

Office  
 District I – (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II – (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III – (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV – (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM  
 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised July 18, 2013

OIL CONSERVATION DIVISION  
 1220 South St. Francis Dr.  
 Santa Fe, NM 87505

WELL API NO. 30-015-48009
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name SND 14 23 FED COM 001 P26
8. Well Number 227H
9. OGRID Number 4323
10. Pool name or Wildcat COTTON DRAW/BONE SPRING

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	7. Lease Name or Unit Agreement Name SND 14 23 FED COM 001 P26
2. Name of Operator CHEVRON USA, INC.	8. Well Number 227H
3. Address of Operator 6301 DEAUVILLE BLVD, MIDLAND, TEXAS 79706	9. OGRID Number 4323
4. Well Location Unit Letter _____: _____ feet from the _____ line and _____ feet from the _____ line Section _____ Township _____ Range _____ NMPM _____ County _____	10. Pool name or Wildcat COTTON DRAW/BONE SPRING
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input checked="" type="checkbox"/> OTHER: FRAC / TUBING <input checked="" type="checkbox"/>
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

**SURFACE**

2/19/2021 NOTIFIED JOE SALCIDO OF BLM AT 12:00 HRS ON 2/19/2021 OF INTENT TO SPUD

2/21/2021 SPUD WELL

02/22/2021 DRILLED 17 1/2 HOLE TO 812

2/22/2021 NOTIFIED GABRIEL BENEWAY OF BLM AT 08:00 HRS ON 2/22/2021 OF INTENT TO CASE AND CEMENT

2/22/2021 RUN 13 3/8 54.5#/J-55BTC TO 802 / CEMENT TAIL - 828 SACKS CLASS C @ 1.33 YIELD / 337 SACKS CEMENT TO SURFACE / FULL RETURNS / WOC TIME 24 HRS / TOP OF CEMENT 0 / FC @ 761 FS @ 800 / TEST TO 1500 PSI FOR 30 MINUTES

TEST GOOD

2/22/2021 - RELEASED RIG @ 12:00 HRS

**SEE ADDITIONAL PAGES**

Spud Date:

2/21/2021

Rig Release Date:

5/5/2021

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Carol Adler TITLE Sr. HSE Regulatory Affairs Coordinator DATE 5/17/2023

Type or print name Carol Adler E-mail address: caroladler@chevron.com PHONE: (432) 687-7148

**For State Use Only**

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):

## INTERMEDIATE 1

3/23/2021 NOTIFIED BLM AT 21:30 HRS ON 3/23/2021 OF INTENT TO PERFORM FULL BOPE TEST

3/23/2021 - FULL BOPE TEST / TEST TO 250 PSI LOW / 6550 PSI ON HIGH (ANNULAR TO 250 PSI LOW / 3500 PSI HIGH) / ALL TESTS GOOD

3/25/2021 NOTIFIED BLM AT 00:00 HRS ON 3/25/2021 OF INTENT TO DRILL INTERMEDIATE 1 AND SUBSEQUENTLY RUN CASING

3/25/2021 3/26/2021 DRILLED 12 1/4 HOLE TO 4557

3/26/2021 NOTIFIED BLM AT 18:00 HRS ON 3/26/2021 OF INTENT TO RUN CEMENT

3/27/2021 RUN 9 5/8 40.0#/L-80 IC BTC CASING TO 4557 / CEMENT WITH LEAD 565 SACKS CLASS C @ 2.81 YIELD TAIL 309 SACKS CLASS C @ 1.63 YIELD / WOC TIME 24 HRS / ESTIMATED TOP OF CEMENT 0 / FULL RETURNS / 100 SACKS CEMENT TO SURFACE / FC @ 4472 FS @ 4555 / TEST @ 2990 FOR 30 MINUTES TEST GOOD

3/27/2021 - TEST PACKOFF TO 6650 PSI FOR 15 MINUTES (LOWER) / 5000 PSI FOR 15 MINUTES (UPPER) TESTS GOOD

## INTERMEDIATE 2

3/27/2021 3/30/2021 - DRILLED 8 3/4 HOLE TO 8501

3/29/2021 - NOTIFIED MANDELA KAMAU OF BLM AT 12:30 HRS ON 3/29/2021 OF INTENT TO RUN CASING AND CEMENT

3/29/2021 RUN 7 29.0#/TN110S TSH BLUE CASING TO 8491 / CEMENT WITH LEAD 472 SACKS CLASS C @ 2.58 YIELD TAIL 122 SACKS CLASS C @ 1.40 YIELD / NO CEMENT TO SURFACE / WOC TIME PER BLM REQUIREMENTS / ESTIMATED TOP OF CEMENT 6830 / FC @ 8402 FS @ 8489

3/31/2021 NOTIFIED MANDELA KAMAU OF BLM AT 16:00 HRS ON 3/31/2021 OF INTENT TO REMEDIATE

## INTERMEDIATE 2 CASING

3/31/2021 REMEDIAL CEMENT ON 7 CASING WITH 790 SACKS CLASS C @ 1.35 YIELD / RAN CBL / ESTIMATED TOP OF CEMENT 1816 / WOC TIME 24 HRS / TEST @ 3700 FOR 30 MINUTES TEST GOOD

3/31/2021 TEST TO 6650 PSI FOR 15 MINUTES TEST GOOD

3/31/2021 RELEASED RIG @ 22:00 HRS

## PRODUCTION

4/27/2021 NOTIFIED ZOTA STEVENS OF BLM AT 13:00 HRS ON 4/27/2021 OF INTENT TO TEST BOPE

4/27/2021 FULL BOPE TEST TEST TO 250 PSI LOW / 6650 PSI HIGH (3500 PSI ON ANNULAR) / ALL TESTS GOOD

4/27/2021 5/4/2021 DRILL 6 1/8 HOLE TO 19965

5/3/2021 NOTIFIED DAVID MURVINE OF BLM AT 13:00 HRS ON 5/3/2021 OF INTENT TO RUN CASING AND CEMENT

5/3/2021 - RUN 5 18.0#/P-110 TSH513 TO 8928 AND 4 1/2" 11.6#/P-110 W-521 TO 19955 / CEMENT WITH 717 SACKS CLASS C @ 1.84

YIELD / FULL RETURNS / 1 SACK CEMENT TO SURFACE / ESTIMATED TOP OF CEMENT 8271 / WOC TIME 24 HRS / FC @ 19928

FS @ 19951 / TEST TO 1853 PSI FOR 30 MINUTES TEST GOOD / KOP @ 8520

TEST TO 6650 PSI TEST GOOD

5/5/2021 RELEASED RIG @ 11:00 HRS

## FRAC

FRAC 46 STAGES WITH 550,182 BBLs FLUID / 24,714,409 # 100 MESH BULK SAND PROPPANT / 1212 SHOTS 3 1/8 BALLS SIZE

## TUBING

12/5/2021 - RAN 2 7/8 6 1/2# L-80 TUBING TO 8278 / PACKER SET @ 8256

PUT ON PRODUCTION 12/16/2021

**Pad Summary: INSERT PAD NAME**

The table below lists all the wells for the given pad and their respective name and TVD's (ft) for their production target intervals:

Well Name(s)	Target TVD	Formation Desc.
SND 14 23 FED COM 001 P26 225H	9,027	Lower Avalon
SND 14 23 FED COM 001 P26 226H	9,027	Lower Avalon
SND 14 23 FED COM 001 P26 227H	9,027	Lower Avalon

**1. FORMATION TOPS**

The estimated tops of important geologic markers are as follows:

Elevation: 3539 ft

FORMATION	SUB-SEA TVD	TVD	MD	LITHOLOGIES	MIN. RESOURCES	PROD. FORMATION
Rustler (RSLR)	2803	736	736	Dolomite	N/A	
Castile (CSTL)	598	2,941	2,967	Anhydrite	N/A	
Lamar (LMAR)	-953	4,492	4,546	Limestone	N/A	
Bell Canyon (BLCN)	-998	4,537	4,592	Sandstone	N/A	
Cherry Canyon (CRCN)	-1866	5,405	5,475	Sandstone	N/A	
Brushy Canyon (BCN)	-3104	6,643	6,726	Sandstone	N/A	
Bone Spring (BSGL)	-4815	8,354	8,437	Limestone	Oil	
Upper Avalon (AVU)	-4899	8,438	8,521	Limestone/Shale	Oil	
Lower Avalon Target 1	-5488	9,027	19,890	Limestone/Shale/Sandstone	Oil	yes

WELLBORE LOCATIONS	SUB-SEA TVD	RKB TVD	MD
SHL	3539	-	
KOP	-4931	8,470	8,553
FTP	-5504	9,043	9,446
LTP	-5544	9,083	19,810

**2. ESTIMATED DEPTH OF WATER, OIL, GAS & OTHER MINERAL BEARING FORMATIONS**

The estimated depths at which the top and bottom of the anticipated water, oil, gas, or other mineral bearing formations are expected to be encountered are as follows:

Substance	Formation	Depth
Deepest Expected Base of Fresh Water		500
Water	Cherry Canyon	5,405
Oil/Gas	Bone Spring (BSGL)	8,354
Oil/Gas	Avalon	8,438

All shows of fresh water and minerals will be reported and protected.

**3. BOP 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.

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 /  $\geq$  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.

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 nipped 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.

**4. CASING PROGRAM**

a. The proposed casing program will be as follows:

Purpose	From	To	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Surface	0'	875'	12-1/4"	9-5/8"	40#	L-80	BTC/LTC	New
Production	0'	8,500'	8-3/4"	7"	29.0 #	P/TN-110	BLUE	New
Production Liner	8,200'	19,890'	6-1/8"	5** / 4-1/2"	11.6 #	P-110	W531**/W521	New

\*\*5" contingency from TOL to 200' above planned 1st perf depth

b. Casing design subject to revision based on geologic conditions encountered.

A "Worst Case" casing design for wells in a particular area is used below to calculate the Casing Safety Factors. If for any reason the casing design for a

c. particular well requires setting casing deeper than the following "worst case" design, then the Casing Safety Factors will be recalculated &amp; sent to the BLM prior to drilling.

d. Chevron will fill casing at a minimum of every 20 jts (~840') while running for intermediate and production casing in order to maintain collapse SF.

**SF Calculations based on the following "Worst Case" casing design:**

Intermediate Casing:	1,000'	ftTVD	max depths
Production Casing:	8,987'	ftTVD	max depths
Production Casing:	19,920'	ftMD	max depths

Casing String	Min SF Burst	Min SF Collapse	Min SF Tension	Min SF Tri-Axial
Surface	3.57	6.65	5.32	3.74
Production	1.15	5.28	2.64	1.23
Production Liner	1.10	1.26	1.53	1.16

The following worst case load cases were considered for calculation of the above Min. Safety Factors:

Burst Design	Surf	Prod	Prod Lnr
Pressure Test- Surface, Prod Csg, Prod Liner P external: Mud weight above TOC, PP below P internal: Test psi + next section heaviest mud in csg	X	X	X
Displace to Gas- Surf Csg P external: Mud weight above TOC, PP below P internal: Dry Gas from Next Csg Point	X		
Gas over mud (60/40) - Prod Csg P external: Mud weight above TOC, PP below P internal: 60% gas over 40% mud from hole TD PP			
Stimulation (Frac) Pressures- Prod Liner P external: Mud weight above TOC, PP below P internal: Max inj pressure w/ heaviest injected fluid		X	X
Tubing leak- Prod Csg (packer at KOP) P external: Mud weight above TOC, PP below P internal: Leak just below surf, 8.45 ppg packer fluid		X	X
Collapse Design	Surf	Prod	Prod Lnr
Full Evacuation P external: Mud weight gradient P internal: none	X	X	X
Cementing- Surf, Int, Prod Csg P external: Wet cement P internal: displacement fluid - water	X	X	X
Tension Design	Surf	Prod	Prod Lnr
100k lb overpull	X	X	X

ONSHORE ORDER NO. 1

Chevron

SND 14 23 FED COM 001 P26 227H

Eddy County, NM

CONFIDENTIAL -- TIGHT HOLE

DRILLING PLAN

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5. **CEMENTING PROGRAM**

Slurry	Type	Top	Bottom	Sacks	Yield	Density	%Excess	Water	Volume	Additives
<u>Intermediate Csg 9-5/8</u>										
Tail	Class C	0'	875'	409	1.34	14.8	100	6.40	548	Extender, Antifoam, Retarder
<u>Production 7"</u>										
<u>Planned single stage cement job</u>										
1st Lead	Class C	0'	7,500'	881	2.56	11.9	100	14.66	2255	Extender, Antifoam, Retarder, Viscosifier
1st Tail	Class C	7,500'	8,500'	170	1.33	14.8	50	6.38	226	Extender, Antifoam, Retarder, Viscosifier
<u>Contingency: Top Job</u>										
1st Tail	Class C	0'	6,700'	1136	1.33	14.8	50	6.38	1511	Extender, Antifoam, Retarder, Viscosifier
<u>Production Liner 4-1/2"</u>										
Lead	Class C	8,300'	18,890'	596	1.84	13.2	10	9.86	1097	Extender, Antifoam, Retarder, Viscosifier
Tail	Acid Sol Class H	18,890'	19,890'	48	2.16	15	10	9.22	104	Extender, Antifoam, Retarder, Viscosifier

1. Final cement volumes will be determined by caliper.

2. Surface casing shall have at least one centralizer installed on each of the bottom three joints starting with the shoe joint.

3. Production casing will have one solid body or bow spring type centralizer on every joint in the lateral, then every other joint to KOP. Bowspring type centralizers will be run from KOP to intermediate casing and surface.

ONSHORE ORDER NO. 1

Chevron

SND 14 23 FED COM 001 P26 227H

Eddy County, NM

CONFIDENTIAL -- TIGHT HOLE

DRILLING PLAN

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**6. MUD PROGRAM**

From (TVD)	To (TVD)	Type	Weight	Viscosity	Filtrate	Notes
0'	875'	Brine	8.3 - 10.3	26-36	15-25	
875'	8,500'	WBM/Brine	8.7 - 10.6	26-36	15-25	
8,500'	9,027'	OBM	8.7 - 13	50-70	5-10	Due to wellbore stability, the mud program may exceed the MW weight window needed to maintain overburden of pore pressure.

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 porta-toilet 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 transporting 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.

A weighting agent and lost circulating material (LCM) will be onsite to mitigate pressure or lost circulation as hole conditions dictate.

**7. TESTING, LOGGING, AND CORING**

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

- Drill stem tests are not planned.
- 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

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

**8. ABNORMAL PRESSURES AND HYDROGEN SULFIDE**

- No abnormal pressure or temperatures are expected. Estimated BHP is: **2,145** psi
- Hydrogen sulfide gas is not anticipated. An H<sub>2</sub>S Contingency plan is attached with this APD in the event that H<sub>2</sub>S is encountered

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**State of New Mexico**  
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CONDITIONS

Action 217746

CONDITIONS

Operator: CHEVRON U S A INC 6301 Deauville Blvd Midland, TX 79706	OGRID: 4323
	Action Number: 217746
	Action Type: [C-103] Sub. Drilling (C-103N)

CONDITIONS

Created By	Condition	Condition Date
nmurphy	None	7/25/2023