

District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88240

District II - (575) 748-1283

811 S. First St., Artesia, NM 88210

District III - (505) 334-6178

1000 Rio Brazos Rd., Aztec, NM 87410

District IV - (505) 476-3460

1220 S. St. Francis Dr., Santa Fe, NM
87505

Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-40922

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

PADUCA BREAKS 32 26 32 STATE

8. Well Number

1H

9. OGRID Number

4323

10. Pool name or Wildcat

JENNINGS; BONE SPRING, UPPER SHALE

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 USA, Inc.

3. Address of Operator 15 Smith Road Midland, TX 79705

4. Well Location

Unit Letter A : 400' feet from the North line and 182' feet from the East line

Section 32 Township 26S Range 32E NMPM County LEA

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

3101' GR

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

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

OTHER: Correct TOC for Production String of Casing ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

TOC for production string should read 3700', or 500' above intermediate casing shoe. W.B. diagram is attached.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE Regulatory Specialist II

DATE 01/24/2013

Type or print name Bryan Arrant (Agent for Chevron)

E-mail address: bryan.arrant@chkc.com

PHONE: (405)935-3782

For State Use Only

APPROVED BY:

TITLE

Petroleum Engineer

DATE

FEB 04 2013

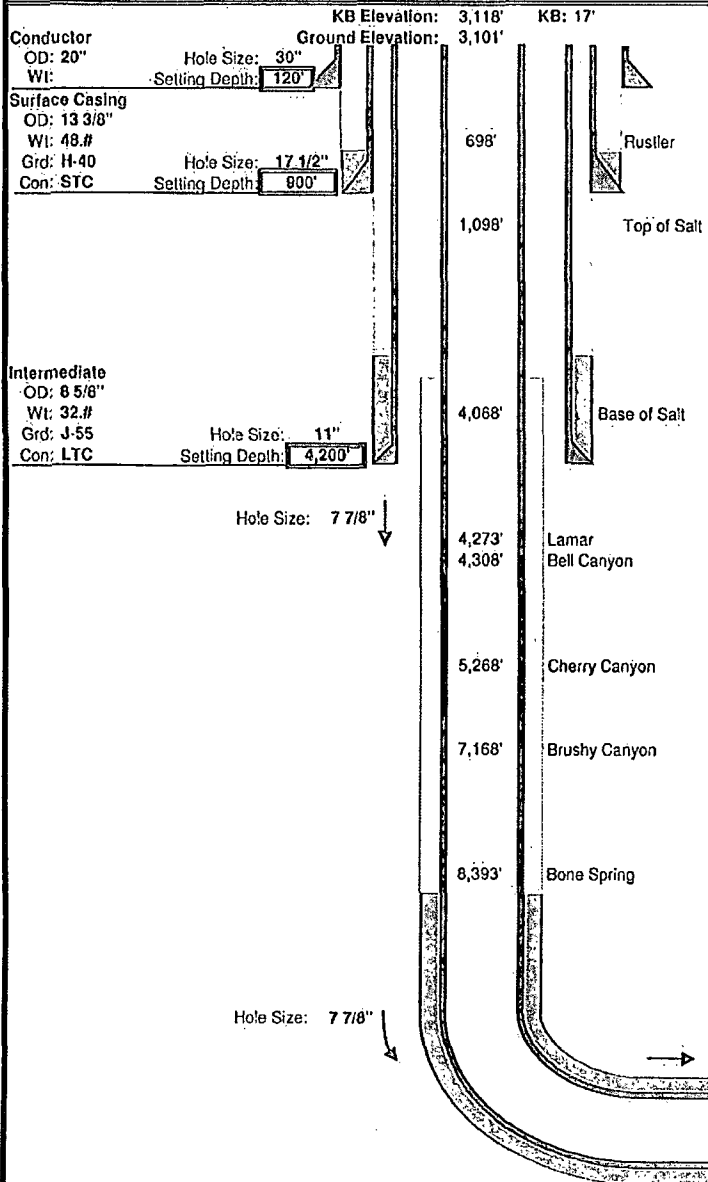
Conditions of Approval (if any)



Drilling Engineer: Dan Melcher
Superintendent: Daniel Gipson
Geologist: Corey Dimond

Well Name: Paduca Breaks West 32-26-32 State 1H
Target: Upper Avalon
County, State: Lea, NM
Surface Location: 400' FNL 182' FEL, Section 32, Township 26 S, Range 32 E
BH Location: 400' FNL 350' FWL, Section 32, Township 26 S, Range 32 E
SHL Latitude: 32.004942 SHL North: 366121
SHL Longitude: -103.668724 SHL East: 699816
BHL Latitude: 32.004912 BHL North: 366082
BHL Longitude: -103.70414 BHL East: 695038
Coordinates: NAD 27 Coordinates: NMSPCE

Drilling Rig: Trinidad 110
Directional: Phoenix
Drilling Mud: Nova
Cement: Schlumberger
Wellhead: Sunbelt
Property Number: 0
AFE Number: 0



Wellhead Equipment	
A Section	13-3/8" x 13-5/8" 5K SOW
B Section	13-5/8" 5K x 11" 5K
C Section	11" 5K X 7-1/16" 10K w/10k gate valve
D Section	N/A
Required BOP Stack	13-5/8" 5K- Double, Annular, Rot Head w/orbit valve

Mud				
Depth	Type	Weight	F. Vis	FL
0' - 900'	Spud Mud	8.4 - 8.7	32 - 34	NC - NC
900' - 4,200'	Brine	9.5 - 10.1	28 - 29	NC - NC
4,200' - 8,342'	FW/Cut Brine	8.3 - 9.5	28 - 29	NC - NC
8,342' - 9,102'	Cut Brine	8.3 - 9.5	32 - 36	15 - 25
9,102' - 13,394'	FW/Cut Brine	8.3 - 9.5	28 - 29	NC - NC

Cement							
Slurry	Top	Blm	Wt	Yld	%Exc	Bbl	Sx
Surface	Lead	0'	800'	13.7	1.65	250	316
	Tail	800'	900'	14.8	1.33	250	50
Intermediate	Lead	0'	3,700'	12.0	1.99	250	520
	Tail	3,700'	4,200'	14.2	1.37	250	82
Production	Lead	3,700'	8,342'	12.4	2.19	75	239
	Tail	8,342'	13,394'	14.5	1.28	75	275

Type	Logs	Interval	Vendor
OH	Triple Combo	Base of Curve to Int Csg	TBD
Mud Log	2 man mudlogging	Int Csg to EOC	Nomac
LWD	MWD Gamma	Curve and Lateral	Phoenix

Directional Plan						
Target Line:	8830' @ 0' VS w/91.2 deg inclination					
Target Window:	20' above, 20' below, 50' left, 50' right					
	MD	INC	AZM	TVD	VS	DLS
KOP	8,342'	0.00	0.00	8,342'	0'	0.00
EOB	9,102'	91.20	269.53	8,820'	488'	12.00
TD	13,394'	91.20	269.53	8,730'	4,778'	0.00
Hardlines:	Lateral- 330' from parallel lease lines.					
	Vertical- Actual Lease Lines					
Notes:	Please note SHL and BHL distance from lease lines					

Production Casing
OD: 5 1/2"
WI: 17.8#
Grd: P-110
Con: LTC