

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 (ARD) 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.

8. Well Name and No.
Multiple--See Attached9. API Well No.
Multiple--See Attached10. Field and Pool or Exploratory Area
ABO
PURPLE SAGE-WOLFCAMP (GAS)11. County or Parish, State
EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

 Oil Well Gas Well Other
2. Name of Operator
CHEVRON USA INCORPORATEDContact: DORIAN K FUENTES
E-Mail: DJVO@CHEVRON.COM3a. Address
6301 DEAUVILLE BLVD
MIDLAND, TX 797063b. Phone No. (include area code)
Ph: 432-687-7631

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Multiple--See Attached

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 |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | Change to Original A PD |
| | <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.

Summary: Variance to batch drill the HH SO 10 15 FED 002 not requested in the MDP nor original submission.

Chevron respectfully requests the ability to batch drill in the HH SO 10 15 FED 002. The summary provided is a brief description of the main operational sequences for drilling and casing the six wells referenced as follow:

HH SO 10 15 FED 002 6H 30-015-44367
 HH SO 10 15 FED 002 5H 30-015-44371
 HH SO 10 15 FED 002 4H 30-015-44353
 HH SO 10 15 FED 002 3H 30-015-44351
 HH SO 10 15 FED 002 2H 30-015-44354
 HH SO 10 15 FED 002 1H 30-015-44352

OIL CONSERVATION
ARTESIA DISTRICT

JAN 16 2018

Accepted for record - NMOCD

RECEIVED

See COA for Batch Drilling on Sundry 399736. 25

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

Electronic Submission #398949 verified by the BLM Well Information System
 For CHEVRON USA INCORPORATED, sent to the Carlsbad
 Committed to AFMSS for processing by ZOTA STEVENS on 01/02/2018 (18ZS0024SE)

Name (Printed/Typed) DORIAN K FUENTES

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 12/22/2017

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ZOTA STEVENS

Title PETROLEUM ENGINEER

Date 01/10/2018

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 **

Additional data for the transaction records that would not fit on the form

Wells/Facilities, continued

| Agreement | Lease | Well/Fac Name, Number | API Number | Location |
|------------|------------|------------------------|--------------------|---|
| NMNM121473 | NMNM121473 | HH SO 10 15 FED 002 2H | 30-015-44354-00-X1 | Sec 3 T26S R27E SWSW 214FSL 833FWL 32.064594 N Lat, 104.184273 W Lon |
| NMNM121473 | NMNM121473 | HH SO 10 15 FED 002 3H | 30-015-44351-00-X1 | Sec 3 T26S R27E SWSW 239FSL 833FWL 32.064663 N Lat, 104.184273 W Lon |
| NMNM121473 | NMNM121473 | HH SO 10 15 FED 002 4H | 30-015-44353-00-X1 | Sec 3 T26S R27E SWSW 264FSL 833FWL 32.064732 N Lat, 104.184265 W Lon |
| NMNM121473 | NMNM121473 | HH SO 10 15 FED 002 5H | 30-015-44371-00-X1 | Sec 3 T26S R27E SWSW 289FSL 833FWL 32.064800 N Lat, 104.184265 W Lon |
| NMNM121473 | NMNM121473 | HH SO 10 15 FED 002 6H | 30-015-44367-00-X1 | Sec 3 T26S R27E SWSW 314FSL 833FWL 32.064869 N Lat, 104.184265 W Lon |
| NMNM121473 | NMNM121473 | HH SO 10 15 FED 002 1H | 30-015-44352-00-X1 | Sec 3 T26S R27E NWNW 189FSL 833FWL 32.064526 N Lat, 104.184273 W Lon |

32. Additional remarks, continued

Please refer to the attached additional documents for your reference and should you have any questions, please contact me.

Delaware Basin in Eddy County

Changes to APD FOR Federal Wells Batch Drill

| | | |
|----------------------------|-----------|---------------------|
| HH SO 10 15 FED 002 | 6H | 30-015-44367 |
| HH SO 10 15 FED 002 | 5H | 30-015-44371 |
| HH SO 10 15 FED 002 | 4H | 30-015-44353 |
| HH SO 10 15 FED 002 | 3H | 30-015-44351 |
| HH SO 10 15 FED 002 | 2H | 30-015-44354 |
| HH SO 10 15 FED 002 | 1H | 30-015-44352 |

CVX Contact: Rod Milligan, Drilling Engineer 281-413-9794

CVX Contact: Dorian K. Fuentes, Regulatory Specialist 432-687-7631

Surface Hole:

1. Drill 17-1/2" surface hole with fresh water to planned casing set depth with 10' rat hole.
2. Run casing as stated by approved APD, land out wellhead, and cement.
3. Dress out 13-5/8" 5M SH-2 wellhead and install/secure with temporary abandonment cap and a pressure gauge will be installed. Reference image below Part U 399984.
4. Skid to next well according to below "Drill Order".

Repeat steps 1 through 3 until all six surface holes are drilled, cased and cemented.

Intermediate Hole:

1. N/U, using an API approved Quick-Connect and test 13-5/8" 10M Class IV BOP to 250 psi/5,000 psi.
2. Test casing to required pressure. Drill out shoe track and 10' of new formation. Perform FIT
Drill 12-1/4" intermediate hole to planned casing set depth with 10' of rat hole.
3. Run casing as stated by approved APD, land out hanger and cement.

Production Hole:

1. Test casing to required pressure. Drill out shoe track and 10' of new formation. Perform FIT.
Drill 8 1/2" vertical section, curve and lateral as stated by approved APD.
2. Run casing as stated by approved APD, cement, land out hanger and cement.
3. Install back pressure valve and temporary abandonment cap.

Repeat steps in intermediate hole and production hole until all six wells are drilled, cased and cemented.

