

Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

Energy, Minerals and Natural Resources

May 27, 2004

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

WELL API NO.

30-045-33309

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

FEDERAL: NM-024907

7. Lease Name or Unit Agreement Name

Nickles 11 (Property Code 302852)

8. Well Number #3

9. OGRID Number

241333

10. Pool name or Wildcat

Basin Fruitland Coal (71629)

SUNDRY NOTICES AND REPORTS ON WELLS

(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 ☐ Gas Well ☒ Other

2. Name of Operator

Chevron Midcontinent, L.P. (241333) (c/o Alan W. Bohling, Room 4205)

3. Address of Operator

15 Smith Road Midland, Texas 79705

4. Well Location

Unit Letter 1 or Lot 1: 1617 feet from the South line and 1113 feet from the East line

Section 11 Township 31-N Range 13-W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

5756' GR

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type: Drilling Depth to Groundwater: >100' Distance from nearest fresh water well: >1000' Distance from nearest surface water: 200'-1000'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume: ~1950 Bbls: Construction Material: Lined Earthen

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

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☒

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Requested Resubmit of Registration of Drilling Pit ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: ☐

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 1103. For Multiple Completions: Attach wellbore diagram or proposed completion or recompletion.

This well's original APD (filed under HEC Petroleum, Inc.), and its Registering of Drilling Pit, were approved on 2/10/2006 with an extension granted to 2/09/2008 (approved on 12/15/2006), see attached. In preparing to conduct pre-spud and pit construction on or about mid June of this year, we noticed that the Original Registration of Drilling Pit (Form C-103) made reference to "our (HEC) general pit guidelines on file at NMOCD in Aztec, NM". In view of this and the recent Change of Operators (HEC to Chevron Midcontinent, L.P.), Chevron Midcontinent, L.P. wanted to determine what these (HEC) pit guidelines were and, thus, requested your review of what actually was on file in your office.

Your review and response back to us stated that the referenced pit guidelines that are on file are basic and requested that we (Chevron Midcontinent, L.P.) now resubmit a pit permit stating that the drilling pit will be opened and closed adhering to NMOCD guidelines.

Therefore, Chevron Midcontinent, L.P. now respectfully resubmits this Registering of Drilling Permit for your approval. This drilling pit will now be built and lined according to NMOCD guidelines. Upon conclusion of our drilling and completion activities, this pit will also be closed according to NMOCD guidelines. As this well is a Federal well, a copy of this Form C-103 is also being sent to the BLM in Farmington, NM as an attachment to Form 3160-5 for their information and records.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: Alan W. Bohling TITLE: Regulatory Agent DATE: 5/24/2007

Type or print name: Alan W. Bohling E-mail address: ABohling@chevron.com Telephone No.: 432-687-7158

For State Use Only

APPROVED BY: Brandon Powell TITLE: Deputy Oil & Gas Inspector, District #3 DATE: 5-24-07

Conditions of Approval (if any):