*(Instructions on page 2)

Form 3160-3 FORM APPROVED OMB No. 1004-0137 (June 2015) Expires: January 31, 2018 **UNITED STATES** DEPARTMENT OF THE INTERIOR 5. Lease Serial No. BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allotee or Tribe Name 7. If Unit or CA Agreement, Name and No. DRILL REENTER 1a. Type of work: 1b. Type of Well: Oil Well Gas Well Other 8. Lease Name and Well No. 1c. Type of Completion: Hydraulic Fracturing Single Zone Multiple Zone [328296] 2. Name of Operator 9. API Well No. [4323] 30-025-51497 3a. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory [97955] 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T. R. M. or Blk. and Survey or Area At surface At proposed prod. zone 14. Distance in miles and direction from nearest town or post office* 12. County or Parish 13. State 15. Distance from proposed* 16. No of acres in lease 17. Spacing Unit dedicated to this well location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 18. Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. in file to nearest well, drilling, completed, applied for, on this lease, ft. 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable) 1. Well plat certified by a registered surveyor. 4. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above). 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. 6. Such other site specific information and/or plans as may be requested by the SUPO must be filed with the appropriate Forest Service Office). 25. Signature Name (Printed/Typed) Date Title Approved by (Signature) Date Name (Printed/Typed) Title Office Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction. NGMP Rec 05/18/2023 APPROVED WITH CONDITIONS SL (Continued on page 2)

Released to Imaging: 5/24/2023 10:48:29 AM Approval Date: 04/21/2023

<u>District I</u>
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
<u>District II</u>

811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III

1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 <u>District IV</u>

1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

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

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

☐ AMENDED REPORT

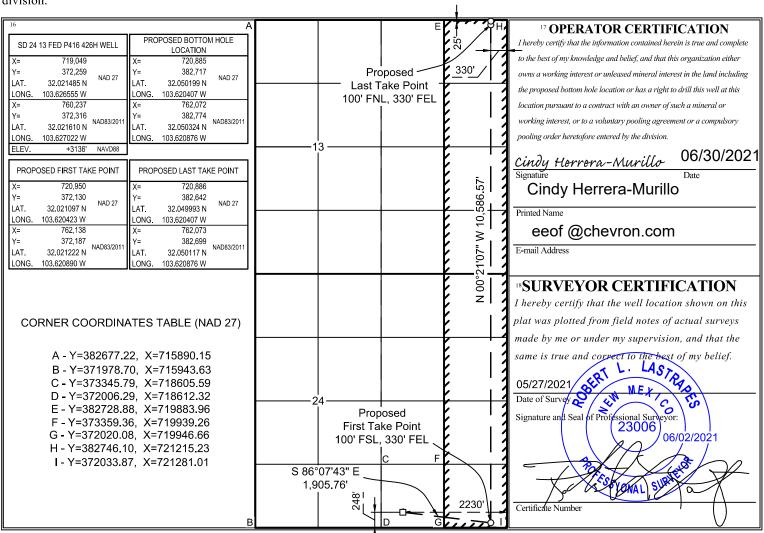
WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code	² Pool Code ³ Pool Name							
30-025-51497	97955	WC-025 G-06 S263319P;BONE SPRING							
⁴ Property Code	⁵ P1	⁵ Property Name							
328296	SD 24	4 13 FED P416	426H						
⁷ OGRID No.	8 O	⁹ Elevation							
4323	CHEVRON U.S.A. INC.								
	10 Care	face Location							

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
0	24	26 SOUTH	32 EAST, N.M.P.M.		248'	SOUTH	2230'	EAST	LEA
			11 Bottom H	Hole Locat	ion If Diffe	erent From S	Surface		
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	26 SOUTH	32 EAST, N.M.P.M.		25'	NORTH	330'	EAST	LEA
¹² Dedicated Acres ¹³ Joint or Infill		nt or Infill	¹⁴ Consolidation Code 1	⁵ Order No.					
320	In	fill							

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.



State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 Plan Description

			ective May 25,			
I. Operator:Chevi	on USA Inc		OGRID: _	4323	Da	te: <u>06</u> / <u>15</u> / <u>2021</u>
II. Type: ⊠ Original [☐ Amendmen	t due to 🗆 19.15.27.9	.D(6)(a) NMA	C □ 19.15.27.9.D	(6)(b) NMAC □	Other.
If Other, please describe	e:					
III. Well(s): Provide the be recompleted from a s					wells proposed to	be drilled or proposed to
Well Name	API	ULSTR	Footages	Anticipated Oil BBL/D	Anticipated Gas MCF/D	Anticipated Produced Water BBL/D
SD 24 13 Fed P416 #424H	Pending	O-24-26	248 FSL 2280 FEL	911BBL/D	1405MCF/D	1856BBL/D
SD 24 13 Fed P416 #425H	Pending	O-24-26	248 FSL 2255 FEL	911BBL/D	1405MCF/D	1856BBL/D
SD 24 13 Fed P416 #426H	Pending	O-24-26	248 FSL 2230 FEL	911BBL/D	1405MCF/D	1856BBL/D
IV. Central Delivery P	_	Salado Draw		y or recompleted w		19.15.27.9(D)(1) NMAC]
v. Anticipated Schedu		-		-		s proposed to be drilled or

proposed to be recompleted from a single well pad or connected to a central delivery point.

Well Name	API	Spud Date	TD Reached	Completion	Initial Flow	First Production
			Date	Commencement Date	Back Date	Date
SD 24 13 Fed P416 #424H	Pending	1/7/2021	N/A	<u>N/A</u>	N/A	<u>N/A</u>
SD 24 13 Fed P416 #425H	Pending	1/27/2021	N/A	<u>N/A</u>	N/A	N/A
SD 24 13 Fed P416 #426H	Pending	2/9/2021	N/A	N/A	N/A	N/A

- VI. Separation Equipment: Attach a complete description of how Operator will size separation equipment to optimize gas capture.
- VII. Operational Practices:

 Attach a complete description of the actions Operator will take to comply with the requirements of Subsection A through F of 19.15.27.8 NMAC.
- VIII. Best Management Practices:

 Attach a complete description of Operator's best management practices to minimize venting during active and planned maintenance.

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

🖾 Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

Well	API	Anticipated Average Natural Gas Rate MCF/D	Anticipated Volume of Natural Gas for the First Year MCF

X. Natural Gas Gathering System (NGGS):

Operator	System	ULSTR of Tie-in	Anticipated Gathering Start Date	Available Maximum Daily Capacity of System Segment Tie-in

XI. Map. Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the
production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of
the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected.

XII. Line Capacity. The natural	gas gathering system \square	will □ will not	have capacity to	gather 100	% of the anticipa	ated natural gas
production volume from the well	prior to the date of first	production.				

XIII. Line Pressure. Operator \square does \square does not anticipate that its existing well(s) connected to the same segment, or porti	on, of the
natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new	well(s).

			manage							

XIV. Confidentiality: U Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information	provided in
Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific	information
for which confidentiality is asserted and the basis for such assertion.	

(i)

Section 3 - Certifications <u>Effective May 25, 2021</u>

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal: 🗵 Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system: or ☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. If Operator checks this box, Operator will select one of the following: Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC; or Venting and Flaring Plan.

Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including: power generation on lease: (a) power generation for grid; (b) compression on lease; (c) (d) liquids removal on lease; reinjection for underground storage; (e) **(f)** reinjection for temporary storage; **(g)** reinjection for enhanced oil recovery; fuel cell production; and (h)

other alternative beneficial uses approved by the division.

Section 4 - Notices

- 1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:
- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or
- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

Signature: Carol Adler
Printed Name: CAROL ADLER
Title: SR. HSE REGULATORY AFFAIRS COORDINATOR
E-mail Address: caroladler@chevron.com
Date: 5/18/2023
Phone:
(432) 687-7148
OIL CONSERVATION DIVISION
(Only applicable when submitted as a standalone form)
Approved By:
Title:
Approval Date:
Conditions of Approval:

VI. Separation Equipment:

Separation equipment installed at each Chevron facility is designed for maximum anticipated throughput and pressure to minimize waste. Separation equipment is designed and built according to ASME Sec VIII Div I to ensure gas is separated from liquid streams according to projected production.

VII./VIII. Operational & Best Management Practices:

- 1. General Requirements for Venting and Flaring of Natural Gas:
 - In all circumstances, Chevron will flare rather than vent unless flaring is technically infeasible and venting of natural gas will avoid a risk of an immediate and substantial adverse impact on safety, public health, or the environment.
 - Chevron installs and operates vapor recovery units (VRUs) in new facilities to minimize venting and flaring.
 If a VRU experiences operating issues, it is quickly assessed so that action can be taken to return the VRU to operation or, if necessary, facilities are shut-in to reduce the venting or flaring of natural gas.

2. During Drilling Operations:

- Flare stacks will be located a minimum of 110 feet from the nearest surface hole location.
- If an emergency or malfunction occurs, gas will be flared or vented to avoid a risk of an immediate and substantial adverse impact on public health, safety or the environment and be properly reported to the NMOCD pursuant to 19.15.27.8.G.
- Natural gas is captured or combusted if technically feasible using best industry practices and control technologies, such as the use of separators (e.g., Sand Commanders) during normal drilling and completions operations.

3. During Completions:

- Chevron typically does not complete traditional flowback, instead Chevron will flow produced oil, water, and gas to a centralized tank battery and continuously recover salable quality gas. If Chevron completes traditional flowback, Chevron conducts reduced emission completions as required by 40 CFR 60.5375a by routing gas to a gas flow line as soon as practicable once there is enough gas to operate a separator.
 Venting does not occur once there is enough gas to operate a separator
- Normally, during completions a flare is not on-site. A Snubbing Unit will have a flare on-site, and the flare volume will be estimated.
- If natural gas does not meet pipeline quality specification, the gas is sampled twice per week until the gas meets the specifications.

4. During Production:

- An audio, visual and olfactory (AVO) inspection will be performed daily (at minimum) for active wells and
 facilities to confirm that all production equipment is operating properly and there are no leaks or releases
 except as allowed in Subsection D of 19.15.27.8 NMAC. Inactive, temporarily abandoned, or shut-in wells
 and facilities will be inspected weekly. Inspection records will be kept for a minimum of five years and will
 be available upon request by the division.
- Monitor manual liquid unloading for wells on-site, takes all reasonable actions to achieve a stabilized rate
 and pressure at the earliest practical time and takes reasonable actions to minimize venting to the
 maximum extent practicable.
- In all circumstances, Chevron will flare rather than vent unless flaring is technically infeasible and venting of natural gas will avoid a risk of an immediate and substantial adverse impact on safety, public health, or the environment.
- Chevron's design for new facilities utilizes air-activated pneumatic controllers and pumps.
- If natural gas does not meet pipeline quality specification, the gas is sampled twice per week until the gas meets the specifications.
- Chevron does not produce oil or gas until all flowlines, tank batteries, and oil/gas takeaway are installed, tested, and determined operational.

5. Performance Standards

- Equipment installed at each facility is designed for maximum anticipated throughput and pressure to minimize waste. Tank pressure relief systems utilize a soft seated or metal seated PSVs, as appropriate, which are both designed to not leak.
- Flare stack has been designed for proper size and combustion efficiency. New flares will have a
 continuous pilot and will be located at least 100 feet from the well and storage tanks and will be securely
 anchored.
- New tanks will be equipped with an automatic gauging system.
- An audio, visual and olfactory (AVO) inspection will be performed daily (at minimum) for active wells and
 facilities to confirm that all production equipment is operating properly and there are no leaks or releases
 except as allowed in Subsection D of 19.15.27.8 NMAC. Inactive, temporarily abandoned, or shut-in wells
 and facilities will be inspected weekly. Inspection records will be kept for a minimum of five years and will
 be available upon request by the division.

6. Measurement or Estimation of Vented and Flared Natural Gas

- Chevron estimates or measures the volume of natural gas that is vented, flared, or beneficially used during drilling, operations, regardless of the reason or authorization for such venting or flaring.
- Where technically practicable, Chevron will install meters on flares installed after May 25, 2021. Meters
 will conform to industry standards. Bypassing the meter will only occur for inspecting and servicing of the
 meter.

Well Name: SD 24 13 FED P416 Well Number: 426H

Testing Procedure: Chevron respectfully request to vary from the Onshore Order 2 where it states: (A full BOP Test) shall be performed: when initially installed and whenever any seal subject to test pressure is broken. We propose to break test if able to finish the next hole section within 21 days of the previous full BOP test. No BOP components nor any break will ever surpass 21 days between testing. A break test will consist of a 250 psi low / 5,000 psi high for 10 min each test against the connection that was broken when skidding the rig. Upon the first nipple up of the pad a full BOP test will be performed. A full BOP test will be completed prior to drilling the production liner hole sections, unless the BOP connection was not broken prior to drilling that hole section (example: drilling straight from production into production liner hole section). A break test will only be performed on operations where BLM documentation states a 5M or less BOP can be utilized.

Choke Diagram Attachment:

BLM_5M_Choke_Manifold_Diagram_20210708063417.pdf

Choke_Hose_Specs_and_Pressure_Reading_20220119072834.pdf

BOP Diagram Attachment:

BOPE_Testing_20220119072724.pdf

5K_BOPE_Schematic_20220119072805.pdf

NM_Slim_Hole_Wellhead_6650_psi_UH_S_20220119072935.pdf

BLM_5M_Annular_10M_Rams_Stackup_and_Test_Plan_20220119073045.pdf

Sundry_Break_Testing_and_WOC_500_psi_SD_P416_20220119073111.pdf

Section 3 - Casing

Casing ID	String Type	Hole Size	Csg Size	Condition	Standard	Tapered String	Top Set MD	Bottom Set MD	Top Set TVD	Bottom Set TVD	Top Set MSL	Bottom Set MSL	Calculated casing length MD	Grade	Weight	Joint Type	Collapse SF	Burst SF	Joint SF Type	Joint SF	Body SF Type	Body SF
1	SURFACE	16	13.625	NEW	API	N	0	850	0	850	3136	2286	850	J-55	54.5	ST&C	2.13	1.43	DRY	4.07	DRY	4.07
2	INTERMED IATE	12.2 5	9.625	NEW	API	N	0	4748	0	4698	3132	-1562	4748	L-80	40	BUTT	1.24	1.64	DRY	2.78	DRY	2.78
3	PRODUCTI ON	8.75	7.0	NEW	API	N	4698	10245	4698	9982	-1562	-6846	1	OTH ER		OTHER - BLUE	1.63	1.15	DRY	2.39	DRY	2.39
4	PRODUCTI ON	6.12 5	5.0	NEW	API	N	9982	10745	9982	10472	-6846	-7336	1	P- 110		OTHER - W- 513	1.39	1.1	DRY	1.32	DRY	1.32
5	LINER	6.12 5	4.5	NEW	API	N	10745	21044	10745	10472	-7609	-7336	10299	P- 110		OTHER - W- 521	1.39	1.1	DRY	1.32	DRY	1.32

Casing Attachments

Well Name: SD 24 13 FED P416 Well Number: 426H

Casing	Attachments

Casing ID: 1

String

SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

 $13.375_54.5ppf_J55_STC_20210708114822.pdf$

Casing ID: 2

String

INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

9.625_40.0lb_L80IC_BTC_20210708114846.pdf

Casing ID: 3

String

PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

7_29ppf_TN110SS_TSH_Blue_20210708114953.pdf

Well Name: SD 24 13 FED P416 Well Number: 426H

Casing Attachments

Casing ID: 4

String

PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

 $5_18ppf_P110_Flush_W513_20210708115018.pdf$

Casing ID: 5

String

LINER

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

4.5_11.6ppf_P110_TSH_W521_20210708115038.pdf

Section 4 - Cement

String Type	Lead/Tail	Stage Tool Depth	Тор МD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
SURFACE	Lead		0	0	0	0	0	0	0	N/A	N/A
SURFACE	Tail		0	850	397	1.34	14.8	532	100	CLASS C	EXTENDER, ANTIFOAM,RETARDE R
INTERMEDIATE	Lead		0	3748	1174	2	13.2	2348	100	CLASS C	EXTENDER, ANTIFOAM, RETARDER,VISCOSIFI ER
INTERMEDIATE	Tail		3748	4748	336	1.4	14.8	470	50	CLASS C	EXTENDER, ANTIFORM, RETARDER,

Well Name: SD 24 13 FED P416 Well Number: 426H

String Type	Lead/Tail	Stage Tool Depth	Top MD	Bottom MD	Quantity(sx)	Yield	Density	Cu Ft	Excess%	Cement type	Additives
											VISCOSIFIER
PRODUCTION	Lead		4248	9245	563	2	13.2	1127	50	CLASS C	EXTENDER, ANTIFOAM, RETARDER,VISCOSIFI ER
PRODUCTION	Tail		9245	1024 5	134	1.4	14.8	188	50	CLASS C	EXTENDER, ANTIFOAM, RETARDER,VISCOSIFI ER
PRODUCTION	Lead		9945	2104 4	710	1.84	13.2	1307	25	Class C	EXTENDER, ANTIFOAM, RETARDER, VISCOSIFIER

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: A closed system will be used consisting of above ground steel tanks. All wastes accumulated during drilling operations will be contained in a portable trash cage and removed from location and deposited in an approved sanitary landfill. Sanitary wastes will be contained in a chemical portatoilet and then hauled to an approved sanitary landfill. All fluids and cuttings will be disposed of in accordance with New Mexico Oil Conservation Division rules and regulations. And transportating of E&P waste will follow EPA regulations and accompanying manifests. A mud test shall be performed every 24 hours after mudding up to determine, as applicable: density, viscosity, gel strength, filtration, and pH. Visual mud monitoring equipment shall be in place to detect volume changes indicating loss or gain of circulating fluid volume. When abnormal pressures are anticipated -- a pit volume totalizer (PVT), stroke counter, and flow sensor will be used to detect volume changes indicating loss or gain of circulating fluid volume.

Describe the mud monitoring system utilized: Visual mud monitoring equipment shall be in place to detect volume changes indicating loss or gain of circulating fluid volume. When abnormal pressures are anticipated -- a pit volume totalizer (PVT), stroke counter, and flow sensor will be used to detect volume changes indicating loss or gain of circulating fluid volume.

Circulating Medium Table

Well Name: SD 24 13 FED P416 Well Number: 426H

Top Depth	Bottom Depth	Mud Type	Min Weight (lbs/gal)	Max Weight (lbs/gal)	Density (lbs/cu ft)	Gel Strength (lbs/100 sqft)	ЬН	Viscosity (CP)	Salinity (ppm)	Filtration (cc)	Additional Characteristics
0	4748	SALT SATURATED	10	10.6							Viscosity 26-36 Filtration15-25
0	850	SPUD MUD	8.3	8.9							Viscosity 26-36 Filtration15-25
4748	1024 5	OTHER : WBM/BRINE	8.7	10.6							Viscosity 26-36 Filtration 15-25
1024 5	2104 4	OTHER : OBM	8.7	10.5							Viscosity 50-70 Filtration 5-10

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

The anticipated type and amount of testing, logging, and coring are as follows:

a. Drill stem tests are not planned.

b. The logging program will be as follows:

TYPE Logs Interval Timing

Mudlogs 2 man mudlog Surface casing shoe through prod hole TD

While drilling or circulating

LWD MWD Gamma Int. and Prod. Hole While Drilling

- c. Conventional whole core samples are not planned.
- d. A directional survey will be run.

List of open and cased hole logs run in the well:

GAMMA RAY LOG, DIRECTIONAL SURVEY,

Coring operation description for the well:

No coring

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 5228 Anticipated Surface Pressure: 2905

Anticipated Bottom Hole Temperature(F): 150

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geoharzards description:

Well Name: SD 24 13 FED P416 Well Number: 426H

Contingency Plans geohazards

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations

Chevron_Standard_H2S_Contingency_Plan_20220119074547.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

SD_2413FedP416426H_R3_20210713112019.pdf SD_P416___P365_3_well_20220119074653.pdf SD_24_13_FED_P416_426H_20220119074817.pdf

Other proposed operations facets description:

Chevron formally requests the variances below:

- Authorization to use the spudder rig to spud the well and set surface and intermediate casing. The drilling rig will move in less than 90 days to continue drilling operations. Rig layouts attached.

Other proposed operations facets attachment:

Gas_Management_Plan___Pad_416_20210719080409.pdf
Operational_Best_Management_Practices_Pad_416_20210719080421.pdf

Other Variance attachment:

Schlumberger

SD 24 13 Fed P416 426H R3 mdv 03Jun21 Proposal Geodetic Report

(Def Plan)

Report Date: Field: Structure / Slot: Well: UWI / API#: Survey Name:

Survey Date: Tort / AHD / DDI / ERD Ratio: Coordinate Reference System: Location Lat / Long: Location Grid N/E Y/X: CRS Grid Convergence Angle: Grid Scale Factor:

Version / Patch:

June 04, 2021 - 11:46 AM Chevron NM Lea County (NAD 27) Chevron SD 24 13 Fed P416 / 426H SD 24 13 Fed P416 426H SD 24 13 Fed P416 426H Unknown / Unknown SD 24 13 Fed P416 426H R3 mdv 03Jun21

April 05, 2021 138.215 ° / 12510.880 ft / 6.537 / 1.185

NAD27 New Mexico State Plane, Eastern Zone, US Feet N 32° 1' 17.34511", W 103° 37' 35.59650" N 372259.000 ftUS, E 719049.000 ftUS 0.3748°

0.99996405 2.10.825.0

Survey / DLS Computation: Vertical Section Azimuth: Vertical Section Origin: TVD Reference Datum: TVD Reference Elevation: Seabed / Ground Elevation: Magnetic Declination: Total Gravity Field Strength: Gravity Model: Total Magnetic Field Strength:

Magnetic Dip Angle: Declination Date: Magnetic Declination Model: North Reference: Grid Convergence Used: Total Corr Mag North->Grid North: Local Coord Referenced To:

Minimum Curvature / Lubinski 359.650 ° (Grid North) 0.000 ft, 0.000 ft RKB = 30' TBD 3166.000 ft above MSL 3136.000 ft above MSL 6.464° 998.4365mgn (9.80665 Based) GARM 47483.944 nT

59.570° April 05, 2021 HDGM 2020 Grid North 0.3748° 6.0896°

Well Head

Comments	MD (ft)	Incl (°)	Azim Grid	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
Surface	0.00	0.00	0.00	0.00	0.00	0.00	0.00	N/A	372259.00		N 32 1 17.35	
	100.00	0.00	180.00	100.00	0.00	0.00	0.00	0.00	372259.00		N 32 1 17.35	
	200.00	0.00	180.00	200.00	0.00	0.00	0.00	0.00	372259.00			W 103 37 35.60
	300.00	0.00	180.00	300.00	0.00	0.00	0.00 0.00	0.00 0.00	372259.00			W 103 37 35.60 W 103 37 35.60
	400.00 500.00	0.00	180.00 180.00	400.00 500.00	0.00	0.00	0.00	0.00	372259.00 372259.00			W 103 37 35.60 W 103 37 35.60
	600.00	0.00	180.00	600.00	0.00	0.00	0.00	0.00	372259.00			W 103 37 35.60
	700.00	0.00	180.00	700.00	0.00	0.00	0.00	0.00	372259.00		N 32 1 17.35	
	800.00	0.00	180.00	800.00	0.00	0.00	0.00	0.00	372259.00		N 32 1 17.35	
Build 1.5°/100ft	900.00	0.00	180.00	900.00	0.00	0.00	0.00	0.00	372259.00		N 32 1 17.35	
	1000.00	1.50	180.00	999.99	-1.31	-1.31	0.00	1.50	372257.69		N 32 1 17.33	
	1100.00 1200.00	3.00 4.50	180.00 180.00	1099.91 1199.69	-5.23 -11.77	-5.23 -11.77	0.00 0.00	1.50 1.50	372253.77 372247.23		N 32 1 17.29 N 32 1 17.23	W 103 37 35.60 W 103 37 35.60
Turn 1.5°/100ft	1233.33	5.00	180.00	1232.91	-14.53	-14.54	0.00	1.50	372244.47			W 103 37 35.60
	1300.00	4.95	168.46	1299.33	-20.26	-20.26	0.58	1.50	372238.74		N 32 1 17.14	
	1400.00	5.25	151.85	1398.94	-28.54	-28.52	3.60	1.50	372230.48	719052.60	N 32 1 17.06	W 103 37 35.56
	1500.00	5.92	138.01	1498.47	-36.44	-36.38	9.20	1.50	372222.62		N 32 1 16.98	
	1600.00	6.86	127.45	1597.85	-43.95	-43.85	17.39	1.50	372215.16		N 32 1 16.91	
	1700.00 1800.00	7.97 9.19	119.61 113.76	1697.01 1795.89	-51.07 -57.80	-50.90 -57.54	28.16 41.49	1.50 1.50	372208.10 372201.46		N 32 1 16.84 N 32 1 16.77	W 103 37 35.27 W 103 37 35.12
	1900.00	10.48	109.31	1894.42	-64.12	-63.77	57.39	1.50	372201.40			W 103 37 34.93
	2000.00	11.83	105.84	1992.53	-70.04	-69.58	75.83	1.50	372189.42			W 103 37 34.72
	2100.00	13.20	103.08	2090.16	-75.55	-74.96	96.82	1.50	372184.04		N 32 1 16.60	
	2200.00	14.60	100.83	2187.22	-80.65	-79.92	120.32	1.50	372179.09	719169.32	N 32 1 16.55	W 103 37 34.21
Hold	2298.61	16.00	99.00	2282.34	-85.27	-84.38	145.95	1.50	372174.63			W 103 37 33.91
	2300.00	16.00	99.00	2283.67	-85.33	-84.44	146.33	0.00	372174.57			W 103 37 33.90
	2400.00 2500.00	16.00 16.00	99.00 99.00	2379.80 2475.93	-89.81 -94.29	-88.75 -93.06	173.56 200.78	0.00 0.00	372170.25 372165.94		N 32 1 16.46 N 32 1 16.41	
	2600.00	16.00	99.00	2572.05	-94.29 -98.76	-97.37	228.01	0.00	372163.94			W 103 37 33.27 W 103 37 32.96
	2700.00	16.00	99.00	2668.18	-103.24	-101.69	255.23	0.00	372157.32	719304.22		W 103 37 32.64
	2800.00	16.00	99.00	2764.30	-107.72	-106.00	282.45	0.00	372153.01			W 103 37 32.32
	2900.00	16.00	99.00	2860.43	-112.20	-110.31	309.68	0.00	372148.69			W 103 37 32.01
	3000.00	16.00	99.00	2956.56	-116.68	-114.62	336.90	0.00	372144.38			W 103 37 31.69
	3100.00	16.00	99.00	3052.68	-121.16	-118.93	364.13	0.00	372140.07	719413.11		W 103 37 31.38
	3200.00 3300.00	16.00 16.00	99.00 99.00	3148.81 3244.94	-125.63 -130.11	-123.25 -127.56	391.35 418.58	0.00 0.00	372135.76 372131.45			W 103 37 31.06 W 103 37 30.74
	3400.00	16.00	99.00	3341.06	-134.59	-131.87	445.80	0.00	372127.14		N 32 1 16.01	
	3500.00	16.00	99.00	3437.19	-139.07	-136.18	473.03	0.00	372122.82			W 103 37 30.11
	3600.00	16.00	99.00	3533.31	-143.55	-140.49	500.25	0.00	372118.51	719549.23	N 32 1 15.92	W 103 37 29.80
	3700.00	16.00	99.00	3629.44	-148.02	-144.80	527.47	0.00	372114.20		N 32 1 15.88	
	3800.00	16.00	99.00	3725.57	-152.50	-149.12	554.70	0.00	372109.89		N 32 1 15.83	
	3900.00 4000.00	16.00 16.00	99.00 99.00	3821.69 3917.82	-156.98 -161.46	-153.43 -157.74	581.92 609.15	0.00 0.00	372105.58 372101.27	719630.90 719658.12	N 32 1 15.79	W 103 37 28.85 W 103 37 28.53
	4100.00	16.00	99.00	4013.94	-165.94	-162.05	636.37	0.00	372101.27			W 103 37 28.22
	4200.00	16.00	99.00	4110.07	-170.41	-166.36	663.60	0.00	372092.64			W 103 37 27.90
	4300.00	16.00	99.00	4206.20	-174.89	-170.68	690.82	0.00	372088.33			W 103 37 27.59
	4400.00	16.00	99.00	4302.32	-179.37	-174.99	718.05	0.00	372084.02			W 103 37 27.27
	4500.00	16.00	99.00	4398.45	-183.85	-179.30	745.27	0.00	372079.71		N 32 1 15.52	
	4600.00	16.00	99.00	4494.58	-188.33	-183.61	772.49	0.00	372075.40		N 32 1 15.48	
	4700.00 4800.00	16.00 16.00	99.00 99.00	4590.70 4686.83	-192.81 -197.28	-187.92 -192.24	799.72 826.94	0.00 0.00	372071.08 372066.77			W 103 37 26.32 W 103 37 26.01
	4900.00	16.00	99.00	4782.95	-201.76	-196.55	854.17	0.00	372062.46		N 32 1 15.34	
	5000.00	16.00	99.00	4879.08	-206.24	-200.86	881.39	0.00	372058.15			W 103 37 25.37
Turn 1.5°/100ft	5098.61	16.00	99.00	4973.87	-210.66	-205.11	908.24	0.00	372053.90			W 103 37 25.06
	5100.00	16.00	98.93	4975.21	-210.72	-205.17	908.62	1.50	372053.84			W 103 37 25.06
	5200.00	15.81	93.49	5071.38	-213.85	-208.14	935.83	1.50	372050.87			W 103 37 24.74
	5300.00 5400.00	15.76 15.85	87.98 82.48	5167.62 5263.84	-214.37 -212.27	-208.49 -206.22	963.00 990.12	1.50 1.50	372050.52 372052.78		N 32 1 15.22 N 32 1 15.24	W 103 37 24.43 W 103 37 24.11
Hold	5470.95	16.00	78.64	5332.07	-212.27	-203.03	1009.31	1.50	372052.76			W 103 37 24.11 W 103 37 23.89
Tiolu	5500.00	16.00	78.64	5359.99	-207.66	-201.45	1017.16	0.00	372057.56			W 103 37 23.80
	5600.00	16.00	78.64	5456.12	-202.40	-196.02	1044.19	0.00	372062.99		N 32 1 15.34	
	5700.00	16.00	78.64	5552.25	-197.13	-190.59	1071.21	0.00	372068.42		N 32 1 15.39	
	5800.00	16.00	78.64	5648.37	-191.87	-185.16	1098.24	0.00	372073.85			W 103 37 22.86
	5900.00	16.00	78.64	5744.50	-186.60	-179.73	1125.27	0.00	372079.28		N 32 1 15.49	
	6000.00 6100.00	16.00 16.00	78.64 78.64	5840.62 5936.75	-181.34 -176.07	-174.30 -168.87	1152.29 1179.32	0.00 0.00	372084.71 372090.14		N 32 1 15.55 N 32 1 15.60	
	6200.00	16.00	78.64 78.64	6032.87	-170.07	-163.44	1206.34	0.00	372090.14		N 32 1 15.60 N 32 1 15.65	
	6300.00	16.00	78.64	6129.00	-165.54	-158.01	1233.37	0.00	372101.00		N 32 1 15.70	
	6400.00	16.00	78.64	6225.13	-160.28	-152.58	1260.39	0.00	372106.43		N 32 1 15.75	
	6500.00	16.00	78.64	6321.25	-155.01	-147.15	1287.42	0.00	372111.86	720336.37	N 32 1 15.81	W 103 37 20.66
	6600.00	16.00	78.64	6417.38	-149.75	-141.72	1314.44	0.00	372117.29		N 32 1 15.86	
	6700.00	16.00	78.64	6513.50	-144.48	-136.29	1341.47	0.00	372122.72	720390.42	N 32 1 15.91	W 103 37 20.03

Drilling Office 2.10.825.0 ...SD 24 13 Fed P416 426H\SD 24 13 Fed P416 426H\SD 24 13 Fed P416 426H R3 mdv 03Jun21 04/06/2021 11:51 a. m. Page 1 of 3

	6800.00 6900.00 7000.00	16.00 16.00	78.64 78.64	6609.63	-139.22	-130.86	1368.49	0.00	372128.15	720417.44	N 32 1 15.96	W 103 37 19.71
						405.40	4205 50	0.00	272422 50	700444 40		
		16.00	78.64	6705.75 6801.88	-133.95 -128.69	-125.43 -120.00	1395.52 1422.54	0.00 0.00	372133.58 372139.01	720444.46 720471.49		W 103 37 19.40 W 103 37 19.08
	7100.00	16.00	78.64	6898.01	-123.42	-114.57	1449.57	0.00	372144.43	720498.51		W 103 37 18.77
	7200.00	16.00	78.64	6994.13	-118.16	-109.14	1476.59	0.00	372149.86	720525.54		W 103 37 18.46
	7300.00	16.00	78.64	7090.26	-112.89	-103.71 -98.28	1503.62	0.00 0.00	372155.29	720552.56 720579.58		W 103 37 18.14 W 103 37 17.83
	7400.00 7500.00	16.00 16.00	78.64 78.64	7186.38 7282.51	-107.63 -102.36	-98.28 -92.85	1530.64 1557.67	0.00	372160.72 372166.15	720606.61		W 103 37 17.83 W 103 37 17.51
	7600.00	16.00	78.64	7378.63	-97.10	-87.42	1584.69	0.00	372171.58			W 103 37 17.20
	7700.00	16.00	78.64	7474.76	-91.83	-81.99	1611.72	0.00	372177.01	720660.66	N 32 1 16.43	W 103 37 16.88
	7800.00	16.00	78.64	7570.89	-86.57	-76.56	1638.74	0.00	372182.44			W 103 37 16.57
Natural Dran 75°/100ft	7900.00	16.00	78.64	7667.01	-81.30	-71.13 -68.30	1665.77 1679.83	0.00 0.00	372187.87	720714.70		W 103 37 16.25 W 103 37 16.09
Natural Drop .75°/100ft	7952.02 8000.00	16.00 15.64	78.64 78.64	7717.02 7763.18	-78.56 -76.07	-65.73	1692.65	0.00	372190.70 372193.28	720728.76 720741.59		W 103 37 15.09 W 103 37 15.94
	8100.00	14.89	78.64	7859.65	-71.04	-60.54	1718.46	0.75	372198.46	720767.40		W 103 37 15.64
	8200.00	14.14	78.64	7956.46	-66.25	-55.60	1743.04	0.75	372203.40			W 103 37 15.36
	8300.00	13.39	78.64	8053.58	-61.70	-50.92	1766.37	0.75	372208.09	720815.30		W 103 37 15.08
	8400.00 8500.00	12.64 11.89	78.64 78.64	8151.01 8248.73	-57.40 -53.34	-46.48 -42.29	1788.45 1809.28	0.75 0.75	372212.52 372216.71			W 103 37 14.83 W 103 37 14.59
	8600.00	11.14	78.64	8346.72	-49.53	-38.36	1828.85	0.75	372220.64			W 103 37 14.36
	8700.00	10.39	78.64	8444.95	-45.96	-34.68	1847.16	0.75	372224.32	720896.09		W 103 37 14.15
	8800.00	9.64	78.64	8543.43	-42.64	-31.25	1864.22	0.75	372227.75			W 103 37 13.95
	8900.00	8.89	78.64	8642.12	-39.57	-28.08	1880.00	0.75	372230.92			W 103 37 13.76
	9000.00 9100.00	8.14 7.39	78.64 78.64	8741.02 8840.10	-36.74 -34.16	-25.17 -22.50	1894.52 1907.77	0.75 0.75	372233.84 372236.50	720943.45 720956.70		W 103 37 13.59 W 103 37 13.44
	9200.00	6.64	78.64	8939.35	-31.82	-20.10	1919.74	0.75	372238.90			W 103 37 13.30
	9300.00	5.89	78.64	9038.76	-29.74	-17.95	1930.45	0.75	372241.05	720979.37		W 103 37 13.18
	9400.00	5.14	78.64	9138.29	-27.90	-16.05	1939.87	0.75	372242.95	720988.80		W 103 37 13.07
	9500.00 9600.00	4.39 3.64	78.64 78.64	9237.95 9337.70	-26.32 -24.98	-14.42 -13.04	1948.02 1954.88	0.75 0.75	372244.58 372245.96	720996.94 721003.81		W 103 37 12.97 W 103 37 12.89
	9700.00	2.89	78.64	9437.54	-23.89	-11.92	1960.47	0.75	372245.90			W 103 37 12.89 W 103 37 12.83
	9800.00	2.14	78.64	9537.44	-23.05	-11.05	1964.77	0.75	372247.95		N 32 1 17.11	W 103 37 12.78
	9900.00	1.39	78.64	9637.39	-22.46	-10.44	1967.79	0.75	372248.56			W 103 37 12.74
Hold Vertical	10000.00	0.64 0.00	78.64	9737.37	-22.13	-10.09 10.00	1969.53	0.75	372248.91			W 103 37 12.72 W 103 37 12.72
Hold Vertical	10085.48 10100.00	0.00	78.64 78.64	9822.85 9837.37	-22.03 -22.03	-10.00 -10.00	1970.00 1970.00	0.75 0.00	372249.00 372249.00			W 103 37 12.72 W 103 37 12.72
	10200.00	0.00	78.64	9937.37	-22.03	-10.00	1970.00	0.00	372249.00	721018.93		W 103 37 12.72
KOP, Build 10°/100ft	10245.48	0.00	78.64	9982.85	-22.03	-10.00	1970.00	0.00	372249.00	721018.93		W 103 37 12.72
	10300.00	5.45	354.92	10037.29	-19.45	-7.42	1969.77	10.00	372251.58			W 103 37 12.72
	10400.00 10500.00	15.45 25.45	354.92 354.92	10135.51 10229.08	-1.39 33.39	10.63 45.39	1968.17 1965.08	10.00 10.00	372269.63 372304.39			W 103 37 12.74 W 103 37 12.77
	10600.00	35.45	354.92	10315.18	83.83	95.81	1960.60	10.00	372354.81	721014.00		W 103 37 12.77
	10700.00	45.45	354.92	10391.18	148.41	160.35	1954.86	10.00	372419.35			W 103 37 12.88
	10800.00	55.45	354.92	10454.77	225.16	237.06	1948.04	10.00	372496.05			W 103 37 12.95
	10900.00	65.45	354.92	10504.02	311.75	323.61	1940.35	10.00	372582.59	720989.28		W 103 37 13.04
	11000.00 11100.00	75.45 85.45	354.92 354.92	10537.44 10554.00	405.54 503.70	417.35 515.46	1932.02 1923.30	10.00 10.00	372676.34 372774.44	720980.95 720972.23		W 103 37 13.13 W 103 37 13.22
Landing Point	11151.92	90.64	354.92	10555.77	555.39	567.12	1918.71	10.00	372826.10	720967.64		W 103 37 13.27
•	11200.00	90.64	354.92	10555.23	603.31	615.01	1914.45	0.00	372873.99	720963.38	N 32 1 23.31	W 103 37 13.31
Turn 2°/100ft	11298.53	90.64	354.92	10554.12	701.49	713.15	1905.73	0.00	372972.12	720954.66		W 103 37 13.41
	11300.00	90.64	354.95	10554.11	702.96	714.61	1905.60	2.00 2.00	372973.59	720954.53 720947.47		W 103 37 13.41 W 103 37 13.48
	11400.00 11500.00	90.64 90.64	356.95 358.95	10552.98 10551.86	802.74 902.69	814.35 914.28	1898.54 1894.97	2.00	373073.32 373173.24	720947.47		W 103 37 13.46 W 103 37 13.52
Hold	11534.95	90.64	359.65	10551.47	937.63	949.22	1894.54	2.00	373208.18	720943.47		W 103 37 13.52
	11600.00	90.64	359.65	10550.74	1002.68	1014.27	1894.14	0.00	373273.23	720943.07		W 103 37 13.52
	11700.00 11800.00	90.64	359.65	10549.62	1102.67	1114.26	1893.53	0.00	373373.22	720942.46		W 103 37 13.52 W 103 37 13.52
	11900.00	90.64 90.64	359.65 359.65	10548.51 10547.39	1202.67 1302.66	1214.25 1314.24	1892.92 1892.31	0.00 0.00	373473.21 373573.19	720941.85 720941.24		W 103 37 13.52 W 103 37 13.52
	12000.00	90.64	359.65	10546.27	1402.65	1414.24	1891.70	0.00	373673.18			W 103 37 13.52
	12100.00	90.64	359.65	10545.15	1502.65	1514.23	1891.09	0.00	373773.17	720940.02		W 103 37 13.52
	12200.00	90.64	359.65	10544.03	1602.64	1614.22	1890.48	0.00	373873.16			W 103 37 13.52
	12300.00 12400.00	90.64 90.64	359.65 359.65	10542.91 10541.79	1702.63 1802.63	1714.21 1814.20	1889.87 1889.26	0.00 0.00	373973.15 374073.13	720938.79 720938.18		W 103 37 13.52 W 103 37 13.51
	12500.00	90.64	359.65	10541.79	1902.62	1914.19	1888.64	0.00	374173.12	720936.16		W 103 37 13.51
	12600.00	90.64	359.65	10539.56	2002.62	2014.19	1888.03	0.00	374273.11		N 32 1 37.15	
	12700.00	90.64	359.65	10538.44	2102.61	2114.18	1887.42	0.00	374373.10		N 32 1 38.14	
	12800.00	90.64	359.65	10537.32	2202.60	2214.17	1886.81	0.00	374473.09		N 32 1 39.13	
	12900.00 13000.00	90.64 90.64	359.65 359.65	10536.20 10535.08	2302.60 2402.59	2314.16 2414.15	1886.20 1885.59	0.00 0.00	374573.07 374673.06		N 32 1 40.12 N 32 1 41.11	
IFP1, Drop 2°/100ft	13084.95	90.64	359.65	10534.13	2487.53	2499.09	1885.07	0.00	374758.00		N 32 141.95	
Hold	13089.56	90.55	359.65	10534.08	2492.14	2503.70	1885.04	2.00	374762.61	720933.97	N 32 1 42.00	W 103 37 13.51
	13100.00	90.55	359.65	10533.98	2502.58	2514.15	1884.98	0.00	374773.05		N 32 1 42.10	
	13200.00	90.55	359.65	10533.02	2602.58	2614.14	1884.37	0.00	374873.04		N 32 143.09	
	13300.00 13400.00	90.55 90.55	359.65 359.65	10532.07 10531.11	2702.58 2802.57	2714.13 2814.13	1883.76 1883.15	0.00 0.00	374973.03 375073.02		N 32 1 44.08 N 32 1 45.07	
	13500.00	90.55	359.65	10530.15	2902.57	2914.12	1882.54	0.00	375173.01		N 32 146.06	
	13600.00	90.55	359.65	10529.19	3002.56	3014.11	1881.94	0.00	375273.00		N 32 147.05	
	13700.00	90.55	359.65	10528.23	3102.56	3114.11	1881.33	0.00	375372.99		N 32 1 48.04	
	13800.00 13900.00	90.55 90.55	359.65 359.65	10527.28 10526.32	3202.55 3302.55	3214.10 3314.09	1880.72 1880.11	0.00 0.00	375472.98		N 32 149.03 N 32 150.02	W 103 37 13.51
	14000.00	90.55	359.65	10525.36	3402.54	3414.09	1879.50	0.00	375572.97 375672.96		N 32 150.02	
	14100.00	90.55	359.65	10524.40	3502.54	3514.08	1878.89	0.00	375772.95		N 32 1 52.00	
	14200.00	90.55	359.65	10523.45	3602.53	3614.08	1878.28	0.00	375872.94		N 32 1 52.99	
	14300.00	90.55	359.65	10522.49	3702.53	3714.07	1877.67	0.00	375972.93		N 32 153.98	
	14400.00 14500.00	90.55 90.55	359.65 359.65	10521.53 10520.57	3802.52 3902.52	3814.06 3914.06	1877.07 1876.46	0.00 0.00	376072.92 376172.91		N 32 1 54.97 N 32 1 55.95	
	14600.00	90.55	359.65	10520.57	4002.52	4014.05	1875.85	0.00	376172.91		N 32 1 56.94	
	14700.00	90.55	359.65	10518.66	4102.51	4114.04	1875.24	0.00	376372.89		N 32 1 57.93	
	14800.00	90.55	359.65	10517.70	4202.51	4214.04	1874.63	0.00	376472.88	720923.56	N 32 1 58.92	W 103 37 13.50
	14900.00	90.55	359.65	10516.74	4302.50	4314.03	1874.02	0.00	376572.87		N 32 1 59.91	
	15000.00	90.55	359.65	10515.78	4402.50	4414.02	1873.41	0.00	376672.86		N 32 2 0.90	
	15100.00 15200.00	90.55 90.55	359.65 359.65	10514.82 10513.87	4502.49 4602.49	4514.02 4614.01	1872.80 1872.20	0.00 0.00	376772.85 376872.84		N 32 2 1.89 N 32 2 2.88	
	15300.00	90.55	359.65	10513.07	4702.48	4714.00	1871.59	0.00	376972.83		N 32 2 3.87	
	15400.00	90.55	359.65	10511.95	4802.48	4814.00	1870.98	0.00	377072.82		N 32 2 4.86	
	15500.00	90.55	359.65	10510.99	4902.47	4913.99	1870.37	0.00	377172.81		N 32 2 5.85	
	45000.00				E000 47						N 00 0 C 04 1	M 102 27 12 E0
	15600.00 15700.00	90.55 90.55	359.65 359.65	10510.03 10509.08	5002.47 5102.47	5013.99 5113.98	1869.76 1869.15	0.00 0.00	377272.79 377372.78		N 32 2 6.84 N 32 2 7.83	

Comments	MD (ft)	Incl (°)	Azim Grid	TVD (ft)	VSEC (ft)	NS (ft)	EW (ft)	DLS (°/100ft)	Northing (ftUS)	Easting (ftUS)	Latitude (N/S ° ' ")	Longitude (E/W ° ' ")
Hold	15719.11	90.43	359.65	10508.90	5121.58	5133.09	1869.03	2.00	377391.90	720917.96	N 32 2 8.02 V	V 103 37 13.50
	15800.00	90.43	359.65	10508.29	5202.46	5213.97	1868.53	0.00	377472.78	720917.46	N 32 2 8.82 V	V 103 37 13.49
	15900.00	90.43	359.65	10507.54	5302.46	5313.97	1867.91	0.00	377572.77		N 32 2 9.81 V	
	16000.00	90.43	359.65	10506.79	5402.46	5413.96	1867.30	0.00	377672.76		N 32 210.80 V	
	16100.00	90.43	359.65	10506.03	5502.45	5513.96	1866.68	0.00	377772.75		N 32 211.79 V	
	16200.00	90.43	359.65	10505.28	5602.45	5613.95	1866.06	0.00	377872.74		N 32 2 12.78 V	
	16300.00	90.43	359.65	10504.53	5702.45	5713.95	1865.44	0.00	377972.73		N 32 2 13.77 V	
	16400.00	90.43	359.65	10503.78	5802.45	5813.95	1864.82	0.00	378072.72		N 32 214.76 V	
	16500.00	90.43	359.65	10503.02	5902.44	5913.94	1864.20	0.00	378172.72		N 32 2 15.75 V	
	16600.00	90.43	359.65	10502.27	6002.44	6013.94	1863.58	0.00	378272.71		N 32 216.74 V	
	16700.00	90.43	359.65	10501.52	6102.44	6113.93	1862.96	0.00	378372.70		N 32 2 17.72 V	
	16800.00	90.43	359.65	10500.77	6202.43	6213.93	1862.34	0.00	378472.69		N 32 2 18.71 V	
	16900.00	90.43	359.65	10500.01	6302.43	6313.92	1861.72	0.00	378572.68		N 32 2 19.70 V	
	17000.00	90.43	359.65	10499.26	6402.43	6413.92	1861.10	0.00	378672.67		N 32 2 20.69 V	
	17100.00	90.43	359.65	10498.51	6502.43	6513.91	1860.49	0.00	378772.66		N 32 221.68 V	
	17200.00	90.43	359.65	10497.76	6602.42	6613.91	1859.87	0.00	378872.66	720908.80	N 32 222.67 V	V 103 37 13.49
	17300.00	90.43	359.65	10497.01	6702.42	6713.90	1859.25	0.00	378972.65	720908.18	N 32 223.66 V	V 103 37 13.49
	17400.00	90.43	359.65	10496.25	6802.42	6813.90	1858.63	0.00	379072.64		N 32 224.65 V	
	17500.00	90.43	359.65	10495.50	6902.41	6913.89	1858.01	0.00	379172.63	720906.94	N 32 225.64 V	
	17600.00	90.43	359.65	10494.75	7002.41	7013.89	1857.39	0.00	379272.62	720906.32	N 32 2 26.63 V	V 103 37 13.49
	17700.00	90.43	359.65	10494.00	7102.41	7113.88	1856.77	0.00	379372.61	720905.70	N 32 227.62 V	V 103 37 13.49
	17800.00	90.43	359.65	10493.24	7202.41	7213.88	1856.15	0.00	379472.60	720905.08	N 32 2 28.61 V	V 103 37 13.49
	17900.00	90.43	359.65	10492.49	7302.40	7313.87	1855.53	0.00	379572.60	720904.46	N 32 2 29.60 V	V 103 37 13.48
	18000.00	90.43	359.65	10491.74	7402.40	7413.87	1854.91	0.00	379672.59	720903.84	N 32 230.59 V	V 103 37 13.48
	18100.00	90.43	359.65	10490.99	7502.40	7513.86	1854.29	0.00	379772.58	720903.22	N 32 231.58 V	V 103 37 13.48
	18200.00	90.43	359.65	10490.23	7602.39	7613.86	1853.68	0.00	379872.57	720902.61	N 32 232.57 V	V 103 37 13.48
	18300.00	90.43	359.65	10489.48	7702.39	7713.86	1853.06	0.00	379972.56	720901.99	N 32 233.56 V	V 103 37 13.48
IFP3, Drop 2°/100ft	18341.44	90.43	359.65	10489.17	7743.83	7755.29	1852.80	0.00	380014.00	720901.73	N 32 233.97 V	V 103 37 13.48
Hold	18344.80	90.36	359.65	10489.15	7747.19	7758.65	1852.78	2.00	380017.36		N 32 234.00 V	
	18400.00	90.36	359.65	10488.80	7802.39	7813.85	1852.44	0.00	380072.55	720901.37	N 32 234.55 V	V 103 37 13.48
	18500.00	90.36	359.65	10488.16	7902.39	7913.85	1851.82	0.00	380172.55	720900.75	N 32 235.54 V	V 103 37 13.48
	18600.00	90.36	359.65	10487.53	8002.39	8013.84	1851.20	0.00	380272.54	720900.13	N 32 236.53 V	V 103 37 13.48
	18700.00	90.36	359.65	10486.89	8102.38	8113.84	1850.58	0.00	380372.53	720899.51	N 32 237.52 V	V 103 37 13.48
	18800.00	90.36	359.65	10486.26	8202.38	8213.83	1849.96	0.00	380472.52		N 32 238.51 V	
	18900.00	90.36	359.65	10485.62	8302.38	8313.83	1849.34	0.00	380572.52		N 32 239.49 V	
	19000.00	90.36	359.65	10484.99	8402.38	8413.83	1848.72	0.00	380672.51		N 32 240.48 V	
	19100.00	90.36	359.65	10484.35	8502.37	8513.82	1848.11	0.00	380772.50		N 32 241.47 V	
	19200.00	90.36	359.65	10483.72	8602.37	8613.82	1847.49	0.00	380872.49	720896.42		
	19300.00	90.36	359.65	10483.08	8702.37	8713.82	1846.87	0.00	380972.48		N 32 243.45 V	
	19400.00	90.36	359.65	10482.45	8802.37	8813.81	1846.25	0.00	381072.48		N 32 244.44 V	
	19500.00	90.36	359.65	10481.81	8902.37	8913.81	1845.63	0.00	381172.47		N 32 245.43 V	
	19600.00	90.36	359.65	10481.17	9002.36	9013.80	1845.01	0.00	381272.46		N 32 246.42 V	
	19700.00	90.36	359.65	10480.54	9102.36	9113.80	1844.39	0.00	381372.45		N 32 247.41 V	
	19800.00	90.36	359.65	10479.90	9202.36	9213.80	1843.77	0.00	381472.45		N 32 248.40 V	
	19900.00	90.36	359.65	10479.27	9302.36	9313.79	1843.15	0.00	381572.44		N 32 249.39 V	
	20000.00	90.36	359.65	10478.63	9402.36	9413.79	1842.54	0.00	381672.43		N 32 2 50.38 V	
	20100.00	90.36	359.65	10478.00	9502.35	9513.78	1841.92	0.00	381772.42		N 32 251.37 V	
	20200.00	90.36	359.65	10477.36	9602.35	9613.78	1841.30	0.00	381872.42		N 32 252.36 V	
	20300.00	90.36	359.65	10476.73	9702.35	9713.78	1840.68	0.00	381972.41		N 32 253.35 V	
	20400.00	90.36	359.65	10476.09	9802.35	9813.77	1840.06	0.00	382072.40		N 32 254.34 V	
	20500.00	90.36	359.65	10475.46	9902.35	9913.77	1839.44	0.00	382172.39		N 32 2 55.33 V	
	20600.00	90.36	359.65	10474.82	10002.34	10013.76	1838.82	0.00	382272.38		N 32 256.32 V	
	20700.00	90.36	359.65	10474.19	10102.34	10113.76	1838.20	0.00	382372.38		N 32 250.32 V N 32 257.31 V	
	20800.00	90.36	359.65	10473.55	10202.34	10213.76	1837.58	0.00	382472.37		N 32 257.31 V N 32 258.30 V	
	20900.00	90.36	359.65	10473.93	10302.34	10313.75	1836.96	0.00	382572.36		N 32 259.30 V	
LTP Cross	20969.65	90.36	359.65	10472.92	10302.34	10313.75	1836.53	0.00	382642.01		N 32 259.29 V V 32 259.98 V	
LIF GIUSS	21000.00		359.65					0.00			v 32 259.98 v N 32 3 0.28 v	
CD 24 12 Feet D416 426H PD11		90.36	359.65 359.65	10472.28	10402.34	10413.75	1836.35 1836.07	0.00	382672.35			
SD 24 13 Fed P416 426H PBHL	21044.65	90.36	359.65	10472.00	10446.99	10458.40	1836.07	0.00	382717.00	720885.00	N 32 3 0.72 V	v 103 37 13.47

Survey Type:

Def Plan

Survey Error Model: Survey Program:

ISCWSA Rev 3 *** 3-D 97.071% Confidence 3.0000 sigma

Description	Part	MD From (ft)	MD To (ft)	EOU Freq (ft)	Hole Size Cas (in)	ing Diameter (in)	Expected Max Inclination (deg)	Survey Tool Type	Borehole / Survey
	1	0.000	30.000	1/100.000	17.500	13.375		B001Mb_MWD+HRGM-Depth Only	SD 24 13 Fed P416 426H / SD 24 13 Fed P416 426H R3 mdv 03Jun21
	1	30.000	800.309	1/100.000	17.500	13.375		B001Mb_MWD+HRGM	SD 24 13 Fed P416 426H / SD 24 13 Fed P416 426H R3 mdv
	1	800.309	4722.806	1/100.000	12.250	9.625		B001Mb_MWD+HRGM	SD 24 13 Fed P416 426H / SD 24 13 Fed P416 426H R3 mdv
	1	4722.806	11448.983	1/100.000	8.750	7.625		B001Mb_MWD+HRGM	SD 24 13 Fed P416 426H / SD 24 13 Fed P416 426H R3 mdv
	1	11448.983	21044.650	1/100.000	6.750	5.500		B001Mb_MWD+HRGM	SD 24 13 Fed P416 426H / SD 24 13 Fed P416 426H R3 mdv

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: CHEVRON USA INCORPORATED LEASE NO.: NMNM118722 **LOCATION:** Section 24, T.26 S., R.32 E., NMP **COUNTY:** Lea County, New Mexico

WELL NAME & NO.: SD 24 13 FED P416 425H

SURFACE HOLE FOOTAGE: 248'/S & 2255'/E **BOTTOM HOLE FOOTAGE** 25'/N & 1210'/E

SD 24 13 FED P416 426H WELL NAME & NO.:

SURFACE HOLE FOOTAGE: 248'/S & 2230'/E **BOTTOM HOLE FOOTAGE** 25'/N & 330'/E

COA

H2S	O Yes	No No	
Potash	None	Secretary	© R-111-P
Cave/Karst Potential	C Low	• Medium	C High
Cave/Karst Potential	Critical Critical		
Variance	© None	• Flex Hose	Other
Wellhead	C Conventional	© Multibowl	O Both
Other	☐ 4 String Area	☐ Capitan Reef	□WIPP
Other	☐ Fluid Filled	✓ Cement Squeeze	☐ Pilot Hole
Special Requirements	☐ Water Disposal	□ СОМ	□ Unit

A. HYDROGEN SULFIDE

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

Casing Design:

1. The 13-3/8 inch surface casing shall be set at approximately 930 feet (a minimum of 25 feet (Lea County) into the Rustler Anhydrite and above the salt) and cemented to the surface.

- a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
- b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 2. The 9-5/8 inch intermediate casing shall be set at approximately 4698 feet. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is:

Option 1 (Single Stage):

Cement to surface. If cement does not circulate see B.1.a, c-d above.
 Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.
 - Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.
- ❖ In Medium Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.
- 3. The minimum required fill of cement behind the 7 inch production casing is:

Option 1 (Single Stage):

• Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

Option 2:

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement should tie-back at least **200 feet** into previous casing string. Operator shall provide method of verification.

Operator has proposed to pump down 9-5/8" X 7" annulus. <u>Operator must run a</u> CBL from TD of the 7" casing to surface. Submit results to BLM.

- 4. The minimum required fill of cement behind the $5 \times 4-1/2$ inch production liner is:
 - Cement should tie-back **100 feet** into the previous casing. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).'

2.

Option 1:

- a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **3000 (3M)** psi.
- b. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the intermediate casing shoe shall be **5000** (**5M**) psi.

Option 2:

- 1. Operator has proposed a multi-bowl wellhead assembly. This assembly will only be tested when installed on the surface casing. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000** (**5M**) psi.
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test.
 - d. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
 - e. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.

D. SPECIAL REQUIREMENT (S)

BOPE Break Testing Variance (Note: For 5M BOPE or less)

- BOPE Break Testing is ONLY permitted for 5M BOPE or less.
- BOPE Break Testing is NOT permitted to drilling the production hole section.
- While in transfer between wells, the BOPE shall be secured by the hydraulic carrier or cradle.
- Any well control event while drilling require notification to the BLM Petroleum Engineer prior to the commencement of any BOPE Break Testing operations.
- A full BOPE test is required prior to drilling the first deep intermediate hole section.
 If any subsequent hole interval is deeper than the first, a full BOPE test will be required.
- The BLM is to be contacted (575-689-5981 Lea County) 4 hours prior to BOPE tests.
- As a minimum, a full BOPE test shall be performed at 21-day intervals.
- In the event any repairs or replacement of the BOPE is required, the BOPE shall test as per Onshore Oil and Gas Order No. 2.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)
- 1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
- 3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing intergrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
- 3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 4. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.
 - c. Manufacturer representative shall install the test plug for the initial BOP test
 - d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
 - e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including

- lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- c. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. The results of the test shall be reported to the appropriate BLM office.
- f. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- g. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- h. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

NMK - 5-5-2022



Training

MCBU Drilling and Completions H₂S training requirements are intended to define the minimum level of training required for employees, contractors and visitors to enter or perform work at MCBU Drilling and Completions locations that have known concentrations of H₂S.

Awareness Level

Employees and visitors to MCBU Drilling and Completions locations that have known concentrations of H₂S, who are not required to perform work in H₂S areas, will be provided with an awareness level of H₂S training prior to entering any H₂S areas. At a minimum, awareness level training will include:

- 1. Physical and chemical properties of H₂S
- 2. Health hazards of H₂S
- 3. Personal protective equipment
- 4. Information regarding potential sources of H₂S
- 5. Alarms and emergency evacuation procedures

Awareness level training will be developed and conducted by personnel who are qualified either by specific training, educational experience and/or work-related background.

Advanced Level H₂S Training

Employees and contractors required to work in areas that may contain H₂S will be provided with Advanced Level H₂S training prior to initial assignment. In addition to the Awareness Level requirements, Advanced Level H₂S training will include:

- 1. H₂S safe work practice procedures;
- 2. Emergency contingency plan procedures;
- 3. Methods to detect the presence or release of H₂S (e.g., alarms, monitoring equipment), including hands-on training with direct reading and personal monitoring H₂S equipment.
- 4. Basic overview of respiratory protective equipment suitable for use in H₂S environments. Note: Employees who work at sites that participate in the Chevron Respirator User program will require separate respirator training as required by the MCBU Respiratory Protection Program;
- 5. Basic overview of emergency rescue techniques, first aid, CPR and medical evaluation procedures. Employees who may be required to perform "standby" duties are required to receive additional first aid and CPR training, which is not covered in the Advanced Level H₂S training;
- 6. Proficiency examination covering all course material.

Advanced H_2S training courses will be instructed by personnel who have successfully completed an appropriate H_2S train-the-trainer development course (ANSI/ASSE Z390.1-2006) or who possess significant past experience through educational or work-related background.



H₂S Training Certification

All employees and visitors will be issued an H_2S training certification card (or certificate) upon successful completion of the appropriate H_2S training course. Personnel working in an H_2S environment will carry a current H_2S training certification card as proof of having received the proper training on their person at all times.

Briefing Area

A minimum of two briefing areas will be established in locations that at least one area will be upwind from the well at all times. Upon recognition of an emergency situation, all personnel should assemble at the designated upwind briefing areas for instructions.

H₂S Equipment

Respiratory Protection

- a) Six 30 minute SCBAs 2 at each briefing area and 2 in the Safety Trailer.
- b) Eight 5 minute EBAs 5 in the dog house at the rig floor, 1 at the accumulator, 1 at the shale shakers and 1 at the mud pits.

Visual Warning System

- a) One color code sign, displaying all possible conditions, will be placed at the entrance to the location with a flag displaying the current condition.
- b) Two windsocks will be on location, one on the dog house and one on the Drill Site Manager's Trailer.

H₂S Detection and Monitoring System

- a) H₂S monitoring system (sensor head, warning light and siren) placed throughout rig.
 - Drilling Rig Locations: at a minimum, in the area of the Shale shaker, rig floor, and bell nipple.
 - Workover Rig Locations: at a minimum, in the area of the Cellar, rig floor and circulating tanks or shale shaker.



Well Control Equipment

- a) Flare Line 150' from wellhead with igniter.
- b) Choke manifold with a remotely operated choke.
- c) Mud / gas separator

Mud Program

In the event of drilling, completions, workover and well servicing operations involving a hydrogen sulfide concentration of 100 ppm or greater the following shall be considered:

- 1. Use of a degasser
- 2. Use of a zinc based mud treatment
- 3. Increasing mud weight

Public Safety - Emergency Assistance

<u>Agency</u>	Telephone Number
Lea County Sheriff's Department	575-396-3611
Fire Department:	
Carlsbad	575-885-3125
Artesia	575-746-5050
Lea County Regional Medical Center	575-492-5000
Jal Community Hospital	505-395-2511
Lea County Emergency Management	575-396-8602
Poison Control Center	800-222-1222

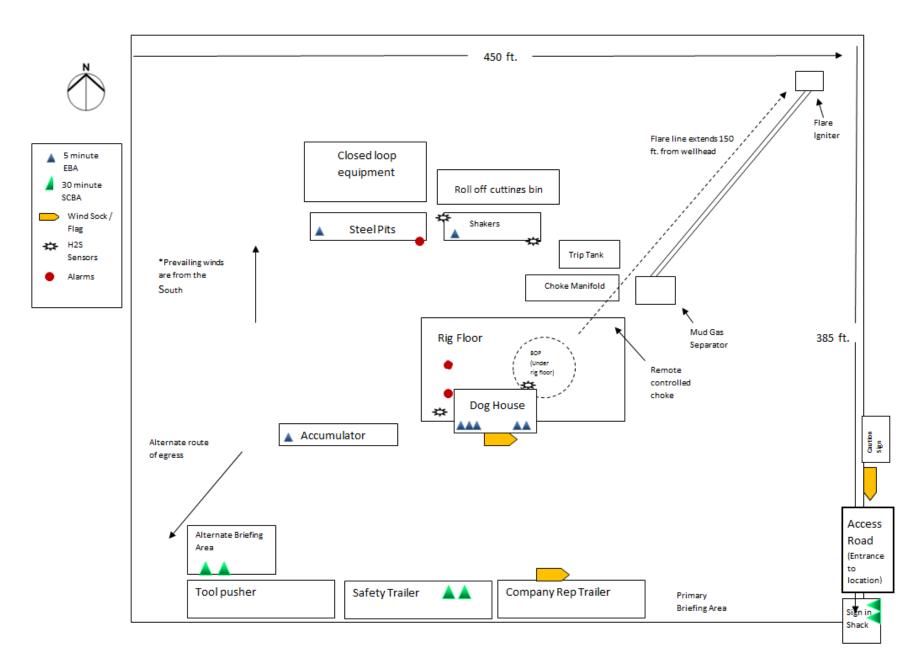


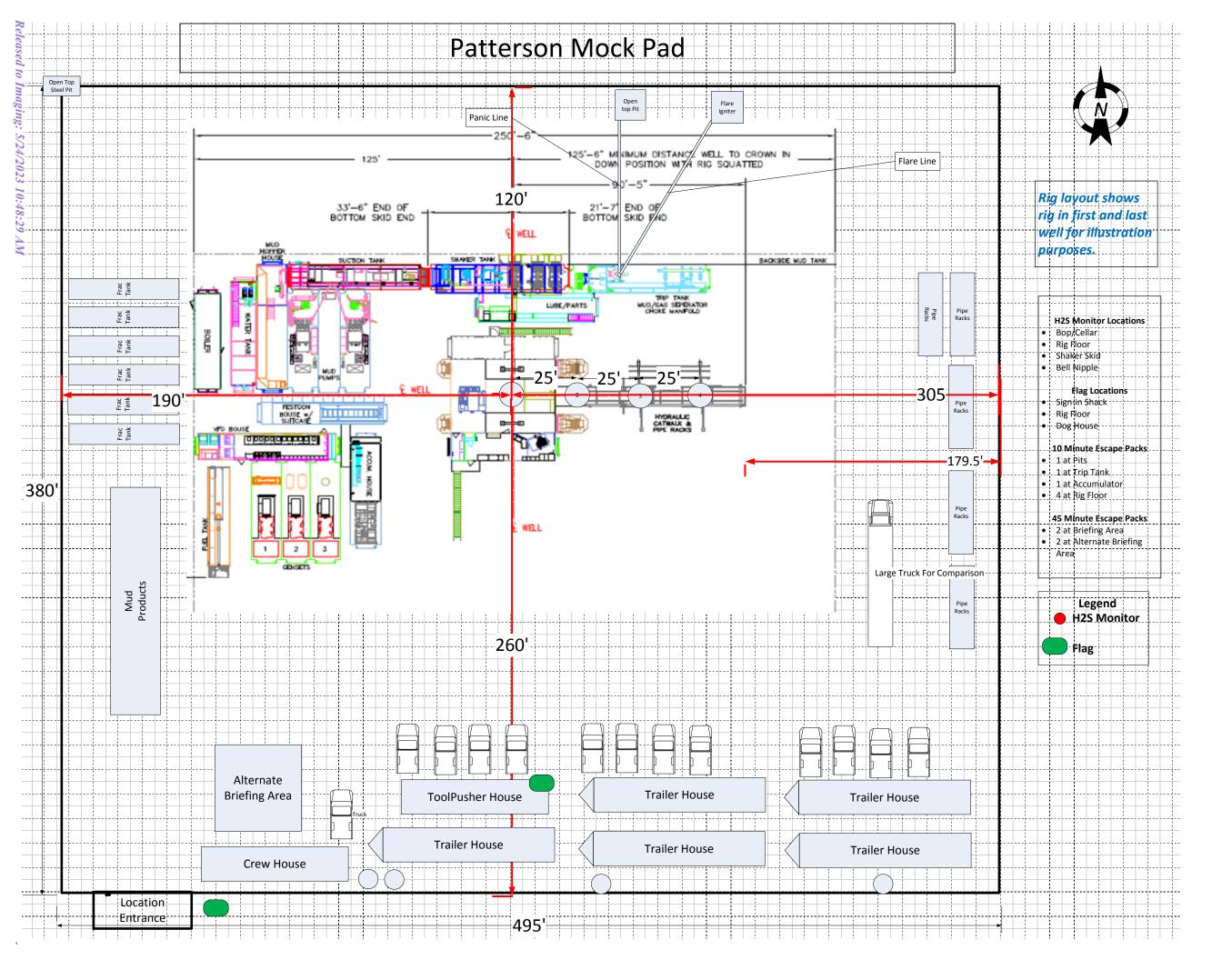
Chevron MCBU D&C Emergency Notifications

Below are lists of contacts to be used in emergency situations.

	Name	Title	Office Number	Cell Phone
1.	TBD	Drilling Engineer		
2.	Sergio Hernandez	Superintendent	713 372 1402	
5.	Dennis Mchugh	Drilling Manager	(713) 372-4496	
6.	Kyle Eastman	Operations Manager	713-372-5863	
7.	TBD	D&C HES		
8.	TBD	Completion Engineer		







	rator Nar	mo:				Droporty N	ama	i				Wall Number
Operator Name:						Property N	ame.					Well Number
(ick (Off Point	(KOP)										
UL	Section	Township	Range	Lot	Feet	From N	I/S	Feet	Fro	m E/W	County	
Latit	ıde				Longitu	Longitude NAD				NAD		
irst i	Гake Poin	it (FTP)										
UL	Section	Township	Range	Lot	Feet	From N	/S	Feet	Fro	m E/W	County	
Latit	ıde				Longitu	de					NAD	
.ast ٦	ake Poin	t (LTP)										
UL	Section	Township	Range	Lot	Feet	From N/S	Feet		From E/W	Count	ty	
Latit	ıde				Longitu	Longitude NAD						
s this	well the	defining w	vell for th	e Hori	zontal Sp	pacing Unit?						
					7							
s this	s well an	infill well?			_							
										~ ~ .	и.с	
f infi			de API if	availat	ے او, Oper	ator Name	and w	vell nu	ımber for	Definir	ng well fo	r Horizontal
f infi paci	ll is yes pl ng Unit.		de API if	availat	ole, Oper	rator Name	and v	vell nu	ımber for	Definir	ng well fo	r Horizontal
f infi Spaci	ll is yes pl ng Unit.	lease provi	de API if	availak	ole, Oper	rator Name a			ımber for	Definir	ng well fo	r Horizontal Well Numbe

KZ 06/29/2018



APD ID: 10400077278

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

Drilling Plan Data Report 04/24/2023

Well Name: SD 24 13 FED P416

Submission Date: 07/19/2021

Operator Name: CHEVRON USA INCORPORATED

Well Number: 426H

Well Type: OIL WELL Well Work Type: Drill Highlighted data reflects the most recent changes

Show Final Text

Section 1 - Geologic Formations

Formation ID	Formation Name	Elevation	True Vertical	Measured Depth	Lithologies	Mineral Resources	Producing Formatio
6611404	RUSTLER	3136	720	720	DOLOMITE	NONE	N
6611405	CASTILE	248	2888	2888	ANHYDRITE	NONE	N
6611406	LAMAR	-1562	4698	4748	LIMESTONE	NONE	N
6611407	BELL CANYON	-1595	4731	4781	SANDSTONE	NONE	N
6611412	CHERRY CANYON	-2665	5801	5851	SANDSTONE	NONE	N
6611413	BRUSHY CANYON	-4205	7341	7391	SANDSTONE	NONE	N
6611414	BONE SPRING	-5751	8887	8937	LIMESTONE	NATURAL GAS, OIL	N
6611409	AVALON SAND	-5831	8967	9017	LIMESTONE, SHALE	NATURAL GAS, OIL	N
6611415	BONE SPRING 1ST	-6687	9823	9873	LIMESTONE, SHALE	NATURAL GAS, OIL	N
6611417	BONE SPRING 2ND	-7313	10449	21044	LIMESTONE, SANDSTONE, SHALE	NATURAL GAS, OIL	Y

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M Rating Depth: 10472

Equipment: Chevron will have a minimum of a 5,000 psi rig stack (see proposed schematic) for drill out below surface casing. The stack will be tested as specified in the attached testing requirements. Batch drilling of the surface, production, and production liner will take place. A full BOP test will be performed per hole section, unless approval from BLM is received otherwise (see variance request below). Flex choke hose will be used for all wells on the pad (see attached specs and variance). BOP test will be conducted by a third party.

Requesting Variance? YES

Variance request: Chevron requests a variance to use a FMC Technologies UH-S Multibowl wellhead, which will be run through the rig floor on surface casing. BOPE will be nippled up and tested after cementing surface casing. Subsequent tests will be performed as needed, not to exceed 30 days. The field report from FMC Technologies and BOP test information will be provided in a subsequent report at the end of the well. Please see the attached wellhead schematic. An installation manual has been placed on file with the BLM office and remains unchanged from previous submittal. All tests performed by third party.

BLOWOUT PREVENTER SCHEMATIC

Operation: Intermediate & Production Drilling Operations

Mud Cross

Pipe Ram

BOP Stack Pressure Part Size Description Rating 13-5/8" N/A Rotating Head/Bell nipple 13-5/8" 5,000 Annular В 13-5/8" 10,000 Blind Ram 13-5/8" 10,000 D Pipe Ram

10,000

Minimum System operation pressure

13-5/8" 10,000 <u>Kill Line</u>

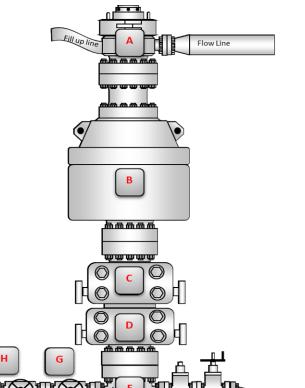
13-5/8"

Ē

F

Part	Size	Pressure Rating	Description
G	2"	10,000	Inside Kill Line Valve (gate valve)
	2"	10.000	Outside Kill Line Valve
Н	2	10,000	(gate valve)
1	2"	10,000	Kill Line Check valve





<u>Choke line</u>					
Part	Size	Pressure	Description		
Part	Size	Rating			
J	3"	10,000	HCR (gate valve)		
K	3"	10,000	Manual HCR (gate valve)		
		Wellhead			
Part	Size	Pressure	Description		
		Rating	Description		
	13-5/8"	5,000	FMC Multihowl wellhead		



The installed BOP equipment meets at least the minimum requirements (rating, type, size, configuration) as shown on this schematic. Components may be substituted for equivalent equipment rated to higher pressures. Additional components may be put into place as long as they meet or exceed the minimum pressure rating of the system.

All valves on the kill line and choke line will be full opening and will allow straight flow through.

Manual (hand wheels) or automatic locking devices will be installed on all ram preventers. Hand wheels will also be install on all manual valves on the choke and

A valve will be installed in the closing line as close as possible to the annular preventer to act as a locking device. This valve will remain open unless accumulator is inoperative.

Upper kelly cock valve with handle will be available on rig floor along with saved valve and subs to fit all drill string connections in use.

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

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**

CONDITIONS

Action 218168

CONDITIONS

Operator:	OGRID:
CHEVRON U S A INC	4323
6301 Deauville Blvd	Action Number:
Midland, TX 79706	218168
	Action Type:
	[C-101] BLM - Federal/Indian Land Lease (Form 3160-3)

CONDITIONS

Created By	Condition	Condition Date
pkautz	WELL NAME CHNG REQUIRED	5/24/2023
pkautz	Will require a File As Drilled C-102 and a Directional Survey with the C-104	5/24/2023
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	5/24/2023
pkautz	Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system	5/24/2023
pkautz	Cement is required to circulate on both surface and intermediate1 strings of casing	5/24/2023