

**District I**  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(575) 393-8161 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 182986

**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 30-025-41731
5. Property Name GRAMMA RIDGE 14 24 34		6. Well No. 002H

**7. Surface Location**

UL - Lot D	Section 14	Township 24S	Range 34E	Lot Idn	Feet From 330	N/S Line N	Feet From 340	E/W Line W	County Lea
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**8. Proposed Bottom Hole Location**

UL - Lot M	Section 14	Township 24S	Range 34E	Lot Idn M	Feet From 330	N/S Line S	Feet From 340	E/W Line W	County Lea
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**9. Pool Information**

RED HILLS;BONE SPRING, NORTH	96434
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**Additional Well Information**

11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3508
16. Multiple N	17. Proposed Depth 15415	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/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	1200	1287	0
Int1	12.25	9.625	40	5200	2047	0
Prod	8.75	5.5	17	15415	1781	4700

**Casing/Cement Program: Additional Comments**

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**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 <input checked="" type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input checked="" type="checkbox"/> , if applicable.  Signature:	<b>OIL CONSERVATION DIVISION</b>
Printed Name: Electronically filed by Denise Pinkerton Title: Regulatory Specialist Email Address: leakejd@chevron.com Date: 3/13/2014	Approved By: Paul Kautz Title: Geologist Approved Date: 3/14/2014 Expiration Date: 3/14/2016 Conditions of Approval Attached

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**Santa Fe, NM 87505**

Form C-102  
 August 1, 2011  
 Permit 182986

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-41731	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. Well No. 002H
7. OGRID No. 4323	8. Operator Name CHEVRON U S A INC	9. Elevation 3508

**10. Surface Location**

UL - Lot D	Section 14	Township 24S	Range 34E	Lot Idn	Feet From 330	N/S Line N	Feet From 340	E/W Line W	County Lea
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**11. Bottom Hole Location If Different From Surface**

UL - Lot M	Section 14	Township 24S	Range 34E	Lot Idn M	Feet From 330	N/S Line S	Feet From 340	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**

<div style="border: 1px solid black; width: 100px; height: 100px; margin: 10px auto; background-color: #cccccc; position: relative;"> <div style="position: absolute; top: 5px; left: 5px; width: 10px; height: 10px; background-color: #ff00ff; border: 1px solid black;"></div> </div>	<p style="text-align: center;"><b>OPERATOR CERTIFICATION</b></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: 3/13/2014</p> <hr/> <p style="text-align: center;"><b>SURVEYOR CERTIFICATION</b></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: 4/18/2013        Certificate Number: 3239</p>
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**Santa Fe, NM 87505**

Form APD Comments  
  
Permit 182986

**PERMIT COMMENTS**

Operator Name and Address: CHEVRON U S A INC [4323] Attn: Sandy Stedman-Daniel Houston, TX 77002		API Number: 30-025-41731
		Well: GRAMMA RIDGE 14 24 34 #002H

Created By	Comment	Comment Date
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Form APD Conditions

Permit 182986

**PERMIT CONDITIONS OF APPROVAL**

Operator Name and Address: CHEVRON U S A INC [4323] Attn: Sandy Stedman-Daniel Houston, TX 77002	API Number: 30-025-41731
	Well: GRAMMA RIDGE 14 24 34 #002H

OCD Reviewer	Condition
DMULL	Will require a directional survey with the C-104
DMULL	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
DMULL	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	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water