Form 3160-5
(June 2015)

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

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

5. Lease Serial No.
NMNM121473

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
HH SO 10 P3 7H

2. Name of Operator
CHEVRON USA INCORPORATED
Contact: DORIAN K FUENTES
E-Mail: DJVO@CHEVRON.COM

9. API Well No.
30-015-43936-00-X1

3a. Address
15 SMITH ROAD
MIDLAND, TX 79705

3b. Phone No. (include area code)
Ph: 432-687-7631

10. Field and Pool or Exploratory Area
~~WILDCAT~~ 98220 Purple SAGE WCMP.

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 3 T26S R27E SESW 578FSL 2066FWL

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 | | | |
|---|---|---|---|---|
| ☒ Notice of Intent | ☐ Acidize | ☐ Deepen | ☐ Production (Start/Resume) | ☐ Water Shut-Off |
| ☐ Subsequent Report | ☐ Alter Casing | ☐ Hydraulic Fracturing | ☐ Reclamation | ☐ Well Integrity |
| ☐ Final Abandonment Notice | ☐ Casing Repair | ☐ New Construction | ☐ Recomplete | ☒ Other Change to Original APD |
| | ☐ Change Plans | ☐ Plug and Abandon | ☐ Temporarily Abandon | |
| | ☐ Convert to Injection | ☐ Plug Back | ☐ 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 a change to the original drill permit approved 10/11/2016.

Chevron requests to change:
BHL from 180' FSL & 1652' FWL to 280' FSL & 2010' FWL
PFTP from 330' FNL & 1650' FWL to 330' FNL & 2010' FWL
PLTP from 330' FSL & 1653' FWL to 330' FSL & 2010' FWL

NM OIL CONSERVATION
ARTESIA DISTRICT
FEB 13 2017
RECEIVED

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 #1:
- All previous COAs still apply. Additional COA is not required.

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

**Electronic Submission #359132 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 (17DLM0402SE)**

Name *(Printed/Typed)* DORIAN K FUENTES — Title REGULATORY SPECIALIST

Signature (Electronic Submission) — Date 11/29/2016

APPROVED
FEB 8 2017
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By MUSTAFA HAQUE — Title PETROLEUM ENGINEER — Date 02/08/2017

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 ****

RJP
2/13/17

## Additional data for EC transaction #359132 that would not fit on the form

**32. Additional remarks, continued**

TVD from 9852 to 9797'
MD from 20605 to 21000'

Please refer to the attached drilling plan.

Should questions arise, please contact djvo@chevron.com or 432-687-7631.

District I
1625 N French Dr Hobbs NM 88240
Phone (575) 393 61 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 61
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

| 1 API Number | 2 Pool Code | 2 Pool Name |
|---|---|---|
| 30 015 43436 | ~~98220~~ | ~~Purple SAGE~~ ~~WOLFCAMP (GAS)~~ |

| 4 Property Code | 5 Property Name | 6 Well Number |
|---|---|---|
| 317144 | HH SO 10 P3 | 7H |
| 7 OGRID No. | 8 Operator Name | 9 Elevation |
| 4323 | CHEVRON U S.A. INC. | 3279' |

## 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 |
|---|---|---|---|---|---|---|---|---|---|
| N | 3 | 26 SOUTH | 27 EAST, N.M.P.M. | | 578' | 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 |
|---|---|---|---|---|---|---|---|---|---|
| N | 15 | 26 SOUTH | 27 EAST, N.M.P.M. | | 280' | SOUTH | 2010' | WEST | EDDY |

| 12 Dedicated Acres | 13 Joint or Infill | 14 Consolidation Code | 15 Order No. |
|---|---|---|---|
| 640 | | | |

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.

16

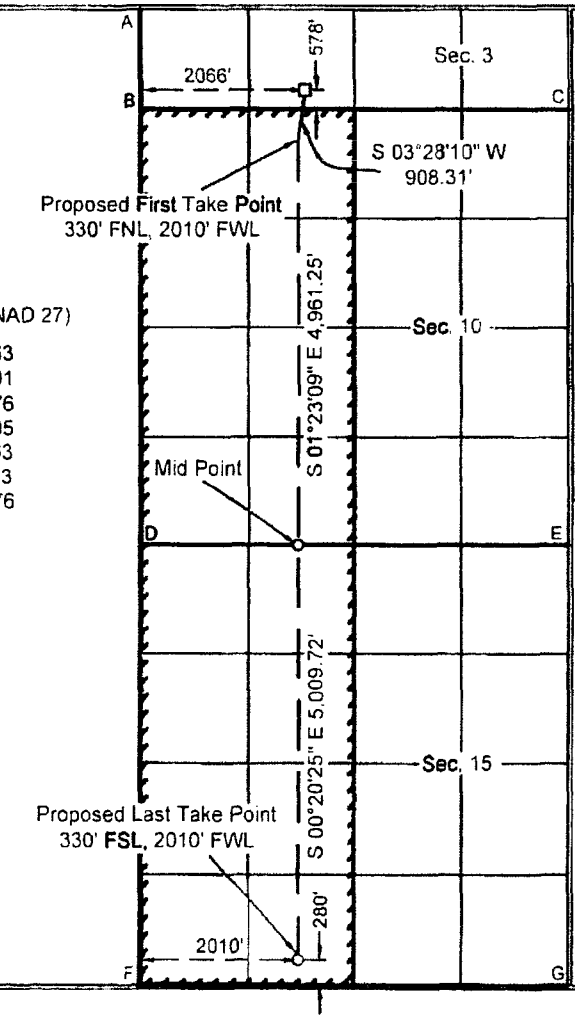
| HH SO 10 P3 7H WELL | | |
|---|---|---|
| X= | 547,567 | NAD 27 |
| Y= | 387,559 | |
| LAT. | 32.065422 | |
| LONG. | 104.179779 | |
| X= | 588,751 | NAD83 |
| Y= | 387,616 | |
| LAT. | 32.065544 | |
| LONG. | 104.180272 | |
| ELEVATION +3279' NAVD 88 | | |

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=381692.09, X=547632.21
First Take Point
Y=386651.88 X=547512.22
Last Take Point
Y=376732.45, X=547661.67

| PROPOSED BOTTOM HOLE LOCATION | | |
|---|---|---|
| X= | 547,662 | NAD 27 |
| Y= | 376,682 | |
| LAT. | 32.03552' | |
| LONG. | 104.179523 | |
| X= | 588,846 | NAD83 |
| Y= | 376,739 | |
| LAT. | 32.035644 | |
| LONG. | 104.180015 | |




## 17 OPERATOR CERTIFICATION

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

Signature Date 11-29-2016

Printed Name

E-mail Address

## 18 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 and Seal of Professional Surveyor:

ROBERT BRAMES
NEW MEXICO
23006
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 C | | 9789 | |
| | | | |
| | | | |
| Lateral TVD Wolfcamp C | | 9797 | 20168.87 |

## 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 C | 9789 |

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' | 20,169' | 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:** 20168.87' MD/9,797' TVD (10,877.41' 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 |
|---|---|---|---|
| **Burst Design** | | | |
| Pressure Test- Surface, Int, Prod Csg<br>P external: Water<br>P internal: Test psi + next section heaviest mud in csg | X | X | X |
| Displace to Gas- Surf Csg<br>P external: Water<br>P internal: Dry Gas from Next Csg Point | X | | |
| Frac at Shoe, Gas to Surf- Int Csg<br>P external: Water<br>P internal: Dry Gas, 15 ppg Frac Gradient | | X | |
| Stimulation (Frac) Pressures- Prod Csg<br>P external: Water<br>P internal: Max inj pressure w/ heaviest injected fluid | | | X |
| Tubing leak- Prod Csg (packer at KOP)<br>P external: Water<br>P internal: Leak just below surf, 8.7 ppg packer fluid | | | X |
| **Collapse Design** | | | |
| Full Evacuation<br>P external: Water gradient in cement, mud above TOC<br>P internal: none | X | X | X |
| Cementing- Surf, Int, Prod Csg<br>P external: Wet cement<br>P internal: water | X | X | X |
| **Tension Design** | | | |
| 100k lb overpull | X | X | X |

5. **CEMENTING PROGRAM**

| Slurry | Type | Cement Top | Cement Bottom | Weight | Yield | %Excess | Sacks | Water |
|---|---|---|---|---|---|---|---|---|
| Surface | | | | (ppg) | (sx/cu ft) | Open Hole | | gal/sk |
| Tail | Class C | 0' | 450' | 14.8 | 1.33 | 50 | 356 | 6.37 |
| Intermediate | | | | | | | | |
| 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 |
| Production | | | | | | | | |
| 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' | 20,169' | 15.6 | 1.2 | 50 | 3603 | 5.30 |

6. **MUD PROGRAM**

| From | To | Type | Weight | F. Vis | Filtrate |
|---|---|---|---|---|---|
| 0' | 450' | Spud Mud | 8.3 - 8.7 | 32 - 34 | NC - NC |
| 450' | 9015' | OBM | 9.0 - 9.5 | 50 -70 | 5.0 - 10 |
| 9015' | 20,169' | 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 |

8. **ABNORMAL PRESSURES AND HYDROGEN SULFIDE**

PLEASE REFERENCE MDP