

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) 749-1283 Fax:(575) 749-9720
District III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-8178 Fax:(505) 334-8170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3482

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 196058

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 30-025-42289
5. Property Name GRAMMA RIDGE 14 24 34		6. Well No. 006H

7. Surface Location

UL - Lot	B	Section	14	Township	24S	Range	34E	Lot Idn	Feet From	330	N/S Line	N	Feet From	1700	E/W Line	E	County	Lea
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8. Proposed Bottom Hole Location

UL - Lot	O	Section	14	Township	24S	Range	34E	Lot Idn	O	Feet From	280	N/S Line	S	Feet From	1980	E/W Line	E	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 3476
16. Multiple N	17. Proposed Depth 16551	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	54.5	1180	1250	0
Int1	12.25	9.625	43.5	9080	2995	0
Prod	8.5	5.5	17	16551	1785	8750

Casing/Cement Program: Additional Comments

INTERMEDIATE CASING WILL BE CEMENTED IN 2 STAGES, WITH A DV TOOL & EXTERNAL CASING PACKER SET @ 5200'.
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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: Printed Name: Electronically filed by Denise Pinkerton Title: Regulatory Specialist Email Address: leakejd@chevron.com Date: 11/25/2014	<div style="text-align: center;">OIL CONSERVATION DIVISION</div> Approved By: Paul Kautz Title: Geologist Approved Date: 11/25/2014 Expiration Date: 11/25/2016 Conditions of Approval Attached
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Form C-102
August 1, 2011
Permit 196058

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-42289	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. 006H
7. OGRID No. 4323	8. Operator Name CHEVRON U S A INC	9. Elevation 3476

10. Surface Location

UL - Lot B	Section 14	Township 24S	Range 34E	Lot Idn	Feet From 330	N/S Line N	Feet From 1700	E/W Line E	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot O	Section 14	Township 24S	Range 34E	Lot Idn	Feet From 280	N/S Line S	Feet From 1980	E/W Line E	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

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px;"></td><td style="width: 25%; height: 40px; text-align: center;">■</td><td style="width: 25%; height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> <tr><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td><td style="height: 40px;"></td></tr> </table>			■														<p style="text-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: 11/25/2014</p> <hr/> <p style="text-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: WILLIAM DANIEL Date of Survey: 6/10/2014 Certificate Number: 15078</p>
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Form APD Comments

 Permit 196058

PERMIT COMMENTS

Operator Name and Address: CHEVRON U S A INC [4323] Attn: Sandy Stedman-Daniel Houston, TX 77002		API Number: 30-025-42289
		Well: GRAMMA RIDGE 14 24 34 #006H
Created By	Comment	Comment Date
DPINKERTON	C-102 PLATS, DIRECTIONAL SURVEY, BOP & CHOKE MANIFOLD SCHEMATIC, & RIG LAYOUT, WILL BE MAILED IN TODAY	11/25/2014

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Form APD Conditions

Permit 196058

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: CHEVRON U S A INC [4323] Attn: Sandy Stedman-Daniel Houston, TX 77002	API Number: 30-025-42289
	Well: GRAMMA RIDGE 14 24 34 #006H

OCD Reviewer	Condition
pkautz	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