

District I
1025 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-0720
District III
1000 Rio Brazos Rd., Aztec, NM 87413
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1220 S. St Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3470 Fax: (505) 476-3462

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

Form C-101
August 1, 2011
Permit 101278

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

1. Operator Name and Address CHEVRON U S A INC Attn: Sandy Stedman-Daniel Houston, TX 77002		2. OGRID Number 4323
		3. API Number 30-025-42060
4. Property Code 40461	5. Property Name GRAMMA RIDGE 14 24 34	6. Well No. 008H

7. Surface Location																		
UL - Lot	A	Section	14	Township	24S	Range	34E	Lot Ion	Feet From	330	N/S Line	N	Feet From	380	EW Line	E	County	Lea

8. Proposed Bottom Hole Location																			
UL - Lot	P	Section	14	Township	24S	Range	34E	Lot Ion	P	Feet From	280	N/S Line	S	Feet From	660	EW Line	E	County	Lea

9. Pool Information	
RED HILLS, BONE SPRING, NORTH	96434

Additional Well Information				
11. Work Type New Well	12. Well Type OIL	13. Cable/Rotary	14. Lease Type Private	15. Ground Level Elevation 3457
16. Multiple N	17. Proposed Depth 16533	18. Formation Bone Spring	19. Contractor	20. Spud Date
Depth to Ground water		Distance from nearest fresh water well		Distance to nearest surface water

☒ We will be using a closed-loop system in lieu of lined pits

21. Proposed Casing and Cement Program						
Type	Hole Size	Casing Size	Casing Weight/lb	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	54.5	1150	1280	0
Int1	12.25	9.625	43.5	9150	2750	0
Prod	8.5	5.5	17	16533	1775	8650

Casing/Cement Program: Additional Comments
INTERMEDIATE CASING WILL BE CEMENTED IN 2 STAGES, WITH A DV TOOL AND EXTERNAL CASING PACKER SET @ 5200'

22. Proposed Blowout Prevention Program			
Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	
Pipe	5000	5000	
Blind	5000	5000	

23. I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify I have complied with 19.15.14.9 (A) NMAC ☒ and/or 19.15.14.9 (B) NMAC ☒ , if applicable. Signature: _____		OIL CONSERVATION DIVISION	
Printed Name: Electronically filed by Denise Pinkerton	Approved By: Paul Kautz		
Title: Regulatory Specialist	Title: Geologist		
Email Address: leskej@chevron.com	Approved Date: 8/21/2014	Expiration Date: 8/21/2016	
Date: 8/21/2014	Phone: 432-687-7375	Conditions of Approval Attached	

BEFORE THE OIL CONSERVATION
DIVISION
Santa Fe, New Mexico
Exhibit No. 2
Submitted by: **CHEVRON U.S.A., INC.**
Hearing Date: **September 17, 2014**

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

Form C-102
August 1, 2011
Permit 191276

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-42060	2. Pool Code 96434	3. Post Name RED HILLS;BONE SPRING, NORTH
4. Property Code 40461	5. Property Name GRAMMA RIDGE 14 24 34	6. Well No. 008H
7. OGRID No. 4323	8. Operator Name CHEVRON U S A INC	9. Elevation 3457

10. Surface Location

UL - Lot A	Section 14	Township 24S	Range 34E	Lot Idn	Feet From 330	N/S Line N	Feet From 380	E/W Line E	County Lea
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11. Bottom Hole Location If Different From Surface

UL - Lot P	Section 14	Township 24S	Range 34E	Lot Idn	Feet From 280	N/S Line S	Feet From 660	E/W Line E	County Lea
12. Dedicated Acres 160.00			13. Joint or Infill		14. Consolidation Code			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

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px;"></td><td style="width: 25%; height: 30px; text-align: center;">☐</td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> <tr><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td><td style="height: 30px;"></td></tr> </table>				☐													OPERATOR CERTIFICATION <i>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(s) 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</i> E-Signed By: Denise Pinkerton Title: Regulatory Specialist Date: 8/21/2014 SURVEYOR CERTIFICATION <i>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.</i> Surveyed By: WILLIAM DANIEL Date of Survey: 6/10/2014 Certificate Number: 15078
			☐														

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

Form APD Comments

Permit 191276

PERMIT COMMENTS

Operator Name and Address: CHEVRON U S A INC (4323) Attn: Sandy Stedman-Daniel Houston, TX 77002	API Number: 30-025-42060
	Well: GRAMMA RIDGE 14 24 34 #008H

Created By	Comment	Comment Date
DPINKERTON	PLATS WILL BE MAILED TO YOU TODAY	8/21/2014

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Form APD Conditions

Permit 191276

PERMIT CONDITIONS OF APPROVAL

Operator Name and Address: CHEVRON U S A INC (4323) Attn: Sandy Stedman-Daniel Houston, TX 77002	API Number: 30-025-42060
	Well: GRAMMA RIDGE 14 24 34 #008H

OCD Reviewer	Condition
DMULL	Will require a directional survey with the C-104
DMULL	Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string
pkautz	If using a pit for drilling and completion operations, must have an approved pit from prior to spudding the well
pkautz	Surface casing must be set 25' below top of Rustler Anhydrite in order to seal off protectable water
pkautz	1) SURFACE & INTERMEDIATE CASING - Cement must circulate to surface -- 2) PRODUCTION CASING - Cement must tie back into intermediate casing --
pkautz	If cement does not circulate to surface, must run temperature survey or other log to determine top of cement

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

HOBBS OCD
AUG 21 2014
RECEIVED

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-42060	² Pool Code 96434	³ Pool Name Red Hills; Bone Spring North
⁴ Property Code 40461	⁵ Property Name GRAMMA RIDGE 14 24 34	
⁶ OGRID No. 4323	⁷ Operator Name CHEVRON U.S.A. INC.	
		⁸ Well Number 8H
		⁹ Elevation 3457'

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
A	14	24 SOUTH	34 EAST, N.M.P.M.		330'	NORTH	380'	EAST	LEA

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
P	14	24 SOUTH	34 EAST, N.M.P.M.		280'	SOUTH	660'	EAST	LEA

¹² Dedicated Acres 16.0	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.

GRAMMA RIDGE 14 24 34 8H WELL X= 778,437 NAD 27 Y= 446,283 LAT. 32.223742 LONG. 103.432958 X= 819,821 NAD83 Y= 446,342 LAT. 32.223867 LONG. 103.433432 ELEVATION 3457' NAD 88	Proposed First Take Point 330' FNL, 380' FEL	11 OPERATOR CERTIFICATION
CORNER COORDINATES TABLE (NAD 27)	Proposed Last Take Point 330' FSL, 657' FEL	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 an undivided 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 in a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.
PROPOSED BOTTOM HOLE LOCATION X= 778,195 NAD 27 Y= 441,614 LAT. 32.210913 LONG. 103.433865 X= 819,380 NAD83 Y= 441,672 LAT. 32.211038 LONG. 103.434338		<i>Denise Pinkerton</i> 08/21/2014 Signature Date Denise Pinkerton Printed Name denise.j.pinkerton@chevron.com E-mail Address
		12 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 10 2014 Date of Survey <i>[Signature]</i> Signature and Seal WM. J. DANIEL III NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 15078 Certificate Number #15078

AUG 26 2014