

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		18 Lease Serial No. NOO-C-14-20-3783	
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name NAVAJO ALLOTMENT	
2. Name of Operator CHEVRON MIDCONTINENT, L. P.		7. If Unit or CA Agreement, Name and No. NM NM - 75923	
3a. Address 11111 SOUTH WILCREST HOUSTON, TX 77099		8. Lease Name and Well No. NAVAJO 12 #4	
3b. Phone No. (include area code) (281) 561-4896		9. API Well No. 30-045-34262	
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface 1880' FNL & 1975' FEL At proposed prod. zone SAME		10. Field and Pool, or Exploratory BASIN DAKOTA	
14. Distance in miles and direction from nearest town or post office* 21 AIR MILES SOUTH OF BLOOMFIELD		11. Sec., T. R. M. or Blk and Survey or Area G 12-25N-11W NMPM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 665'	16. No. of acres in lease 160 (320 in CA)	17. Spacing Unit dedicated to this well E2 320	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. N/A	19. Proposed Depth 6,400'	20. BLM/BIA Bond No. on file BIA RLB0002774	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 6,351' GL	22. Approximate date work will start* 08/01/2007	23. Estimated duration 4 WEEKS	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature 	Name (Printed/Typed) BRIAN WOOD	Date 03/29/2007
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Title CONSULTANT PHONE: (505) 466-8120 FAX: (505) 466-9682

Approved by (Signature) 	Name (Printed/Typed) Wayne Townsend	Date 11/13/07
Title Acting AFM	Office FFO	

Application approval 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.
Conditions of approval, if any, are attached.

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)

NOTIFY AZTEC OCD 24 HRS.
PRIOR TO CASING & CEMENT

DRILLING OPERATIONS AUTHORIZED ARE
SUBJECT TO COMPLIANCE WITH ATTACHED
"GENERAL REQUIREMENTS".

NMOCD NOV 20 2007

This action is subject to technical and
procedural review pursuant to 43 CFR 3165.3
and appeal pursuant to 43 CFR 3165.4

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

DISTRICT II
1301 W. Grand Ave., Artesia, N.M. 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV
1220 South St. Francis Dr., Santa Fe, NM 87505

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 October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

2007 APR -3
RECEIVED
AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-045-34262	² Pool Code 71599	³ Pool Name BASIN DAKOTA
⁴ Property Code 36834	⁵ Property Name NAVAJO 12	⁶ Well Number 4
⁷ GRID No. 241333	⁸ Operator Name CHEVRON MIDCONTINENT, L.P.	⁹ Elevation 6351

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
G	12	25-N	11-W		1880	NORTH	1975	EAST	SAN JUAN

¹¹ 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
¹² Dedicated Acres 320			¹³ Joint or Infill		¹⁴ Consolidation Code C		¹⁵ Order No.		

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

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FD. 2 1/2" BC. 1932 U.S.G.L.O.	S 89°51'15" W 5281.37' (M)	1880'	FD. 2 1/2" BC. 1932 U.S.G.L.O.
	LAT. 36.41763° N (NAD 83) LONG. 107.95335° W (NAD 83)		1975'
		12	
			S 0°06'27" W 5286.06' (M)
			FD. 2 1/2" BC. 1932 U.S.G.L.O.

17

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.

Julesa Jackson 7/6/06
Signature Date
Julesa Jackson
Printed Name

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.

JUNE 8, 2006
Date of Survey
Signature and Seal of Professional Surveyor
JOHN A. YUKONICH
14831
7706
REGISTERED PROFESSIONAL SURVEYOR
Certificate Number

Submit 3 Copies To Appropriate District
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

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

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

WELL API NO.
30-045- 342602
5. Indicate Type of Lease
STATE ☐ FEE ☐
6. ~~State~~ Oil & Gas Lease No.
NOO-C-14-20-3783

7. Lease Name or Unit Agreement Name

NAVAJO 12

8. Well Number #4

9. OGRID Number 241333

10. Pool name or Wildcat
BASIN DAKOTA

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.

3. Address of Operator
11111 SOUTH WILCREST, HOUSTON, TX 77099

4. Well Location

Unit Letter: G

1880' FNL & 1975' FEL

Section 12

Township 25 N

Range 11 W

NMPM

SAN JUAN

County

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

6,351' GL

Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type: DRILLING Depth to Groundwater: 230 Distance from nearest fresh water well: >1,000' Distance from nearest surface water: <200'

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume bbls; Construction Material

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: DRILLING PIT

☒

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 of proposed completion or recompletion.

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 Brian Wood TITLE: CONSULTANT

DATE: MAR. 29, 2007

Type or print name: BRIAN WOOD

E-mail address: brian@permitswest.com

Telephone No.: (505) 466-8120

For State Use Only

Deputy Oil & Gas Inspector,
District #3

NOV 20 2007

APPROVED BY: [Signature] TITLE

DATE

Conditions of Approval (if any): Vulnerable area pits must be closed in accordance w/

Rule 50.F.1

Chevron Midcontinent, L. P.
Navajo 12 #4
1880' FNL & 1975' FEL
Sec. 12, T. 25 N., R. 11 W.
San Juan County, New Mexico

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Drilling Program

1. ESTIMATED FORMATION TOPS

<u>Formation</u>	<u>GL Depth</u>	<u>KB Depth</u>	<u>Elevation</u>
Nacimiento Formation	0'	12'	+6,351'
Ojo Alamo Sandstone	576'	584'	+5,775'
Fruitland Formation	1,151'	1,163'	+5,200'
Pictured Cliffs Sandstone	1,501'	1,513'	+4,850'
Lewis Shale	1,551'	1,563'	+4,800'
Cliff House Sandstone	2,301'	2,313'	+4,050'
Point Lookout Sandstone	3,926'	3,938'	+2,425'
Mancos Shale	4,151'	4,163'	+2,200'
Gallup Sandstone	4,951'	4,963'	+1,400'
Greenhorn Limestone	5,851'	5,863'	+500'
Graneros	5,951'	5,963'	+400'
Dakota Sandstone	6,101'	6,113'	+250'
Morrison	6,201'	6,213'	+150'
Total Depth (TD)	6,400'	6,412'	-49'

2. NOTABLE ZONES

<u>Gas or Oil Zones</u>	<u>Water Zones</u>	<u>Coal Zone</u>
Fruitland	Nacimiento	Fruitland
Pictured Cliffs	Ojo Alamo	
Gallup	Fruitland	
Dakota		

Water zones will be protected with casing, cement, and fresh water based mud. Fresh water found while drilling will be recorded. Oil or gas shows will be tested for commercial potential based on the geologist's recommendations.

Chevron Midcontinent, L. P.
Navajo 12 #4
1880' FNL & 1975' FEL
Sec. 12, T. 25 N., R. 11 W.
San Juan County, New Mexico

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3. PRESSURE CONTROL

The drilling contract has not yet been awarded, thus the exact BOP model to be used is not yet known. A typical 2,000 psi model is on PAGE 3.

A $\geq 2,000$ psi BOP and choke manifold system will be installed and tested to $\approx 2,000$ psi before drilling the surface casing plug. It will remain in use until the well is completed or abandoned. A safety valve and sub with a full opening valve to fit the drill pipe and drill collars will be available on the rig floor in the open position at all times for use when the kelly is not in use.

All BOP mechanical and pressure tests will be recorded on the driller's log. BOPs will be inspected and opened and closed at least daily to assure good mechanical working order. Inspections will be recorded on the daily drilling report. Pressure tests will be conducted before drilling out from under all set and cemented casing strings. Maximum expected bottom hole pressure will be $\leq 2,560$ psi. BOP and mud systems will control pressure.

4. CASING & CEMENT

<u>Hole Size</u>	<u>O. D.</u>	<u>Pounds per Foot</u>	<u>Grade</u>	<u>Age</u>	<u>Connections</u>	<u>Depth Set</u>
12-1/4"	8-5/8"	24	J-55	New	ST & C	325'
7-7/8"	5-1/2"	15.5	J-55	New	LT & C	6,400'

Surface casing will be cemented to the surface with ≈ 270 cubic feet (≈ 230 sacks) Class B Neat + 1/4 pound per sack cellophane + 2% CaCl_2 . Yield = 1.27 cubic feet per sack. Weight = 15.2 pounds per gallon. Centralizers will be set on the bottom two joints and every fourth joint to the surface.

Production casing will be cemented to the surface with a DV set at $\approx 4,000'$. Centralizers will be set on the bottom two joints, every second joint to $\approx 6,000'$ and every fourth joint from $\approx 2,000'$ to the surface.

Chevron Midcontinent, L. P.
Navajo 12 #4
1880' FNL & 1975' FEL
Sec. 12, T. 25 N., R. 11 W.
San Juan County, New Mexico

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First stage Lead will be cemented to $\approx 4,000'$ with ≈ 541 cubic feet (≈ 392 sacks) 50:50 Poz + 5 pounds per sack gilsonite + 2% gel + 1/4 pound per sack cellophane + dispersant + FLA. Yield = 1.38 cubic feet per sack. Weight = 13.5 pounds per gallon. Excess = 30%.

Second stage Lead will be cemented to the surface with $\approx 1,440$ cubic feet (≈ 327 sacks) Class B or H + 10 pounds per sack gilsonite + 4% gel + 1/2 pound per sack cellophane + 3% Halliburton Econolite or its equivalent. Yield = 2.88 cubic feet per sack. Weight = 11.4 pounds per gallon. Excess = 50%

Second stage Tail will be cemented to $\approx 3,600'$ with ≈ 90 cubic feet (≈ 72 sacks) Class B or H Neat + 1/4 pound per sack cellophane + 2% CaCl_2 . Yield = 1.26 cubic feet per sack. Weight = 15.2 pounds per gallon. Excess = 20%.

5. MUD PROGRAM

<u>Depth</u>	<u>Type</u>	<u>ppg</u>	<u>Viscosity</u>	<u>Fluid Loss</u>	<u>pH</u>
0' - 350'	Fresh water gel	9.0	50	NC	9
350' - TD'	Fresh water gel	9.0	38-50	6.0	9

Sufficient material to maintain the mud qualities, control lost circulation, and contain a blowout will be available at the well site while drilling. Mud will be checked hourly by rig personnel. Material to soak up possible oil or fuel spills will be on site.

6. CORES, TESTS, & LOGS

No cores or drill stem tests are planned. Induction logs will be run from TD to $\approx 3,000'$. Neutron density - GR logs will be run from TD to the base of the surface casing.

Chevron Midcontinent, L. P.
Navajo 12 #4
1880' FNL & 1975' FEL
Sec. 12, T. 25 N., R. 11 W.
San Juan County, New Mexico

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7. DOWN HOLE CONDITIONS

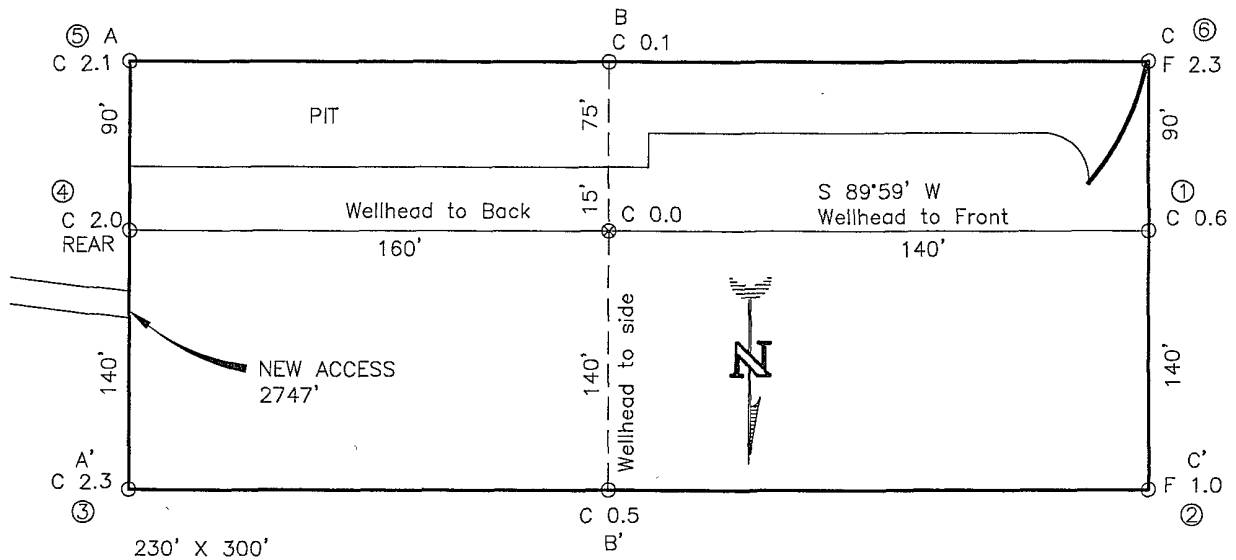
No abnormal pressures, temperatures, nor hydrogen sulfide are expected.

8. OTHER INFORMATION

The anticipated spud date is upon approval. It is expected it will take about two weeks to drill and two weeks to complete the well.

CHEVRON MIDCONTINENT, L.P.
 NAVAJO 12-4, 1880 FNL 1975 FEL
 SECTION 12, T-25-N, R-11-W, N.M.P.M., SAN JUAN COUNTY, N.M.
 GROUND ELEVATION: 6351, DATE: JUNE 5, 2006

NAD 83
 LAT. = 36.41763° N
 LONG. = 107.95335° W



NOTE: DAGGETT ENTERPRISES, INC. IS NOT LIABLE FOR
 UNDERGROUND UTILITIES OR PIPELINES. NEW MEXICO
 ONE CALL TO BE NOTIFIED 48 HOURS PRIOR TO
 EXCAVATION OR CONSTRUCTION.

ELEV. A-A'	C/L
6360	
6350	
6340	
6330	

ELEV. B-B'	C/L
6360	
6350	
6340	
6330	

ELEV. C-C'	C/L
6360	
6350	
6340	
6330	

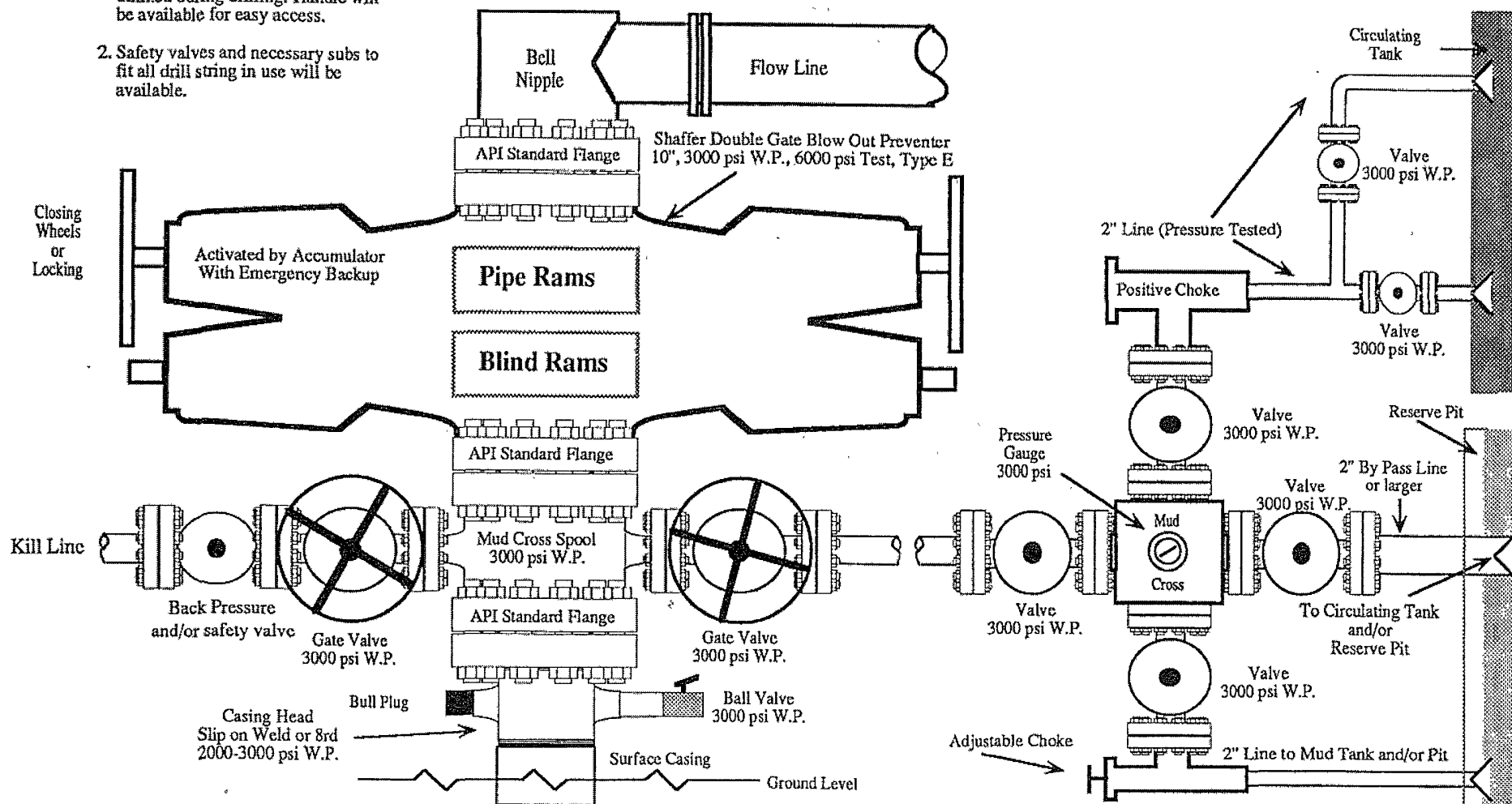
NOTE: CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED PIPELINES OR
 CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.

REVISION:	DATE:	REVISED BY:	B.L.
CHANGE ACCESS	12/21/06		
Daggett Enterprises, Inc. Surveying and Oil Field Services P. O. Box 15068 • Farmington, NM 87401 Phone (505) 326-1772 • Fax (505) 326-6019 NEW MEXICO L.S. No. 14831 DRAWN BY: G.V. DATE: 6/09/06 ROW#: PR140			

2,000 PSI BOP SYSTEM

Note: 1. An upper Kelly cock valve will be utilized during drilling. Handle will be available for easy access.

2. Safety valves and necessary subs to fit all drill string in use will be available.



Note: This equipment is designed to meet requirements for a 2-M rating standard per 43 CFR part 3160 (amended). Proper operation and testing of equipment will be carried out per standard. 2,000 psi equipment can be substituted in the drawing to meet minimum requirements per standard.