

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1 TYPE OF WORK
DRILL ☒ DEEPEN ☐
TYPE OF WELL
OIL WELL ☐ GAS WELL ☒ OTHER ☐
SINGLE ZONE ☒ MULTIPLE ZONE ☐

2 NAME OF OPERATOR
CHEVRON U.S.A. INC. ATTN: J. K. Ripley
ADDRESS AND TELEPHONE NO
P.O. BOX 1150, MIDLAND, TX 79702 915-887-7828

3 LOCATION OF WELL (Report location clearly and in accordance with any State requirements *)
surface 1959' FNL & 1802' FEL

4 proposed prod zone 1850' FNL & 1850' FEL
4 DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE

5 DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. 1802'
Also to nearest drilg unit line, if any)
6 DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL DRILLING COMPLETED OR APPLIED FOR, ON THIS LEASE, FT. Fed 33 Com #1 1980'

7 ELEVATIONS (Show whether OF, RT, GR, eel.)
1048'

PROPOSED CASING AND CEMENTING PROGRAM			
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH
8-1/4" - 14 3/4"	9 5/8"	38	1500'
8-3/4"	7"	26	7000'

CHEVRON USA PROPOSES TO DRILL TO APPROXIMATELY 7800'. IF WELL IS DEEMED TO BE NON-COMMERCIAL, THE WELLBORE WILL BE PLUGGED AND ABANDONED AS PER FEDERAL REGULATIONS. PROGRAMS TO ADHERE TO ONSHORE OIL AND GAS REGULATIONS ARE OUTLINED IN THE FOLLOWING EXHIBITS AND ATTACHMENTS.

- DRILLING PROGRAM:
SURFACE USE AND OPERATING PLAN
EXHIBIT 1 BLOW OUT PREVENTION EQUIPMENT
EXHIBIT 2 LOCATION AND ELEVATION PLAT
EXHIBIT 3 PLANNED ACCESS ROADS
EXHIBIT 4 ROTARY RIG LAYOUT

8 ABOVE SPACE DESCRIBE PROPOSED PROGRAM If proposal is to deepen, give data on present productive zone and proposed new production zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

9 SIGNED J. K. Ripley TITLE TECHNICAL ASSISTANT DATE 2/22/96
(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
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

APPROVED BY _____ TITLE _____ DATE _____

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes 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.

5 LEASE DESIGNATION AND SERIAL NO
NM-070522
6 IF INDIAN, ALLOTTEE OR TRIBE NAME
N/A
7 UNIT AGREEMENT NAME
N/A
8 FARM OR LEASE NAME, WELL NO
GAS 2620
FEDERAL 33/COM #2
9 API WELL NO
30-015-28953
10 FIELD AND POOL, OR WILDCAT
INDIAN BASIN UPPER PENN GAS
11 SEC. T, R, M. OR BLK AND SURVEY OR AREA
SEC 33, T21S, R23E
12 COUNTY OR PARRISH
EDDY
13 STATE
NM

14 NO OF ACRES IN LEASE 2
640
15 NO OF ACRES ASSIGNED TO THIS WELL
840
16 PROPOSED DEPTH
7600' TVD
17 ROTARY OR CABLE TOOLS
ROTARY
18 APPROX. DATE WORK WILL START
03/15/96

(THE BACK 600' above WOLF CAMP)

RECEIVED
APR 26 1996
OIL CON. DIV.
DIST 2

Part ID-1
5-3-96
New Loc & API
D.D. - 140(50)

RECEIVED
FEB 23 10 27 AM '96

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS
ATTACHED

DISTRICT II
P.O. Drawer DD, Artesia, NM 86211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87604-2088

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-28953	Pool Code 79040	Pool Name Indian Basin;Upper Penn (Pro Gas)
Property Code 02620	Property Name FEDERAL 336 COM	Well Number 2
OGRID No. 004323	Operator Name CHEVRON U.S.A. INC.	Elevation 4048

Surface Location

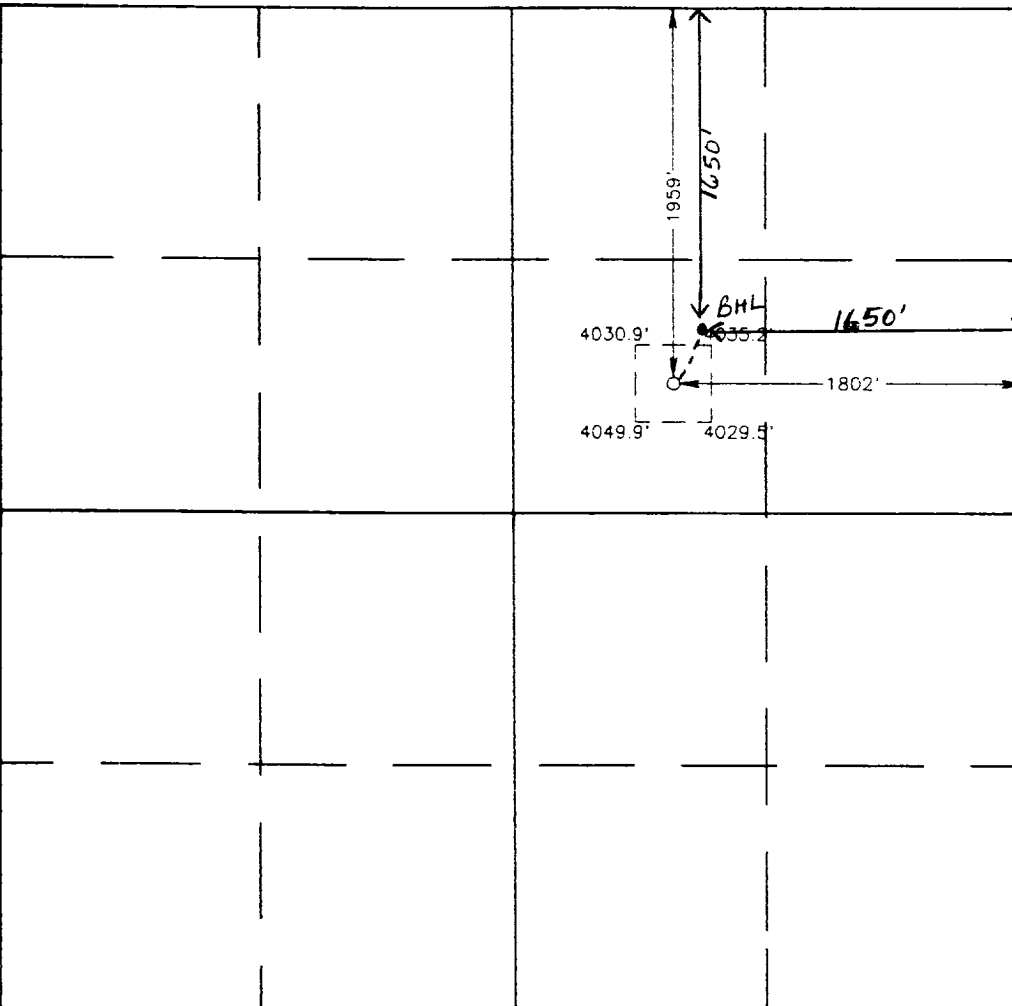
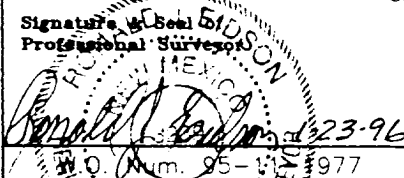
UL or lot No.	Section	Township	Range	Lot ldn	Feet from the	North/South line	Feet from the	East/West line	County
G	33	21 S	23 E		1959	NORTH	1802	EAST	EDDY

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
G	33	21S	23E		1650	North	1650	East	Eddy

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
640			

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>Diagram showing well location with dimensions:</p> <ul style="list-style-type: none"> Vertical distance: 1959' Horizontal distance from left: 4030.9' Horizontal distance from right: 1802' Horizontal distance from center: 1650' Vertical distance from bottom: 4049.9' Vertical distance from center: 1650' Bottom horizontal distance: 4029.5' Well location marked with 'BHL' and '635.3' 	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p align="center">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p align="center"><i>J. K. Ripley</i></p> <hr/> <p align="center">Signature</p> <hr/> <p align="center">J. K. Ripley</p> <hr/> <p align="center">Printed Name</p> <hr/> <p align="center">Regulatory T.A.</p> <hr/> <p align="center">Title</p> <hr/> <p align="center">2/21/96</p> <hr/> <p align="center">Date</p> </div> <div style="border: 1px solid black; padding: 5px;"> <p align="center">SURVEYOR CERTIFICATION</p> <p><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></p> <p align="center">JANUARY 12, 1996</p> <hr/> <p align="center">Date Surveyed</p> <hr/> <p align="center">Signature: <i>Ronald J. Eidson</i></p> <hr/> <p align="center">Professional Surveyor</p> <hr/> <p align="center">  </p> <hr/> <p align="center"> Certificate No. JOHN W. WEST RONALD J. EIDSON 676 3239 1264 </p> </div>
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8. **Casing Program and Setting Depths:**

	Size	Weight	Grade	Setting Depth
Surface	9 5/8"	36#	J-55	1500'
Production	7"	26#	K-55	7000'

9. **Casing Setting Depths and Cementing Program:**

- A. Surface casing will be cemented to surface using Class "C" cement. Exact volumes and additives will be based on severity of lost returns historically experienced in this area. Top jobs will be performed as necessary to bring cement to surface.
- B. Production casing will be cemented with Class "C" cement to cover any hydrocarbon bearing zones by at minimum 500'. If cement is not circulated a temperature survey will be run to determine cement top.

10. **Prior to drilling below surface and intermediate casing, a BOP hook-up for 3,000 psi will be installed.**

11. **Circulating Media:**

0-1500'	air/air mist
1500' - 7,600'	Cut Brine 9.4 - 9.9ppg

12. **Testing, Logging, and Coring Program**

- A. Open hole logs will be run at total depth.
- B. No coring is planned.

13. **Abnormal Pressure or Temperature and Hydrogen Sulfide Gas:**

- A. No abnormal pressure or temperature is anticipated; however, BOP's, as specified in item 10 above will be installed.

14. **Anticipated Starting Date:**

Drilling operations should begin upon approval of this permit and will take approximately three weeks. Completion operations will begin soon after drilling is completed and will take approximately two weeks.

CHEVRO. DRILLING REFERENCE SERIES
VOLUME ELEVEN
WELL CONTROL AND BLOWOUT PREVENTION

D. CLASS III CHOKE MANIFOLD

The Class III choke manifold is suitable for Class III workovers and drilling operations. The Standard Class III choke manifold is shown in Figure 11J.8 below. Specific design features of the Class III manifold include:

1. The manifold is attached to a drilling spool or the top ram preventer side outlet.
2. The minimum internal diameter is 2" (nominal) for outlets, flanges, valves and lines.
3. Includes two steel gate valves in the choke line at the drilling spool outlet. The inside choke line valve may be remotely controlled (HCR).
4. Includes two manually adjustable chokes which are installed on both side of the manifold cross. Steel isolation gate valves are installed between both chokes and the cross, and also downstream of both chokes.
5. Includes a bleed line which runs straight through the cross and is isolated by a steel gate valve.
6. Includes a valve isolated pressure gauge suitable for drilling service which can display the casing pressure within view of the choke operator.
7. Returns through the choke manifold must be diverible through a mud-gas separator and then be routed to either the shale shaker or the reserve pit through a buffer tank or manifold arrangement.
8. If the choke manifold is remote from the wellhead, a third master valve should be installed immediately upstream of the manifold cross.

