIT #438

API: 30-025-40998

| Created By | Comment | Comment Date |
|------------|--|--------------|
| DPINKERTON | C-144 & PLATS WILL BE MAILED IN TODAY | 2/11/2013 |
| pkautz | Land s/S | 2/13/2013 |
| CHERRERA | OCD RECIEVED FORM C144 CLEZ. OCD PERMIT # P1-05764 | 2/14/2013 |

Permit Conditions of Approval

Operator: CHEVRON U S A INC , 4323

Well: CENTRAL VACUUM UNIT #438

API: 30-025-40998

| OCD Reviewer | Condition |
|-----------------|--|
| 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 | Estimated depth from ground level to Rustler Anhydrite is 1520. Surface casing must be set 25' below top of Rustler Anhydrite to seal off protectable water. |