

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|--|--------------------------------|-------------------------------|
| 1. Operator Name and Address CHEVRON U S A INC 11111 S. WILCREST HOUSTON , TX 77099 | | 2. OGRID Number 4323 |
| | | 3. API Number 30-025-39375 |
| 4. Property Code 29920 | 5. Property Name C H WEIR B | 6. Well No. 017 |

7. Surface Location

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| O | 11 | 20S | 37E | O | 660 | S | 1980 | E | LEA |

8. Pool Information

| | |
|-----------------|-------|
| SKAGGS,GRAYBURG | 57380 |
|-----------------|-------|

Additional Well Information

| | | | | |
|---|----------------------------|--|---------------------------|------------------------------------|
| 9. Work Type New Well | 10. Well Type OIL | 11. Cable/Rotary | 12. Lease Type Private | 13. Ground Level Elevation 3571 |
| 14. Multiple N | 15. Proposed Depth 4300 | 16. Formation Grayburg | 17. Contractor | 18. Spud Date |
| Depth to Ground water | | Distance from nearest fresh water well | | Distance to nearest surface water |
| Pit: Liner: Synthetic <input type="checkbox"/> mls thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> | | | | |

19. Proposed Casing and Cement Program

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 11 | 8.625 | 24 | 1350 | 475 | |
| Prod | 7.875 | 5.5 | 15.5 | 4300 | 1050 | |

Casing/Cement Program: Additional Comments

SURF:J55,STC,2%CACL2,0.35PPS,D39CELLOFLAKE,W-14.8PPG,Y-1.34 CUFT/SX, PROD:J55,LTC,LEAD:550SX 35.65 POZ CL C,5%D44,6%D20,0.4%D112,0.25PPS, D29CELLOFLAKE,0.2%D46, TAIL:500 SX 50:50 POZ C,5%D44,2%D20,0.25PPS, D29 CELLOFLAKE,W-12.4PPG,LEAD:14.2PPG, TAIL:Y-2.15 CUFT/SX,LEAD: 1.35 CUFT/SX

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|---------|------------------|---------------|--------------|
| Annular | 3000 | 2500 | |
| Blind | 3000 | 2500 | |
| Pipe | 3000 | 2500 | |

| | | |
|--|---------------------------------|----------------------------|
| I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/>. Printed Name: Electronically filed by Denise Pinkerton Title: Regulatory Specialist Email Address: leakejd@chevron.com Date: 3/13/2009 Phone: 432-687-7375 | OIL CONSERVATION DIVISION | |
| | Approved By: Paul Kautz | |
| | Title: Geologist | |
| | Approved Date: 3/26/2009 | Expiration Date: 3/26/2011 |
| | Conditions of Approval Attached | |

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 88240

State of New Mexico
Energy, Minerals and Natural Resources Department

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

| | | |
|-------------------|-----------------------------------|-------------------------------|
| API Number | Pool Code 57380 | Pool Name Skaggs; Grayburg |
| Property Code | Property Name C.H. WEIR B | Well Number 17 |
| OGRID No. 4323 | Operator Name CHEVRON USA INC. | Elevation 3571' |

Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| 0 | 11 | 20-S | 37-E | | 660 | SOUTH | 1980 | EAST | LEA |

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 |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| | | | | | | | | | |

| | | | |
|-----------------------|-----------------|--------------------|-----------|
| Dedicated Acres 40 | Joint or Infill | Consolidation Code | 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

| | |
|--|--|
| <p>GEODETIC COORDINATES NAD 27 NME Y=577256.0 N X=843064.7 E LAT.=32.582046° N LONG.=103.219591° W</p> | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Signature: Denise Pinkerton Date: 3-12-09 Printed Name: Denise Pinkerton</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>RONALD J. EIDSON DECEMBER 16 2008 Date Surveyed: AR Signature & Seal of Professional Surveyor: 3239 RONALD J. EIDSON 12/19/08 Certificate No. GARY EIDSON 12641 RONALD J. EIDSON 3239</p> |
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Permit Comments

Operator: CHEVRON U S A INC , 4323

Well: C H WEIR B #017

API: 30-025-39375

| Created By | Comment | Comment Date |
|------------|---|--------------|
| DPINKERTON | MAILING C-144 TODAY | 3/13/2009 |
| DMULL | OCD has received form C-144 "Pit Registration". OCD Permit Number P1-00995. | 3/26/2009 |

Permit Conditions of Approval

Operator: CHEVRON U S A INC , 4323

Well: C H WEIR B #017

API: 30-025-39375

| OCD Reviewer | Condition |
|--------------|--|
| pkautz | Depth to Rustler in #13 well is 1365'. Must set surface casing 25' into rustler anhydrite. |