

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA



FORM APPROVED  
OMB No 1004-0137  
Expires July 31, 2010

**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  
NM-25876

6 If Indian, Allottee or Tribe Name  
N/A

SUBMIT IN TRIPLICATE - Other instructions on page 2.

JAN 23 2008

OCD-ARTESIA

1 Type of Well

☒ Oil Well

☐ Gas Well

☐ Other

2 Name of Operator  
CHEVRON U.S.A. INC.

3a Address  
15 SMITH ROAD, MIDLAND, TEXAS 79705

3b Phone No (include area code)  
432-687-7375

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

8 Well Name and No  
GETTY 24 FEDERAL #12

9 API Well No  
30-015-35464

10 Field and Pool or Exploratory Area  
LIVINGSTON RIDGE DELAWARE

4 Location of Well (Footage, Sec., T., R., M., or Survey Description)  
330' FNL, 610' FWL, SEC 24, 22-S, 31-E, UNIT LETTER D

11 Country or Parish, State  
EDDY, NEW MEXICO

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other PERMIT
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	EXTENSION
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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 recomplete 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 recompletion 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 AN EXTENSION FOR THE PERMIT TO DRILL THE SUBJECT WELL.  
WE WILL NOT BE ABLE TO DRILL THE WELL BY THE FEBRUARY, 2008 DEADLINE DUE TO PARTNER & BUDGET ISSUES

A COPY OF THE APPROVED 3160-3 IS ATTACHED

THANKS FOR YOUR CONSIDERATION.

APPROVED FOR 24 MONTH PERIOD  
ENDING 1-10-10

14 I hereby certify that the foregoing is true and correct. Name (Printed/Typed)  
DENISE PINKERTON

Title REGULATORY SPECIALIST

Signature

*Denise Pinkerton*

Date 12/12/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ James Stovall

FIELD MANAGER

Date JAN 10 2008

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 FIELD OFFICE

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.

Form 160-3  
(August 1999)

Month-Year  
11-12-5-2007  
OCD-ARTESIA, NM

143 RESUBMITTAL

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

AT-5-07-97

FORM APPROVED  
OMB NO. 1004-0136  
Expires: November 30, 2000

R-111-POTASH


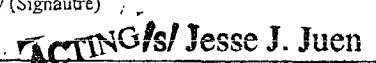
APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-25876
1b. Type of Well <input checked="" type="checkbox"/> Oil Well <input 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 NA
2. Name of Operator Chevron U.S.A. Inc. 4323		7. Unit or CA Agreement Name and No.
3a. Address 15 Smith Road, Midland Texas 79705	3b. Phone No. (include area code) 432-687-7375	8. Lease Name and Well No. GETTY 24 FEDERAL #12 29747
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 330' NORTH, 610' WEST, UL - D At proposed prod. zone SAME		9. API Well No. 30-015-35464
14. Distance in miles and direction from nearest town or post office* 29 MILES EAST OF CARLSBAD, NEW MEXICO		10. Field and Pool, or Exploratory LIVINGSTON RIDGE DELAWARE
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 330'		11. Sec., T., R., M., or Blk. and Survey or Area 24, 22-S, 31-E
16. No. of Acres in lease 640		12. County or Parish EDDY
17. Spacing Unit dedicated to this well 40		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.		20. BLM/BIA Bond No. on file CA0329
19. Proposed Depth 8500'		21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3547'
22. Approximate date work will start* 2-28-2005		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.
2. A Drilling Plan
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification.
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature 	Name (Printed/Typed) DENISE PINKERTON	Date 11-15-2005
Title REGULATORY SPECIALIST		
Approved by (Signature) 	Name (Printed/Typed) Jesse J. Juen	Date FEB 22 2007
Title STATE DIRECTOR		
Office NM STATE OFFICE		

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.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Sec  
United States any false, fictitious or fraudulent statement

\*(Instructions on Reverse)

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.

fully to make to any department or agency of the

CARLSBAD CONTROLLED WATER BASIN

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

APPROVAL SUBJECT TO  
GENERAL REQUIREMENTS  
AND SPECIAL STIPULATIONS  
ATTACHED

## PECOS DISTRICT CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Chevron U.S.A. Inc.
LEASE NO.:	NM25876
WELL NAME & NO.:	Getty 24 Federal #12
SURFACE HOLE FOOTAGE:	330' FNL & 610' FWL
LOCATION:	Section 24, T. 22 S., R 31 E., NMPM
COUNTY:	Eddy County, New Mexico

### I. DRILLING

#### A. DRILLING OPERATIONS REQUIREMENTS

The BLM is to be notified a minimum of 4 hours in advance for a representative to witness:

- a. Spudding well
- b. Setting and/or Cementing of all casing strings
- c. BOP/BOPE tests

☒ **Eddy County**

Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,  
(575) 361-2822

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
2. Floor controls are required on 3M or Greater systems. Controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
3. Gamma-Ray/Neutron logs shall be run from the base of the Salado formation to the surface. The logs shall be run at a speed which allows the logs to be legible and no faster than manufactures of the logging tools recommended speed. (R-111-P area only)

4. A Hydrogen Sulfide (H<sub>2</sub>S) Drilling Plan should be activated 500 feet prior to drilling into the **Delaware** formation. A copy of the plan shall be posted at the drilling site. **H<sub>2</sub>S has been reported in Sections 21, 23 & 25 of T22S, R32E measuring 500-1000 ppm in the gas stream and 100 -2000 ppm in STVs. It has also been reported in Sections 24, 26 & 27 with no measurements given.**

## **B. CASING**

1. The **13-3/8** inch surface casing shall be set at **approximately 800 feet or a minimum of 25 feet into the top of the Rustler Anhydrite** and cemented to the surface.
  - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with a surface log readout will be used or a cement bond log shall be run to verify the top of the cement.
  - b. Wait on cement (WOC) time for a primary cement job will be a minimum 18 hours for a water basin, **24 hours in the potash area, or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement). Please provide WOC times to inspector for cement slurries.**
  - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
  - d. If cement falls back, remedial action will be done prior to drilling out that string.

**Possible lost circulation in the Delaware and Bone Spring formations.  
Possible water flows in the Salado and Castile groups.**

2. The minimum required fill of cement behind the **8-5/8** inch intermediate casing is:
  - a. ☒ Cement to surface. If cement does not circulate see B.1.a-d above. **Please provide WOC times to inspector for cement slurries.**
3. The minimum required fill of cement behind the **5-1/2** inch production casing is:
  - a. ☒ Cement to surface. If cement does not circulate, contact the appropriate BLM office. **Please provide WOC times to inspector for cement slurries.**

4. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
5. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

#### **C. PRESSURE CONTROL**

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
  - a. The tests shall be done by an independent service company.
  - b. The results of the test shall be reported to the appropriate BLM office.
  - c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
  - d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug.
  - e. A variance to test the **BOP/BOPE and surface casing** to the reduced pressure of **1000 psi** is approved.

#### **D. DRILL STEM TEST**

If drill stem tests are performed, Onshore Order 2.III.D shall be followed.

Engineer on call phone (after hours only): Carlsbad: (575) 706-2779

JDW 1/14/08