

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0137  
Expires: January 31, 2018

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

**Carlsbad Field Office**  
**OCD Artesia**

5. Lease Serial No.  
NMNM121473

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

**SUBMIT IN TRIPLICATE - Other instructions on page 2**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	8. Well Name and No. HH SO 10 P3 16H
2. Name of Operator CHEVRON USA INCORPORATED Contact: DORIAN K FUENTES E-Mail: DJVO@CHEVRON.COM	9. API Well No. 30-015-43929-00-X1
3a. Address 15 SMITH ROAD MIDLAND, TX 79705	3b. Phone No. (include area code) Ph: 432-687-7631
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T26S R27E SESW 653FSL 2066FWL	10. Field and Pool or Exploratory Area WILDCAT
	11. County or Parish, State EDDY COUNTY, NM

**12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Hydraulic Fracturing <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other Change to Original APD
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Chevron U.S.A. INC., respectfully requests to make changes to the original permit approved 10/11/2016.

Chevron requests to change:  
BHL - from 180' FSL & 2315' FWL to 280' FSL & 2020' FEL  
PFTP- from 330' FNL & 2310' FWL to 330' FNL & 2010' FEL  
PLTP- from 330' FSL & 2315' FWL to 330' FSL & 2020' FEL

Please refer to the attached C-102 to reflect the new change requests.

Chevron requests to change the proposed depth and the drilling plan to comply with Onshore Order #1.

**- All previous COAs still apply. Additional COA is not required**

NM OIL CONSERVATION  
ARTESIA DISTRICT

FEB 06 2017

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14. I hereby certify that the foregoing is true and correct.

**Electronic Submission #359152 verified by the BLM Well Information System  
For CHEVRON USA INCORPORATED, sent to the Carlsbad  
Committed to AFMSS for processing by DEBORAH MCKINNEY on 12/13/2016 (17DLM0404SE)**

Name (Printed/Typed) DORIAN K FUENTES	Title REGULATORY SPECIALIST
Signature (Electronic Submission)	Date 11/29/2016

**APPROVED**

**FEB 2 2017**

Approved By <u>MUSTAFA HAQUE</u>	Title <u>PETROLEUM ENGINEER</u>	Date <u>02/02/2017</u>
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Conditions of approval, if any, are attached. Approval of this notice 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.

Office Carlsbad

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.

(Instructions on page 2)

**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

**Additional data for EC transaction #359152 that would not fit on the form**

**32. Additional remarks, continued**

TVD - from 10264 to 10209  
MD - from 21185 to 20669

Please refer to the attached drilling plan.

Should questions arise, please contact [djvo@chevron.com](mailto:djvo@chevron.com) or 432-687-7631.

**District I**  
1625 N French Dr Hobbs NM 88240  
Phone (575) 493-6111 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 Road, Aztec NM 87410  
Phone (505) 334-6178 Fax (505) 334-6170

**District IV**  
1220 S St Francis Dr Santa Fe, NM 87505  
Phone (505) 476-3460 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**

<sup>1</sup> API Number 30 015 43924		<sup>2</sup> Pool Code 46140		<sup>3</sup> Pool Name NO 015 52621347, well/primary (GAS)	
<sup>4</sup> Property Code 317044		<sup>5</sup> Property Name III SO 10 P3			<sup>6</sup> Well Number 16H
<sup>7</sup> OGRID No. 4323		<sup>8</sup> Operator Name CHEVRON U.S.A. INC			<sup>9</sup> Elevation 3279'

**Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
N	3	26 SOUTH	27 EAST, N.M.P.M.		653'	SOUTH	2066'	WEST	EDDY

**Bottom Hole Location If Different From Surface**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	15	26 SOUTH	27 EAST, N.M.P.M.		280'	SOUTH	2020'	EAST	EDDY

<sup>12</sup> Dedicated Acres 6.40	<sup>13</sup> Joint or infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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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.

HH SO 10 P3 16H WELL	
X=	547,568 NAD 27
Y=	387,634
LAT.	32.065628
LONG.	104.179775
X=	588,752 NAD83
Y=	387,691
LAT.	32.065750
LONG.	104.180268
ELEVATION +3279' NAVD 88	

**CORNER COORDINATES TABLE (NAD 27)**

A - Y=392447.75, X=545573.63  
 B - Y=387009.20, X=545492.91  
 C - Y=386937.82, X=550774.76  
 D - Y=381711.59, X=545622.05  
 E - Y=381659.95, X=550943.63  
 F - Y=376414.09, X=545653.53  
 G - Y=376383.44, X=550941.76

Mid Point  
Y=381679.86, X=548892.30  
 First Take Point  
Y=386634.84, X=548773.01  
 Last Take Point  
Y=376725.15, X=548921.73

PROPOSED BOTTOM HOLE LOCATION	
X=	548,922 NAD 27
Y=	376,675
LAT.	32.035496
LONG.	104.175457
X=	590,106 NAD83
Y=	376,732
LAT.	32.035619
LONG.	104.175948

**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief, and that this operator either owns a working interest or undivided mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a similar pooling arrangement as hereinafter entered by the division.

*[Signature]*  
Date: 11-29-2016

Printed Name: *[Name]*

E-mail Address: *[Email]*

**SURVEYOR CERTIFICATION**

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

01-05-2016  
Date of Survey

*[Signature]*  
Signature and Seal of Professional Surveyor

**23006**  
Certificate Number

**1. FORMATION TOPS**

The estimated tops of important geologic markers are as follows:

FORMATION	SUB-SEA TVD	KBTVD	MD
Castille		704	
Lamar		2289	
Bell		2329	
Cherry		3164	
Brushy		4354	
Bone Spring/Avalon		5944	
First Bone Spring Sand		6834	
Second Bone Spring Sand		7534	
Third Bone Spring Carbonate Marker		8439	
Third Bone Spring Carbonate		8549	
Third Bone Spring Sand		8669	
Wolfcamp A		8999	
Wolfcamp D		9919	
Lateral TVD Wolfcamp D		10209	20669.13

**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	450
Water	Castille	704
Water	Cherry Canyon	3164
Oil/Gas	Brushy Canyon	4354
Oil/Gas	Bone Spring Limestone	6834
Oil/Gas	Second Bone Spring Sand	7534
Oil/Gas	Third Bone Spring Carbonate Marker	8439
Oil/Gas	Harkey Sand	8549
Oil/Gas	Wolfcamp A	8999
Oil/Gas	Wolfcamp D	9919

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

**3. BOP EQUIPMENT**

PLEASE REFERENCE MDP

4. **CASING PROGRAM**

Purpose	From	To	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Surface	0'	450'	17-1/2"	13-3/8"	54.5 #	K-55	STC	New
Intermediate	0'	9,015'	12-1/4"	9-5/8"	43.5 #	L-80	TXP	New
Production	0'	20,669'	8-1/2"	5-1/2"	20.0 #	P-110	TXP	New

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

Surface Casing: 450'  
 Intermediate Casing: 9015'  
 Production Casing: 20669.13' MD/10,208' TVD (11042.33' VS @ 90.3 deg inc)

Casing String	Min SF Burst	Min SF Collapse	Min SF Tension	Min SF Tri-Axial
Surface	1.82	5.11	3.97	2.31
Intermediate	1.45	1.32	1.78	1.84
Production	1.26	1.5	2.43	1.35

Min SF is the smallest of a group of safety factors that include the following considerations:

	Surf	Int	Prod
<b>Burst Design</b>			
Pressure Test- Surface, Int, Prod Csg P external: Water P internal: Test psi + next section heaviest mud in csg	X	X	X
Displace to Gas- Surf Csg P external: Water P internal: Dry Gas from Next Csg Point	X		
Frac at Shoe, Gas to Surf- Int Csg P external: Water P internal: Dry Gas, 15 ppg Frac Gradient		X	
Stimulation (Frac) Pressures- Prod Csg P external: Water P internal: Max inj pressure w/ heaviest injected fluid			X
Tubing leak- Prod Csg (packer at KOP) P external: Water P internal: Leak just below surf, 8.7 ppg packer fluid			X
<b>Collapse Design</b>			
Full Evacuation P external: Water gradient in cement, mud above TOC P internal: none	X	X	X
Cementing- Surf, Int, Prod Csg P external: Wet cement P internal: water	X	X	X
<b>Tension Design</b>			

5. CEMENTING PROGRAM

Slurry	Type	Cement Top	Cement Bottom	Weight (ppg)	Yield (sx/cu ft)	%Excess Open Hole	Sacks	Water gal/sk
Surface								
Tail	Class C	0'	450'	14.8	1.33	50	356	6.37
<u>Intermediate</u>								
Stage 2 Lead	50:50 Poz: Class C + Antifoam, Extender, Salt, Retarder	0'	1,100'	11.9	2.43	50	213	14.21
Stage 2 Tail	Class C + Antifoam, Retarder, Viscosifier	1,100'	2,100'	14.8	1.33	0	235	6.37
DV TOOL		2,100'						
Stage 1 Lead	50:50 Poz: Class H + Extender, Antifoam, Retarder, Salt, Viscosifier	2,100'	8,015'	11.9	2.43	100	1524	13.76
Stage 1 Tail	Class H + Retarder, Extender, Dispersant	8,015'	9,015'	15.6	1.21	50	389	5.54
<u>Production</u>								
Lead	50:50 Poz: Class H + Extender, Antifoam, Dispersant, Retarder	7,015'	8,015'	14.5	1.21	100	430	5.54
Tail	Class H + Viscosifier, Antifoam, Dispersant, Fluid Loss, Retarder, Expanding Agent	8,015'	20,669'	15.6	1.2	50	3768	5.30
<u>Pilot Hole</u>								
Tail	Class C	9,500'	10,000'	17.2	0.97	50-100	<del>50-100</del> 405	3.61

per Rodenick Milligan  
7-25-2016

6. **MUD PROGRAM**

From	To	Type	Weight	F. Vis	Filtrate
0'	450'	Spud Mud	<del>9.0 - 9.5</del>	0	0
450'	9015'	OBM	9.0 - 9.5	50 - 70	5.0 - 10
9015'	20,669'	OBM	10.0 - 13.5	50 - 70	5.0 - 10

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

TYPE	Logs	Interval	Timing	Vendor
Mudlogs	2 man mudlog	Int Csg to TD	Drillout of Int Csg	TBD
LWD	MWD Gamma	Int. and Prod. Hole	While Drilling	TBD
Wireline Logs	Quad Combo w/ Di-Pole Sonic, FMI,	Prod hole	After Intermediate hole	TBD

8. **ABNORMAL PRESSURES AND HYDROGEN SULFIDE**  
 PLEASE REFERENCE MDP

State of New Mexico  
Energy, Minerals and Natural Resources Department

**Susana Martinez**  
Governor

**David Martin**  
Cabinet Secretary-Designate

**Brett F. Woods, Ph.D.**  
Deputy Cabinet Secretary

**David Catanach**  
Division Director  
Oil Conservation Division



September 21, 2015

Edwin S. Nichols Exploration, Inc.  
Attn: Edwin S. Nichols  
P.O. Box 326  
Meridian, TX 76665

Re: \$5,000 One-Well Plugging Bond  
Edwin S. Nichols Exploration, Inc., Principal  
Trinity Universal Insurance Company, Surety  
API 30-041-20659  
Elkans 24 #001  
1980' FSL and 1980' FWL  
Section 24, Township 7 South, Range 34 East  
Roosevelt County, New Mexico  
Bond No. 417740

**NM OIL CONSERVATION**  
ARTESIA DISTRICT  
SEP 24 2015  
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Dear Mr. Nichols:

The New Mexico Oil Conservation Division hereby approves the cancellation of the above-captioned one-well plugging bond and releases Trinity Universal Insurance Company from any liability thereon.

Sincerely,

A handwritten signature in black ink, appearing to read "Denise Gallegos".

DENISE GALLEGOS  
Bond Administrator

cc: Oil Conservation Division – Artesia, NM

Trinity Universal Insurance Company  
P.O. Box 655028  
Dallas, TX 75265-5028