

BLM • CARLSBAD

Form 3100-5
(June 1990)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1999

0031

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well: ☐ OIL WELL ☒ GAS WELL ☐ OTHER2. Name of Operator
CHEVRON USA INC3. Address and Telephone No
15 SMITH ROAD, MIDLAND, TX 79705

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

Unit Letter K : 1980 Feet From The SOUTH Line and 2080WEST Line Section 33 Township 21-S

5. Lease Designation and Serial No.

NM 0556590

6. If Indian, Alottee or Tribe Name

N/A

7. If Unit or CA, Agreement Designation

8. Well Name and Number

FEDERAL 33 GAS COM

3

9. API Well No.

30-015-32180

10. Field and Pool, Exploratory Area

INDIAN BASIN, UPPER PENN. & MORROW

11. County or Parish, State

EDDY, NM

12. Check Appropriate Box(s) To Indicate Nature of Notice, Report, or Other Data

TYPE OF SUBMISSION

- ☒
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- ☐
- Abandonment
-
- ☐
- Recompletion
-
- ☐
- Plugging Back
-
- ☐
- Casing Repair
-
- ☐
- Altering Casing
-
- ☒
- OTHER: MOVE LOCATION
-
- ☒
- Change of Plans
-
- ☐
- New Construction
-
- ☐
- Non-Routine Fracturing
-
- ☐
- Water Shut-Off
-
- ☐
- Conversion to Injection
-
- ☐
- Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form.)

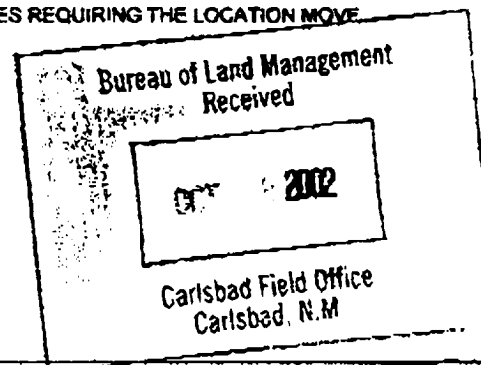
13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

CHEVRON U.S.A. RESPECTFULLY REQUESTS THAT AN APPROVAL BE MADE TO MOVE THE LOCATION OF THE SUBJECT WELL FROM 1980' FSL TO 1980' FSL AND FROM 1980' FWL TO 2080' FWL.

PROPOSED BOTTOMHOLE LOCATION IS: 1980' FSL, & 1980' FWL.

PLEASE SEE ATTACHED LETTER FROM SCOTT INGRAM EXPLAINING THE CIRCUMSTANCES REQUIRING THE LOCATION MOVE.

ALSO ATTACHED ARE NEW PLATS.

Subject to
Line Approval
By State

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

SIGNATURE Denise Leake TITLE Regulatory SpecialistDATE 10/3/2002TYPE OR PRINT NAME Denise Leake

(This space for Federal or State office use)

APPROVED Lee D. Ford TITLE Petroleum EngineerDATE 10/18/02

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.

ChevronTexaco

Midland, Texas
October 3, 2002

Re: ChevronTexaco's Fed Com '33' #3
Surface Location: 1980' FSL & 2080' FWL
Proposed BHL: 1980' FSL & 1980' FWL
Section 33, T21S, R23E, Eddy County, N.M.



Per the attached permit, this previously approved well is to be drilled in the very near future (planned spud - early November) as a dual completion in the Indian Basin Upper Penn and Loafer Draw Morrow pools. The well was previously permitted and approved at a surface location of 1880' FSL & 1980' FWL. The purpose of this letter is to explain the circumstances requiring movement of the proposed surface location and to convey ChevronTexaco's intent and plan to ensure an orthodox location prior to entering the Morrow formation.

Due to topographic, archeological, and surface facility concerns, the most acceptable location in the SW quarter of the section 33 from which to drill is 1980' FSL & 2080' FWL. A similar bottom hole location would be orthodox for the Indian Basin Upper Penn pool but would be unorthodox for the Loafer Draw Morrow pool (statewide rules). In order to achieve an 'orthodox location' status in both pools and a higher structural penetration point within the Morrow reservoir, it is our intent to steer the well, prior to the Morrow reservoir penetration point, to a subsurface location at a maximum distance of 1980' FSL & 1980' FWL. Survey data will be provided to verify this result.

Due to our rig commitment, limited time prior to the planned spud date and significant dirt work required prior to move in, ChevronTexaco would greatly appreciate your prompt attention to this permit request. Please contact either the undersigned or Mr. Boyd Schaneman, Sr. Drilling Engineer, at (915) 687-7402 if you have any questions or concerns.

Sincerely,

A handwritten signature in black ink that reads "Scott M. Ingram".

Scott M. Ingram
Carlsbad Technical Team Leader
ChevronTexaco
(915) 687-7212

DISTRICT I

P.O. Box 1000, Hobbs, NM 88241-1000

DISTRICT II

P.O. Box 1000, Hobbs, NM 88241-1000

DISTRICT III

1000 Rio Grande Rd., Artesia, NM 87510

DISTRICT IV

P.O. Box 2088, Santa Fe, N.M. 87500-2088

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name	Well Number
		<i>Lozier Draw No. 1</i>	<i>PC</i>
Property Code	Property Name		Well Number
	FEDERAL COM "33"		3
OGED No.	Operator Name		Elevation
	ChevronTexaco Corporation		4104'

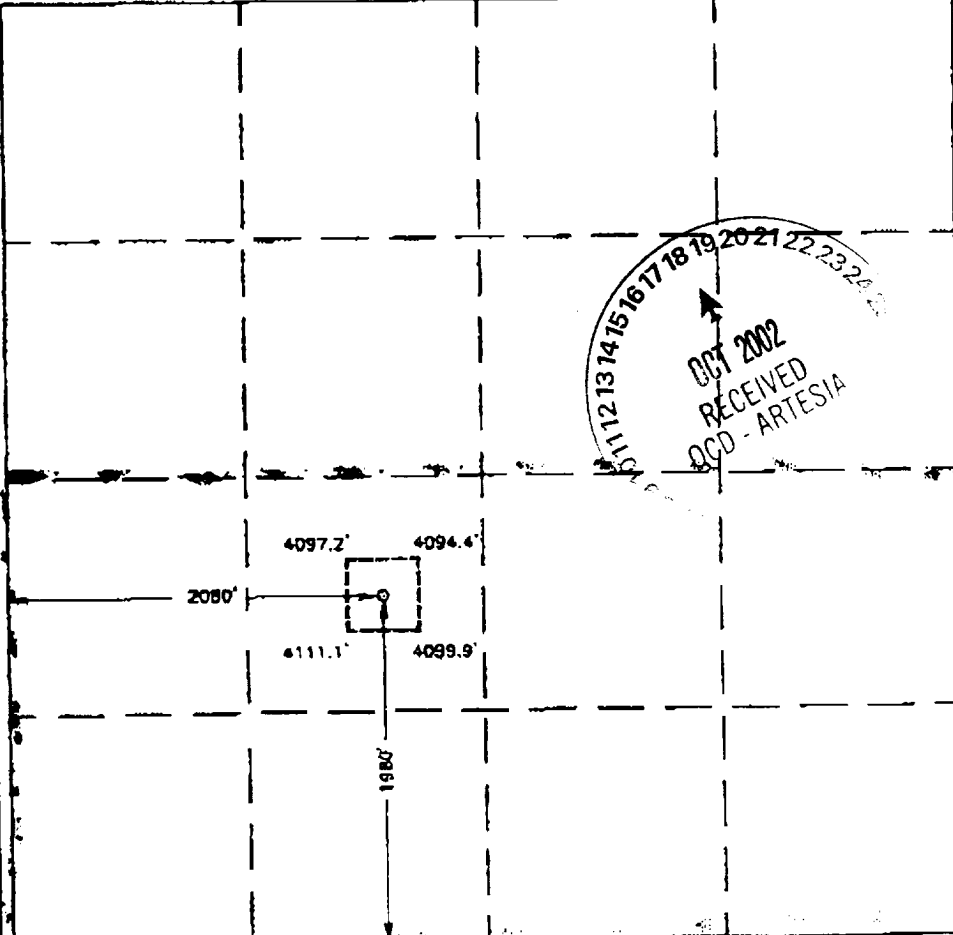
Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	33	21-S	23-E		1980'	SOUTH	2080'	WEST	EDDY

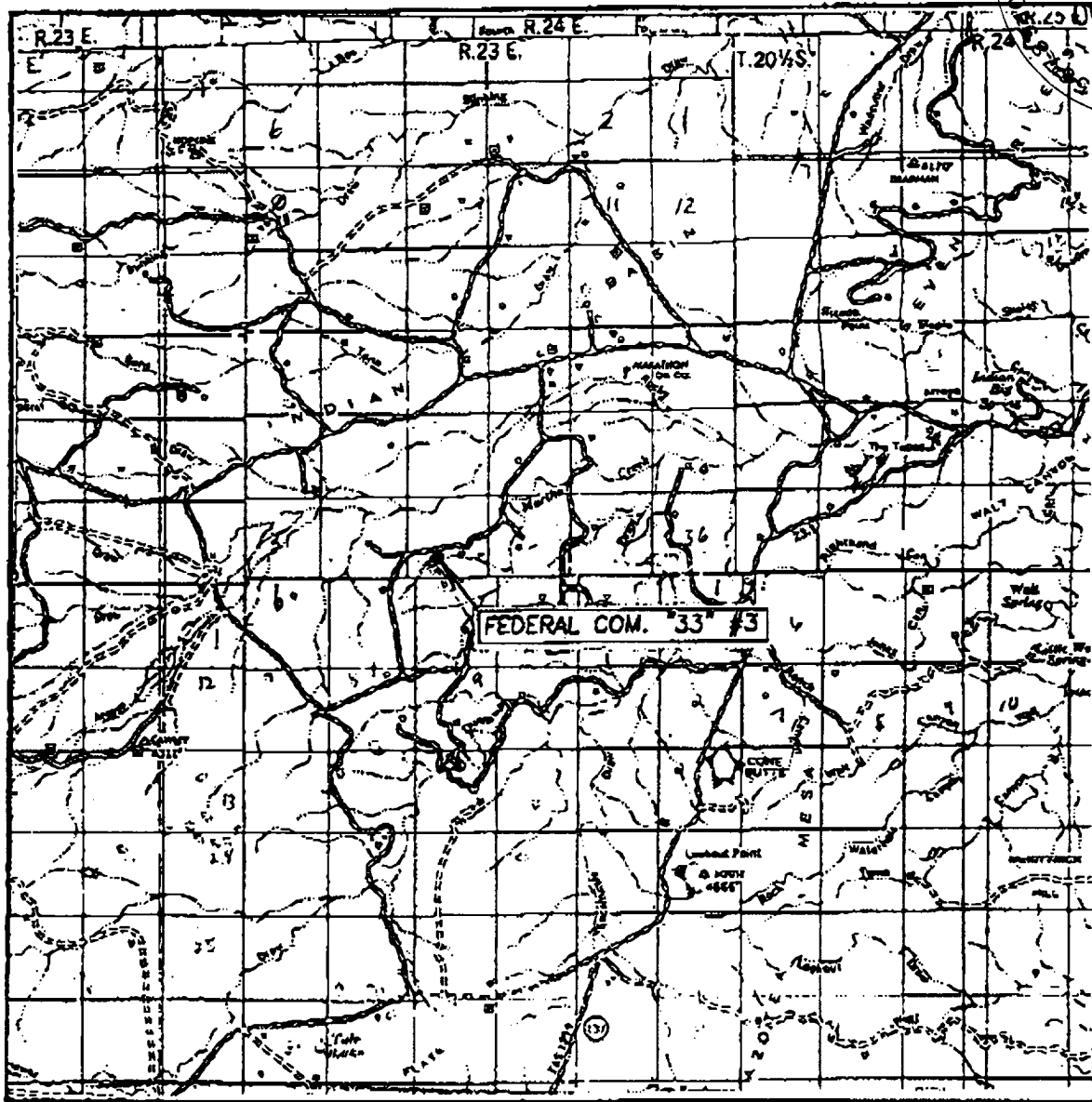
Bottom Hole Location if Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	33	21-S	23-E		1980'	SOUTH	1980'	WEST	EDDY
Dedicated Acres	Lot or Infill	Consolidation Code	Order No.						
320									

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

	OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> <i>Denise Leake</i> Signature Denise Leake Printed Name Regulatory Specialist Title 10-03-02 Date
	SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual survey made by me or under my supervision and that the same is true and correct to the best of my belief.</i> SEPTEMBER 26, 2002 Date Surveyed AWB Signature Professional Surveyor RONALD G. JOHNSON 9/30/02 101.11.0709 Certificate No. RONALD G. JOHNSON 3238 GAST TEXAS 12541 REGISTERED PROFESSIONAL

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 33 TWP. 21-S RGE. 23-E

SURVEY N.M.P.M.

COUNTY EDDY

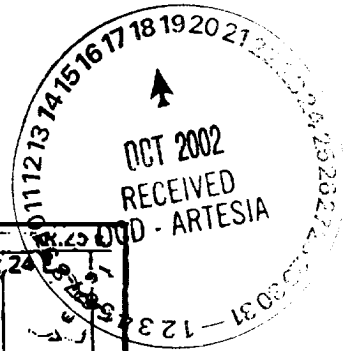
DESCRIPTION 1980' FSL & 2080' FWL

ELEVATION 4104'

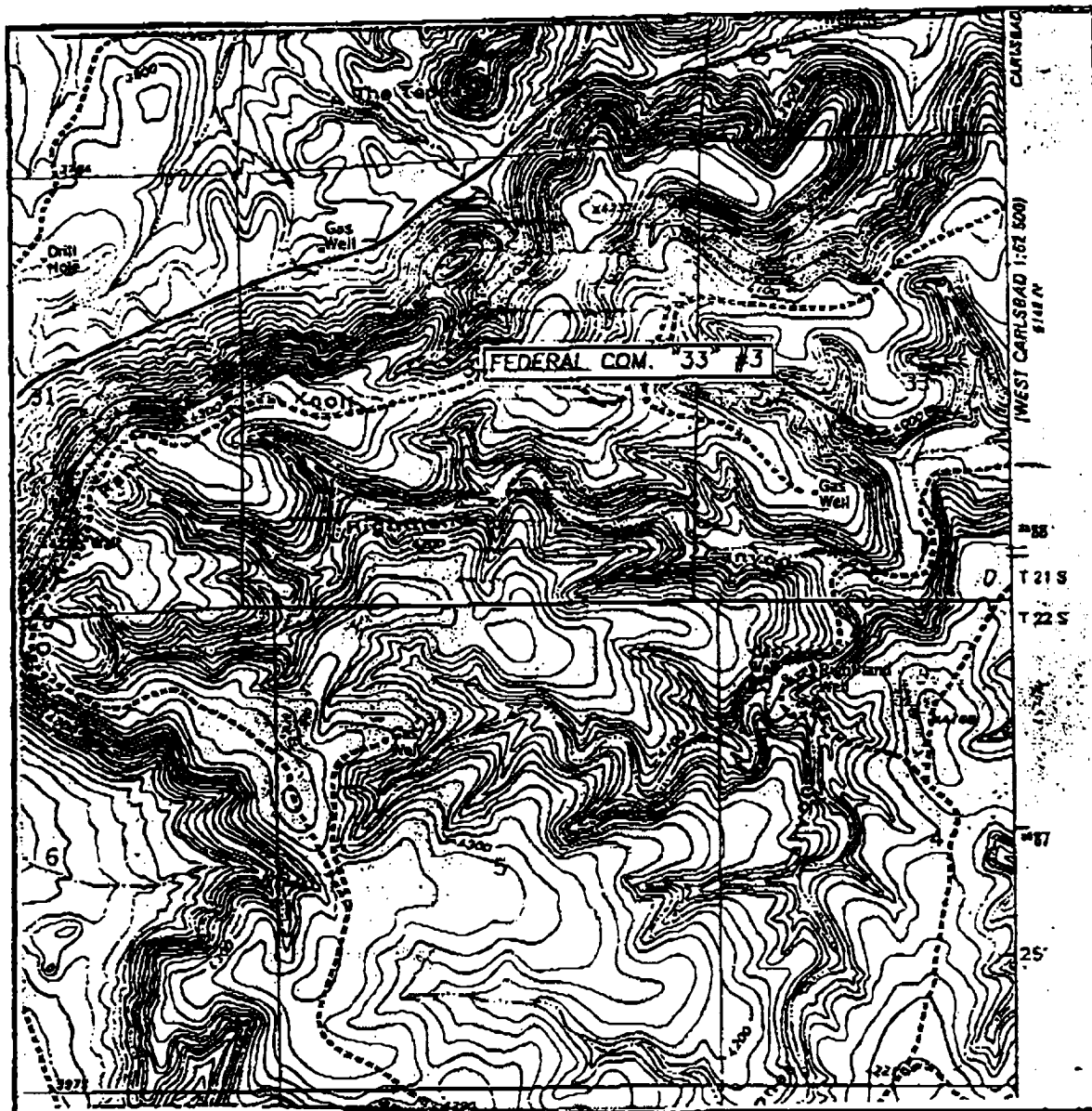
OPERATOR ChevronTexaco Corporation

LEASE FEDERAL "33"

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL: 20'

MARTHA CREEK, N.M.

SEC. 33 TWP. 21-S RGE. 23-E

SURVEY N.M.P.M.

COUNTY EDDY

DESCRIPTION 1980' FSL & 2080' FWL

ELEVATION 4104'

OPERATOR ChevronTexaco Corporation

LEASE FEDERAL "33"

U.S.G.S. TOPOGRAPHIC MAP

MARTHA CREEK, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

SPECIAL DRILLING STIPULATIONS

THE FOLLOWING DATA IS REQUIRED ON THE WELL SIGN

Operator's Name Chevron USA Inc. Well Name & No. 3-Federal 33 Gas Com
 Location 1980 FS L & 2080 FW L Sec. 33 T. 21S R. 23E
 Lease No. NM-0556590 County Eddy State New Mexico

The Special stipulations check marked below are applicable to the above described well and approval of this application to drill is conditioned upon compliance with such stipulations in addition to the General Requirements. The permittee should be familiar with the General Requirements, a copy of which is available from a Bureau of Land Management office. EACH PERMITTEE HAS THE RIGHT OF ADMINISTRATIVE APPEAL TO THESE STIPULATIONS PURSUANT TO TITLE 43 CFR 3165.3 AND 3165.4.

This permit is valid for a period of one year from the date of approval or until lease expiration or termination whichever is shorter.

I. SPECIAL ENVIRONMENT REQUIREMENTS

- () Lesser Prairie Chicken (slips attached) () Floodplain (slips attached)
 () San Simon Swale (slips attached) () Other

II. ON LEASE - SURFACE REQUIREMENTS PRIOR TO DRILLING

(☒) The BLM will monitor construction of this drill site. Notify the (☒) Carlsbad Field Office at (505) 234-5972 () Hobbs Office (505) 393-3812, at least 3 working days prior to commencing construction

(☒) Roads and the drill pad for this well must be surfaced with 6 inches of compacted caliche.

() All topsoil and vegetation encountered during the construction of the drill site area will be stockpiled and made available for resurfacing of the disturbed area after completion of the drilling operation. Topsoil on the subject location is approximately _____ inches in depth. Approximately _____ cubic yards of topsoil material will be stockpiled for reclamation.

() Other.

III. WELL COMPLETION REQUIREMENTS

() A communitization Agreement covering the acreage dedicated to the well must be filed for approval with the BLM. The effective date of the agreement must be prior to any sales.

(☒) Surface Restoration: If the well is a producer, the reserve pit(s) will be backfilled when dry, and cut-and-fill slopes will be reduced to a slope of 3:1 or less. All areas of the pad not necessary for production must be re-contoured to resemble the original contours of the surrounding terrain, and topsoil must be re-distributed and re-seeded with a drill equipped with a depth indicator (set at a depth of 1/2 inch) with the following seed mixture, in pounds of Pure Live Seed (PLS), per acre.

- () A. Seed Mixture 1 (Loamy Sites)
 Side Oats Grama (*Bouteloua curtipendula*) 5.0
 Sand Dropseed (*Sporobolus cryptandrus*) 1.0

- () B. Seed Mixture 2 (Sandy Sites)
 Sand Dropseed (*Sporobolus cryptandrus*) 1.0
 Sand Lovegrass (*Eragrostis trichodes*) 1.0
 Plains Bristlegrass (*Setaria macrostachya*) 2.0

- (☒) C. Seed Mixture 3 (Shallow Sites)
 Side Oats Grama (*Bouteloua curtipendula*) 1.0

- () D. Seed Mixture 4 (Gypsum Sites)
 Alkali Sacaton (*Sporobolus airoides*) 1.0
 Four-Wing Saltbush (*Atriplex canescens*) 5.0

Seeding should be done either late in the fall (September 15 - November 15, before freeze up, or early as possible the following spring to take advantage of available ground moisture.

() Other.

RESERVE PIT CONSTRUCTION STANDARDS

The reserve pit shall be constructed entirely in cut material and lined with 6 mil plastic.

Mineral material extracted during construction of the reserve pit may be used for development of the pad and access road as needed. Removal of any additional material on location must be purchased from BLM.

Reclamation: Reclamation of this type of deep pit will consist of pushing the pit walls into the pit when sufficiently dry to support track equipment. The pit liner is NOT TO BE RUPTURED to facilitate drying; a ten month period after completion of the well is allowed for drying of the pit contents.

The pit area must be contoured to the natural terrain with all contaminated drilling mud buried with at least 3 feet of clean soil. The reclaimed area will then be seeded as specified in this permit.

OPTIONAL PIT CONSTRUCTION STANDARDS

The reserve pit may be constructed in predominantly fill material if:

- (1) Lined as specified above and
- (2) A borrow/caliche/gravel pit can be constructed immediately adjacent to the reserve pit and it capable of containing all reserve pit contents. The mineral material removed in the process can be used for pad and access road construction. However, a material sales contract must be purchased from the BLM prior to removal of the material.

Reclamation of the reserve pit consists of bulldozing all reserve pit contents and contaminants into the borrow pit and covering with a minimum of 3 feet of clean soil material. The entire area must be recontoured, all trash removed, and reseeded as specified in this permit.

CULTURAL

Whether or not an archaeological survey has been completed and notwithstanding that operations are being conducted as approved, the lessee/operator/grantee shall notify the BLM immediately if previously unidentified cultural resources are observed during surface disturbing operations. From the time of the observation, the lessee/operator/grantee shall avoid operations that will result in disturbance to these cultural resources until directed to proceed by BLM.

TRASH PIT STIPS

All trash, junk, and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.