

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: January 31, 2018**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*5. Lease Serial No.
NMNM121473

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE - Other instructions on page 2

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CHEVRON USA INCORPORATED

Contact: DORIAN K FUENTES

E-Mail: DJVO@CHEVRON.COM

3a. Address

15 SMITH ROAD
MIDLAND, TX 79705

3b. Phone No. (include area code)

Ph: 432-687-7631

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 3 T26S R27E SESW 653FSL 2066FWL

8. Well Name and No.
HH SO 10 P3 16H

9. API Well No.

30-015-43929-00-X1

10. Field and Pool or Exploratory Area
WILDCAT

11. County or Parish, State

EDDY COUNTY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Hydraulic Fracturing☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other
Change to Original A
PD

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.

Chevron U.S.A. INC., respectfully requests to make changes to the original permit approved 10/11/2016.

Chevron requests to change:

BHL - from 180' FSL & 2315' FWL to 280' FSL & 2020' FEL
PFTP - from 330' FNL & 2310' FWL to 330' FNL & 2010' FEL
PLTP - from 330' FSL & 2315' FWL to 330' FSL & 2020' FEL

Please refer to the attached C-102 to reflect the new change requests.

Chevron requests to change the proposed depth and the drilling plan to comply with Onshore Order #1.

- All previous COA still apply. Additional COA is not required

NM OIL CONSERVATION
ARTESIA DISTRICT

FEB 06 2017

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14. I hereby certify that the foregoing is true and correct.

Electronic Submission #359152 verified by the BLM Well Information System

For CHEVRON USA INCORPORATED, sent to the Carlsbad

Committed to AFMSS for processing by DEBORAH MCKINNEY on 12/13/2016 (17DLMO404SE)

Name (Printed/Typed) DORIAN K FUENTES

Title REGULATORY SPECIALIST

Signature (Electronic Submission)

Date 11/29/2016

THIS SPACE FOR FEDERAL OR STATE OFFICIAL USE

Approved By MUSTAFA HAQUE

Title PETROLEUM ENGINEER

Date 02/02/2017

Conditions of approval, if any, are attached. Approval of this notice 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.

Office Carlsbad

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)

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Additional data for EC transaction #359152 that would not fit on the form

32. Additional remarks, continued

TVD - from 10264 to 10209

MD - from 21185 to 20669

Please refer to the attached drilling plan.

Should questions arise, please contact djvo@chevron.com or 432-687-7631.

District I
1625 N. French Dr. Hobbs NM 88240
Phone (505) 493-6111 Fax (505) 393-0720
District II
811 S First St. Artesia NM 88210
Phone (505) 748-1283 Fax (505) 748-9720
District III
1000 Rio Brazos Road, Artec NM 87410
Phone (505) 334-6178 Fax (505) 334-6170
District IV
1220 S. St. Francis Dr. Santa Fe, NM 87505
Phone (505) 476-3460 Fax (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number 30 C15 43924		2 Pool Code 96146		3 Pool Name W. C. 526-27347, W. 1/2 P. 10 P. 3 (GAS)	
4 Property Code 311644		5 Property Name III SO 10 P3		6 Well Number 16H	
7 OGRID No. 4323		8 Operator Name CHEVRON U.S.A. INC		9 Elevation 3279'	

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
N	3	26 SOUTH	27 EAST, N.M.P.M.		653'	SOUTH	2066'	WEST	EDDY

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
O	15	26 SOUTH	27 EAST, N.M.P.M.		280'	SOUTH	2020'	EAST	EDDY

12 Dedicated Acres 6.40	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.

<p>HH SO 10 P3 16H WELL</p> <p>X= 547,568 NAD 27 Y= 387,634 LAT. 32.065628 LONG. 104.179775</p> <p>X= 588,752 NAD 83 Y= 387,691 LAT. 32.065750 LONG. 104.180268</p> <p>ELEVATION +3279' NAVD 88</p>		<p>16 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief, and that this operator either owns a working interest or 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 to a voluntary pooling agreement or a unitization agreement. Therefore entered by the division</p> <p><i>[Signature]</i> 11-29-2010 Date</p> <p>Printed Name D. K. Fennell</p> <p>E-mail Address D.K.Fennell@chevron.com</p> <p>17 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>01-05-2016 Date of Survey</p> <p><i>[Signature]</i> Signature and Seal of Professional Surveyor</p> <p>23006 Certificate Number</p>
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CORNER COORDINATES TABLE (NAD 27)

A - Y=392447.75, X=545573.63
B - Y=387009.20, X=545492.91
C - Y=386937.82, X=550774.76
D - Y=381711.59, X=545622.05
E - Y=381659.95, X=550943.63
F - Y=376414.09, X=545653.53
G - Y=376383.44, X=550941.76

Mid Point
Y=381679.86, X=548892.30
First Take Point
Y=386634.84, X=548773.01
Last Take Point
Y=376725.15, X=548921.73

PROPOSED BOTTOM HOLE LOCATION	
X=	548,922 NAD 27
Y=	376,675
LAT.	32.035496
LONG.	104.175457
X=	590,106 NAD 83
Y=	376,732
LAT.	32.035619
LONG.	104.175948

1. FORMATION TOPS

The estimated tops of important geologic markers are as follows:

FORMATION	SUB-SEA TVD	KBTVD	MD
Castille		704	
Lamar		2289	
Bell		2329	
Cherry		3164	
Brushy		4354	
Bone Spring/Avalon		5944	
First Bone Spring Sand		6834	
Second Bone Spring Sand		7534	
Third Bone Spring Carbonate Marker		8439	
Third Bone Spring Carbonate		8549	
Third Bone Spring Sand		8669	
Wolfcamp A		8999	
Wolfcamp D		9919	
Lateral TVD Wolfcamp D		10209	20669.13

2. ESTIMATED DEPTH OF WATER, OIL, GAS & OTHER MINERAL BEARING FORMATIONS

The estimated depths at which the top and bottom of the anticipated water, oil, gas, or other mineral bearing formations are expected to be encountered are as follows:

Substance	Formation	Depth
Deepest Expected Base of Fresh Water		450
Water	Castille	704
Water	Cherry Canyon	3164
Oil/Gas	Brushy Canyon	4354
Oil/Gas	Bone Spring Limestone	6834
Oil/Gas	Second Bone Spring Sand	7534
Oil/Gas	Third Bone Spring Carbonate Marker	8439
Oil/Gas	Harkey Sand	8549
Oil/Gas	Wolfcamp A	8999
Oil/Gas	Wolfcamp D	9919

All shows of fresh water and minerals will be reported and protected.

3. BOP EQUIPMENT

PLEASE REFERENCE MDP

4. CASING PROGRAM

Purpose	From	To	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Surface	0'	450'	17-1/2"	13-3/8"	54.5 #	K-55	STC	New
Intermediate	0'	9,015'	12-1/4"	9-5/8"	43.5 #	L-80	TXP	New
Production	0'	20,669'	8-1/2"	5-1/2"	20.0 #	P-110	TXP	New

SF Calculations based on the following "Worst Case" casing design:

Surface Casing: 450'

Intermediate Casing: 9015'

Production Casing: 20669.13' MD/10,208' TVD (11042.33' VS @ 90.3 deg inc)

Casing String	Min SF Burst	Min SF Collapse	Min SF Tension	Min SF Tri-Axial
Surface	1.82	5.11	3.97	2.31
Intermediate	1.45	1.32	1.78	1.84
Production	1.26	1.5	2.43	1.35

Min SF is the smallest of a group of safety factors that include the following considerations:

	Surf	Int	Prod
Burst Design			
Pressure Test- Surface, Int, Prod Csg P external: Water P internal: Test psi + next section heaviest mud in csg	X	X	X
Displace to Gas- Surf Csg P external: Water P internal: Dry Gas from Next Csg Point	X		
Frac at Shoe, Gas to Surf- Int Csg P external: Water P internal: Dry Gas, 15 ppg Frac Gradient		X	
Stimulation (Frac) Pressures- Prod Csg P external: Water P internal: Max inj pressure w/ heaviest injected fluid			X
Tubing leak- Prod Csg (packer at KOP) P external: Water P internal: Leak just below surf, 8.7 ppg packer fluid			X
Collapse Design			
Full Evacuation P external: Water gradient in cement, mud above TOC P internal: none	X	X	X
Cementing- Surf, Int, Prod Csg P external: Wet cement P internal: water	X	X	X
Tension Design			

5. CEMENTING PROGRAM

Slurry	Type	Cement Top	Cement Bottom	Weight	Yield	%Excess	Sacks	Water
Surface				(ppg)	(sx/cu ft)	Open Hole		gal/sk
Tail	Class C	0'	450'	14.8	1.33	50	356	6.37
<u>Intermediate</u>								
Stage 2 Lead	50:50 Poz: Class C + Antifoam, Extender, Salt, Retarder	0'	1,100'	11.9	2.43	50	213	14.21
Stage 2 Tail	Class C + Antifoam, Retarder, Viscosifier	1,100'	2,100'	14.8	1.33	0	235	6.37
DV TOOL		2,100'						
Stage 1 Lead	50:50 Poz: Class H + Extender, Antifoam, Retarder, Salt, Viscosifier	2,100'	8,015'	11.9	2.43	100	1524	13.76
Stage 1 Tail	Class H + Retarder, Extender, Dispersant	8,015'	9,015'	15.6	1.21	50	389	5.54
<u>Production</u>								
Lead	50:50 Poz: Class H + Extender, Antifoam, Dispersant, , Retarder	7,015'	8,015'	14.5	1.21	100	430	5.54
Tail	Class H + Viscosifier, Antifoam, Dispersant, Fluid Loss, Retarder, Expanding Agent	8,015'	20,669'	15.6	1.2	50	3768	5.30
<u>Pilot Hole</u>								
Tail	Class C	9,500'	10,000'	17.2	0.97	50-100	50-100 405	3.61

per Rodenick Milligan
7-25-2016

6. **MUD PROGRAM**

From	To	Type	Weight	F. Vis	Filtrate
0'	450'	Spud Mud	9.0 - 9.5	0	0
450'	9015'	OBM	9.0 - 9.5	50 - 70	5.0 - 10
9015'	20,669'	OBM	10.0 - 13.5	50 - 70	5.0 - 10

7. **TESTING, LOGGING, AND CORING**

TYPE	Logs	Interval	Timing	Vendor
Mudlogs	2 man mudlog	Int Csg to TD	Drillout of Int Csg	TBD
LWD	MWD Gamma	Int. and Prod. Hole	While Drilling	TBD
Wireline Logs	Quad Combo w/ Di-Pole Sonic, FMI,	Prod hole	After Intermediate hole	TBD

8. **ABNORMAL PRESSURES AND HYDROGEN SULFIDE**
PLEASE REFERENCE MDP

State of New Mexico
Energy, Minerals and Natural Resources Department

Susana Martinez
Governor

David Martin
Cabinet Secretary-Designate

Brett F. Woods, Ph.D.
Deputy Cabinet Secretary

David Catanach
Division Director
Oil Conservation Division



September 21, 2015

Edwin S. Nichols Exploration, Inc.
Attn: Edwin S. Nichols
P.O. Box 326
Meridian, TX 76665

Re: \$5,000 One-Well Plugging Bond
Edwin S. Nichols Exploration, Inc., Principal
Trinity Universal Insurance Company, Surety
API 30-041-20659
Elkans 24 #001
1980' FSL and 1980' FWL
Section 24, Township 7 South, Range 34 East
Roosevelt County, New Mexico
Bond No. 417740

NM OIL CONSERVATION
ARTESIA DISTRICT
SEP 24 2015
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Dear Mr. Nichols:

The New Mexico Oil Conservation Division hereby approves the cancellation of the above-captioned one-well plugging bond and releases Trinity Universal Insurance Company from any liability thereon.

Sincerely,

DENISE GALLEGOS
Bond Administrator

cc: Oil Conservation Division – Artesia, NM

Trinity Universal Insurance Company
P.O. Box 655028
Dallas, TX 75265-5028