

District I
1625 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) 748-9720

District III
1000 Rio Brazos Road, Aztec, 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
SEP 21 2015 AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-42802	² Pool Code 97838	³ Pool Name Jennings; Upper Bone Spring Shale
⁴ Property Code 315271	⁵ Property Name SD WE 23 FED P5	⁶ Well Number 1H
⁷ OGRID No. 4323	⁸ Operator Name CHEVRON U.S.A. INC.	⁹ Elevation 3157'

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
M	14	26 SOUTH	32 EAST, N.M.P.M.		10'	SOUTH	648'	WEST	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
M	23	26 SOUTH	32 EAST, N.M.P.M.		280'	SOUTH	330'	WEST	LEA

¹² Dedicated Acres 160	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.

SD WE 23 FED P5 1H WELL		
X=	711.242	NAD 27
Y=	377.312	
LAT.	32.035512	
LONG.	103.651639	
X=	752.430	NAD83
Y=	377.369	
LAT.	32.035637	
LONG.	103.652109	
ELEVATION +3157' NAVD 88		

PROPOSED BOTTOM HOLE LOCATION		
X=	710.959	NAD 27
Y=	372.228	
LAT.	32.021541	
LONG.	103.652658	
X=	752.146	NAD83
Y=	372.285	
LAT.	32.021666	
LONG.	103.653127	

CORNER COORDINATES TABLE (NAD 27)

A - Y=378633.33, X=710590.73
B - Y=378643.30, X=711921.56
C - Y=377296.47, X=710594.39
D - Y=377306.99, X=711926.30
E - Y=371945.53, X=710630.44
F - Y=371953.82, X=711958.74

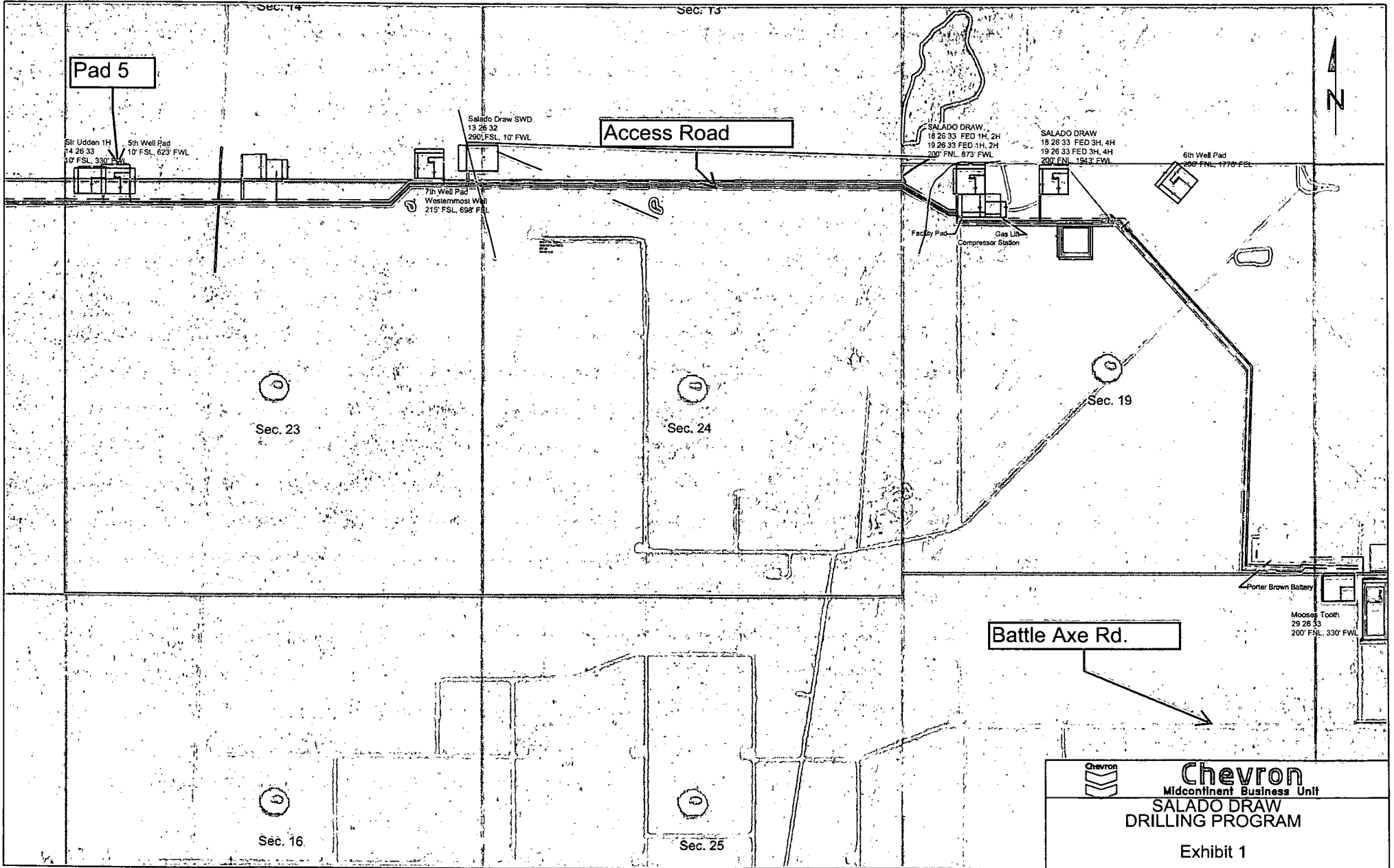
¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to 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.


Cindy Herrera-Murillo 42715
Signature Date
Cindy Herrera-Murillo
Printed Name
Cherreramorillo@chevron.com
E-mail Address

¹⁸ 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.

10.29.14
Date of Survey
Signature and Seal of Professional
Wm. J. Daniel III
NEW MEXICO
REGISTERED PROFESSIONAL SURVEYOR
15078
Certificate Number
Y 15078

SEP 23 2015




Chevron
 Midcontinent Business Unit
SALADO DRAW
DRILLING PROGRAM
 Exhibit 1

NW ARCH. AREA CORNER	NE ARCH. AREA CORNER	SE ARCH. AREA CORNER	SW ARCH. AREA CORNER	NW FACILITY PAD CORNER	NE FACILITY PAD CORNER	SE FACILITY PAD CORNER & SW COMPRESSOR PAD CORNER	SW FACILITY PAD CORNER	NW COMPRESSOR PAD CORNER	NE COMPRESSOR PAD CORNER	SE COMPRESSOR PAD CORNER
X= 712,654 NAD 27 Y= 377,773 LAT. 32.036755 LONG. 103.647975 ELEVATION +3159' NAVD 88	X= 713,504 NAD 27 Y= 377,781 LAT. 32.036762 LONG. 103.644333 ELEVATION +3153' NAVD 88	X= 713,559 NAD 27 Y= 377,181 LAT. 32.035112 LONG. 103.644327 ELEVATION +3155' NAVD 88	X= 712,660 NAD 27 Y= 377,173 LAT. 32.035105 LONG. 103.647089 ELEVATION +3154' NAVD 88	X= 712,805 NAD 27 Y= 377,635 LAT. 32.036373 LONG. 103.645699 ELEVATION +3159' NAVD 88	X= 713,105 NAD 27 Y= 377,637 LAT. 32.036375 LONG. 103.645621 ELEVATION +3161' NAVD 88	X= 713,108 NAD 27 Y= 377,316 LAT. 32.035492 LONG. 103.645619 ELEVATION +3158' NAVD 88	X= 712,808 NAD 27 Y= 377,314 LAT. 32.035491 LONG. 103.645987 ELEVATION +3155' NAVD 88	X= 713,108 NAD 27 Y= 377,566 LAT. 32.036179 LONG. 103.645821 ELEVATION +3159' NAVD 88	X= 713,306 NAD 27 Y= 377,568 LAT. 32.036180 LONG. 103.644975 ELEVATION +3160' NAVD 88	X= 713,308 NAD 27 Y= 377,318 LAT. 32.035493 LONG. 103.644974 ELEVATION +3157' NAVD 88

COURSE	BEARING	DISTANCE
1	S 89° 30' 40" W	728.30'
2	S 44° 30' 17" W	349.61'
3	S 89° 29' 55" W	3360.97'
4	N 00° 30' 05" W	115.53'

R 32 E

Sec. 14

Sec. 13

Bureau of Land Management

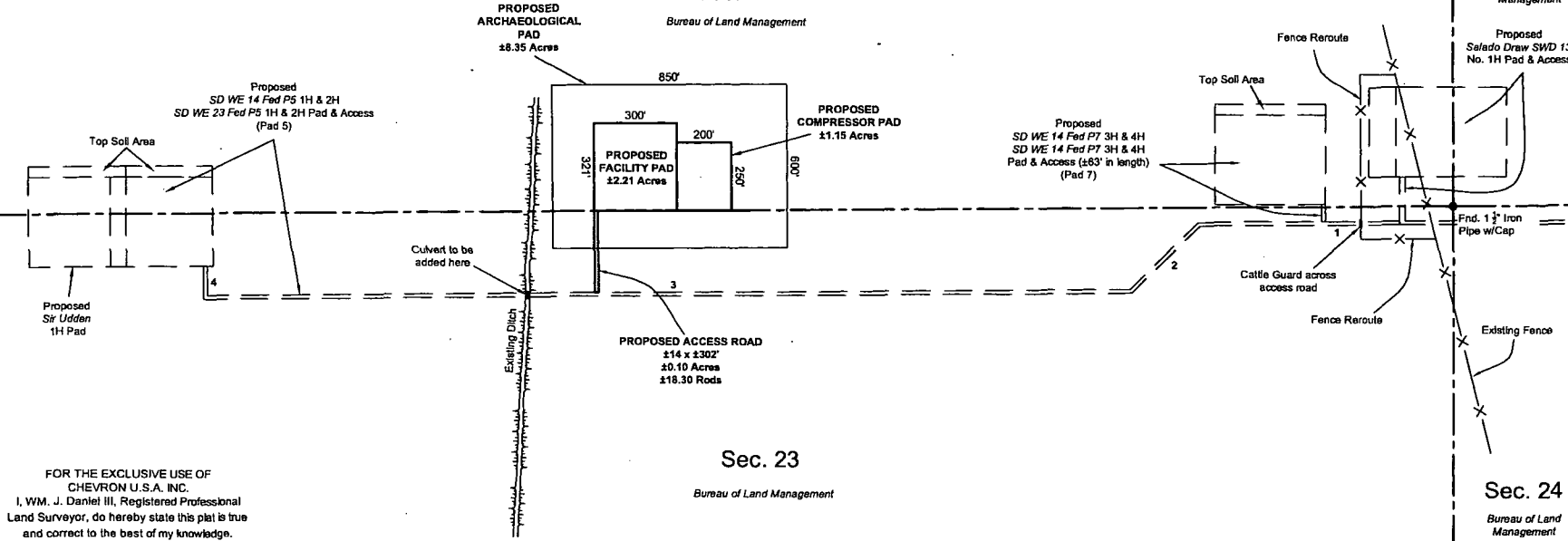
Proposed Salado Draw SWD 13 No. 1H Pad & Access

Sec. 15

Bureau of Land Management

T 26 S

Fnd. 1 1/2" Iron Pipe w/Cap



FOR THE EXCLUSIVE USE OF CHEVRON U.S.A. INC.
I, WM. J. Daniel III, Registered Professional Land Surveyor, do hereby state this plat is true and correct to the best of my knowledge.

Not to be used for construction, bidding, recordation, conveyance, sales, or as the basis for the issuance of a permit.

PRELIMINARY

WM. J. Daniel III
Registration No. 15078

NOTE: Please be advised, that while reasonable efforts are made to locate and verify pipelines and anomalies using our standard pipeline locating equipment, it is impossible to be 100% effective. As such, we advise using caution when performing work as there is a possibility that pipelines and other hazards, such as fiber optic cables, PVC pipelines, etc. may exist undetected on site.

NOTE: Many states maintain information centers that establish links between those who dig (excavators) and those who own and operate underground facilities (operators). It is advisable and in most states, law, for the contractor to contact the center for assistance in locating and marking underground utilities. For guidance: New Mexico One Call System - www.nmonecall.org.

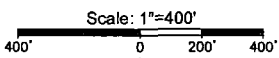
DISCLAIMER: At this time, C.H. Fenstermaker & Associates, LLC has not performed nor was asked to perform any type of engineering, hydrological modeling, flood plain, or "No Rise" certification analyses, including but not limited to determining whether the project will impact flood hazards in connection with federal/FEMA, state, and/or local laws, ordinances and regulations. Accordingly, Fenstermaker makes no warranty or representation of any kind as to the foregoing issues, and persons or entities using this information shall do so at their own risk.

LEGEND	
	Section Line
	Existing Ditch
	Existing Fence & Reroute
	Found Occupation

CHEVRON U.S.A. INC.
PROPOSED PAD & ACCESS ROAD
SALADO DRAW PHASE 2 FACILITY & COMPRESSOR PADS
SECTIONS 14 & 23, T26S-R32E
LEA COUNTY, NEW MEXICO

DRAWN BY: BOR		REVISIONS	
PROJ. MGR.: VHV	No. 1	DATE: 06/25/2015	REVISED BY: VHV
DATE: MARCH 09, 2015	No. 2	DATE: 07/16/2015	REVISED BY: VHV

FILENAME: T:\2015\2150321\DWG\Salado Draw Phase 2 Facility_SUP.dwg

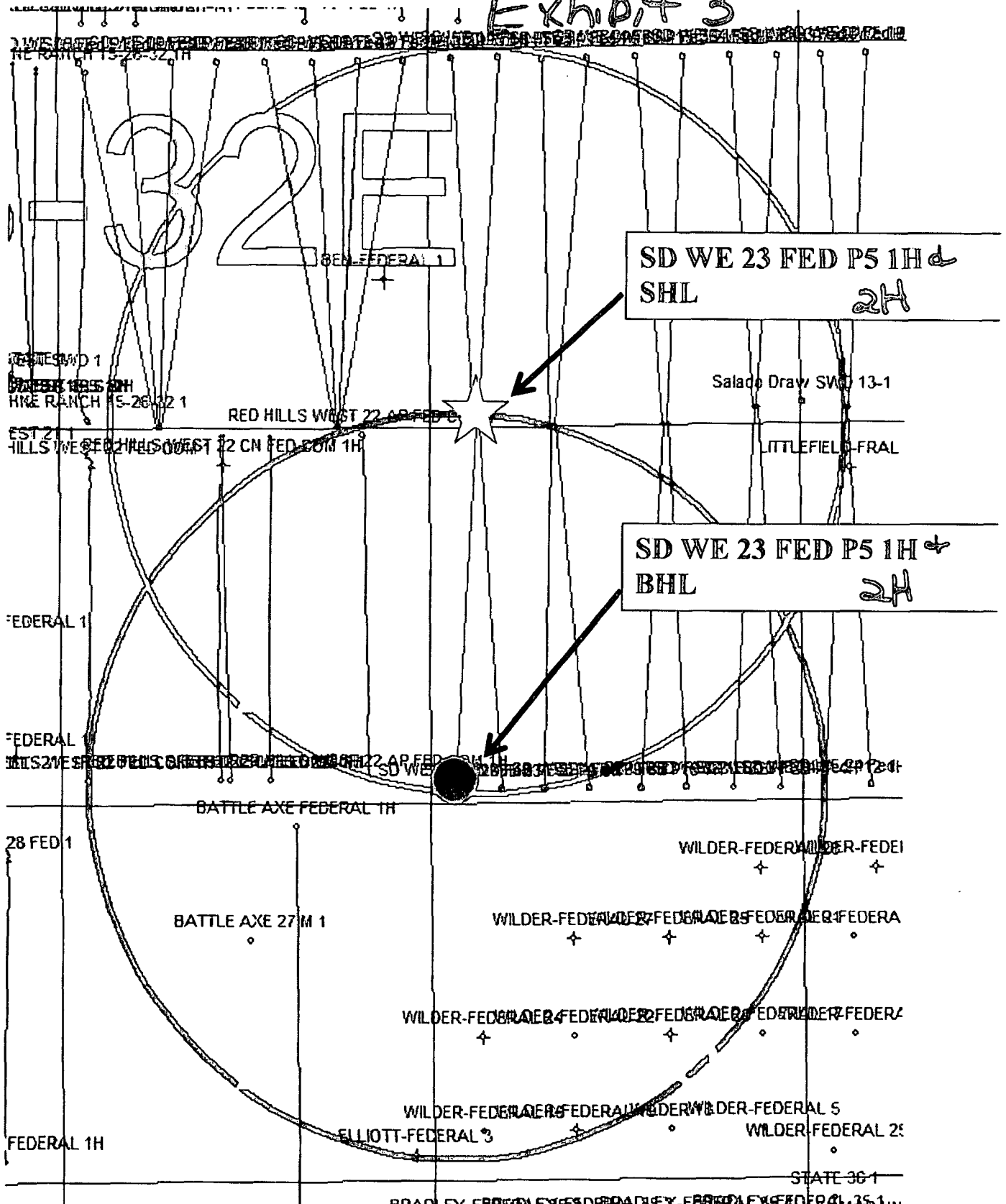


135 Regency Sq. Lafayette, LA 70508
Ph. 337-237-2200 Fax. 337-232-3299
www.fenstermaker.com

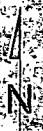
SD WE 23 FED P5 1H
TWN 26S - RNG 32E - SEC 14 and SEC 23
LEA, CO NM

Surface and Bottom Hole Locations - 1 Mile Radius

Exhibit 3



Sec 14



Flowlines - Approx. 1,950 ft.
Gas Lift P/L - Approx. 2,319 ft
SWD Transfer P/L - Approx. 3,990 ft.

Salado Draw SWD
13'26"32
290' FSL 10" FWL

Sir Udden 1H
14'26"33
10' FSL 330' FWL

5th Well Pad
10' FSL 623' FWL

7th Well Pad
Westernmost Well
215' FSL 698' FWL

Cattle Guard
across road

Powerline -
Approx. 4,733 ft

Access Road

Ditch (culvert
to be added)

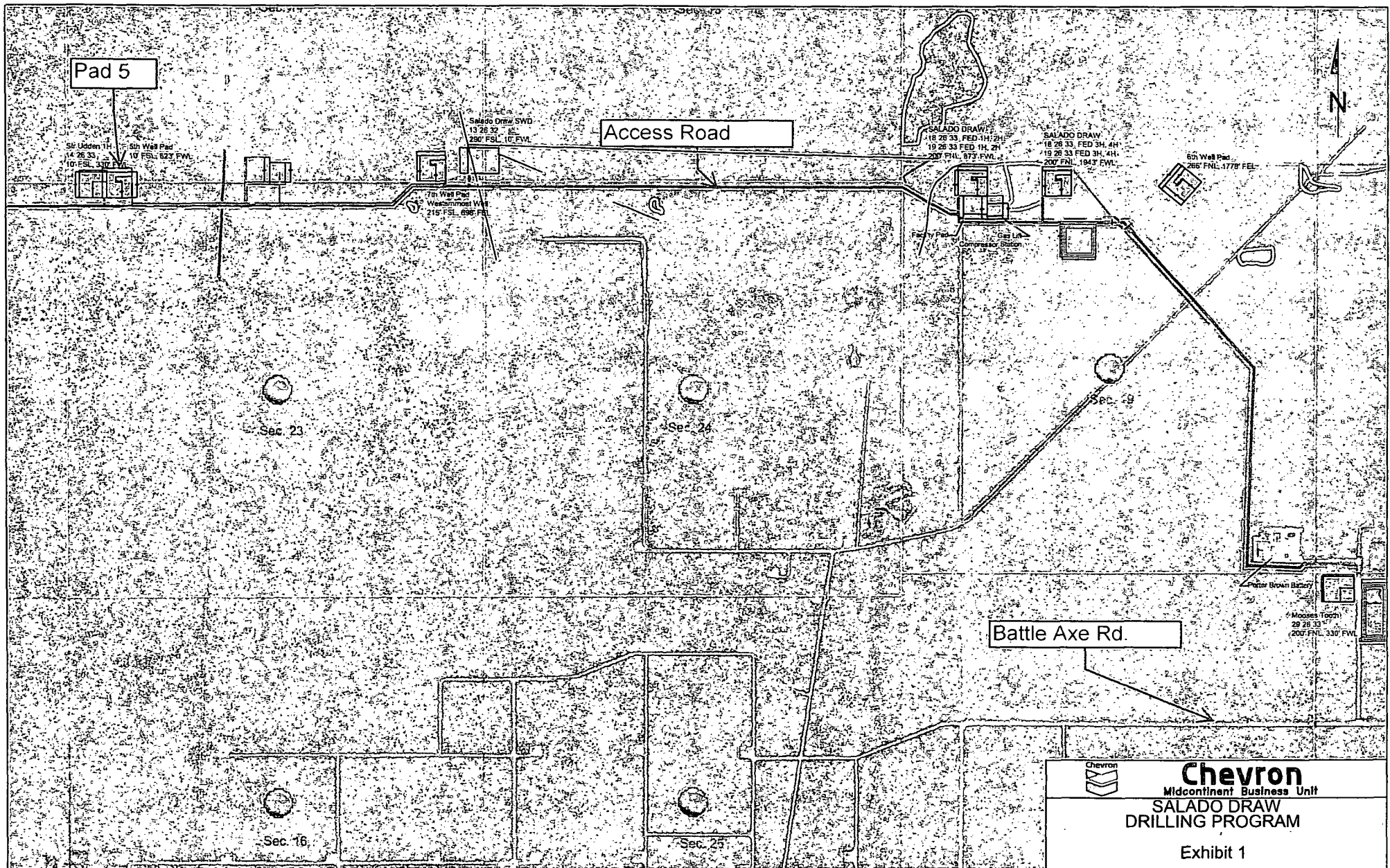
clear out
red little
Ditch
P&A 1/14



Chevron
Midcontinent Business Unit

**SALADO DRAW
DRILLING PROGRAM**

EXHIBIT 5



Pad 5

Access Road

Battle Axe Rd.



Chevron
 Midcontinent Business Unit
**SALADO DRAW
 DRILLING PROGRAM**

Exhibit 1

CERTIFICATION

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Executed this 8TH day of April, 2015

Name: 

James Ward-Project Manager

Address: 1400 Smith Street

Houston, TX 77002

Room 40055

Office: 713-372-1748

Email: JWGB@CHEVRON.COM

Exhibit 4

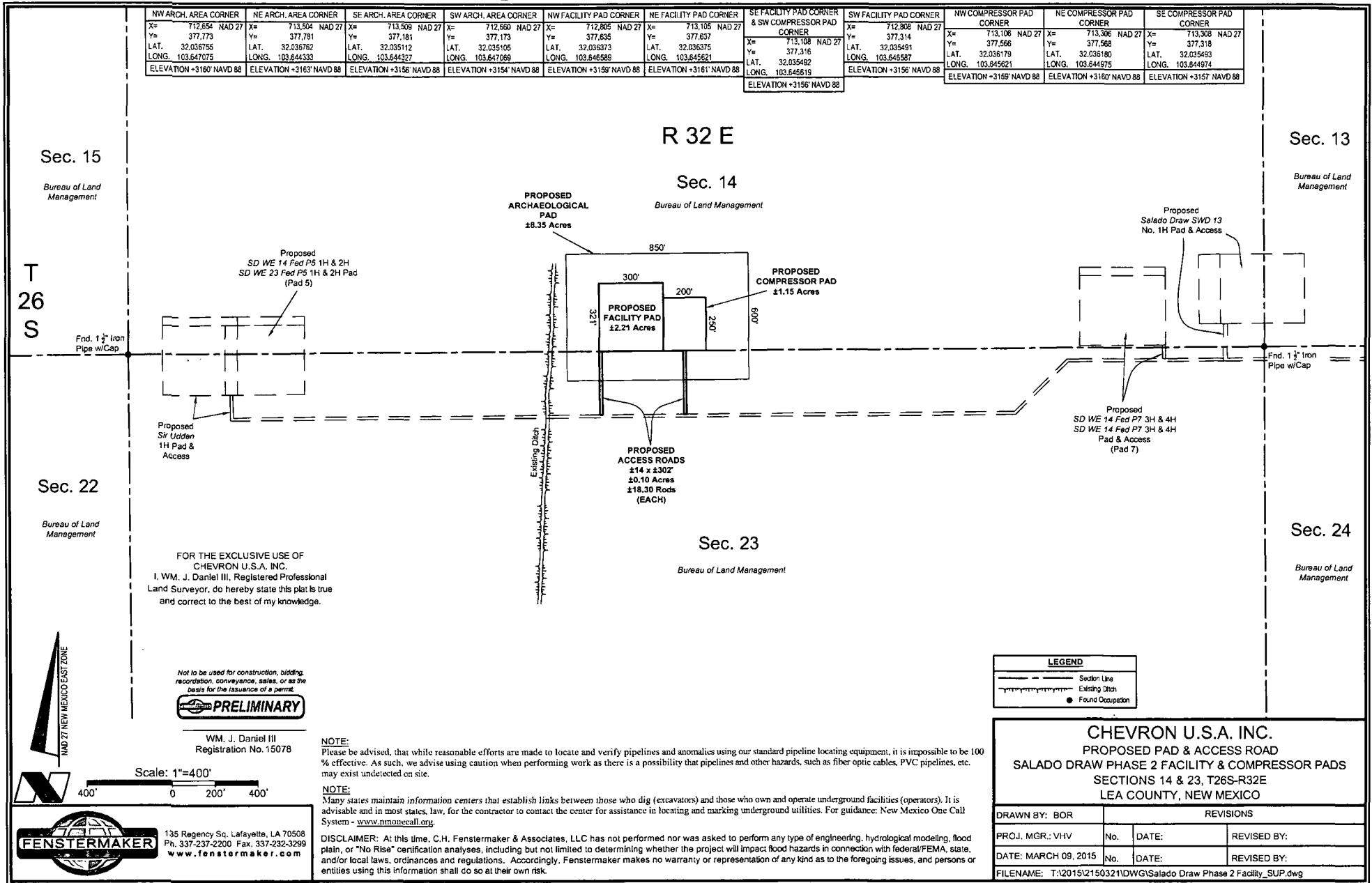
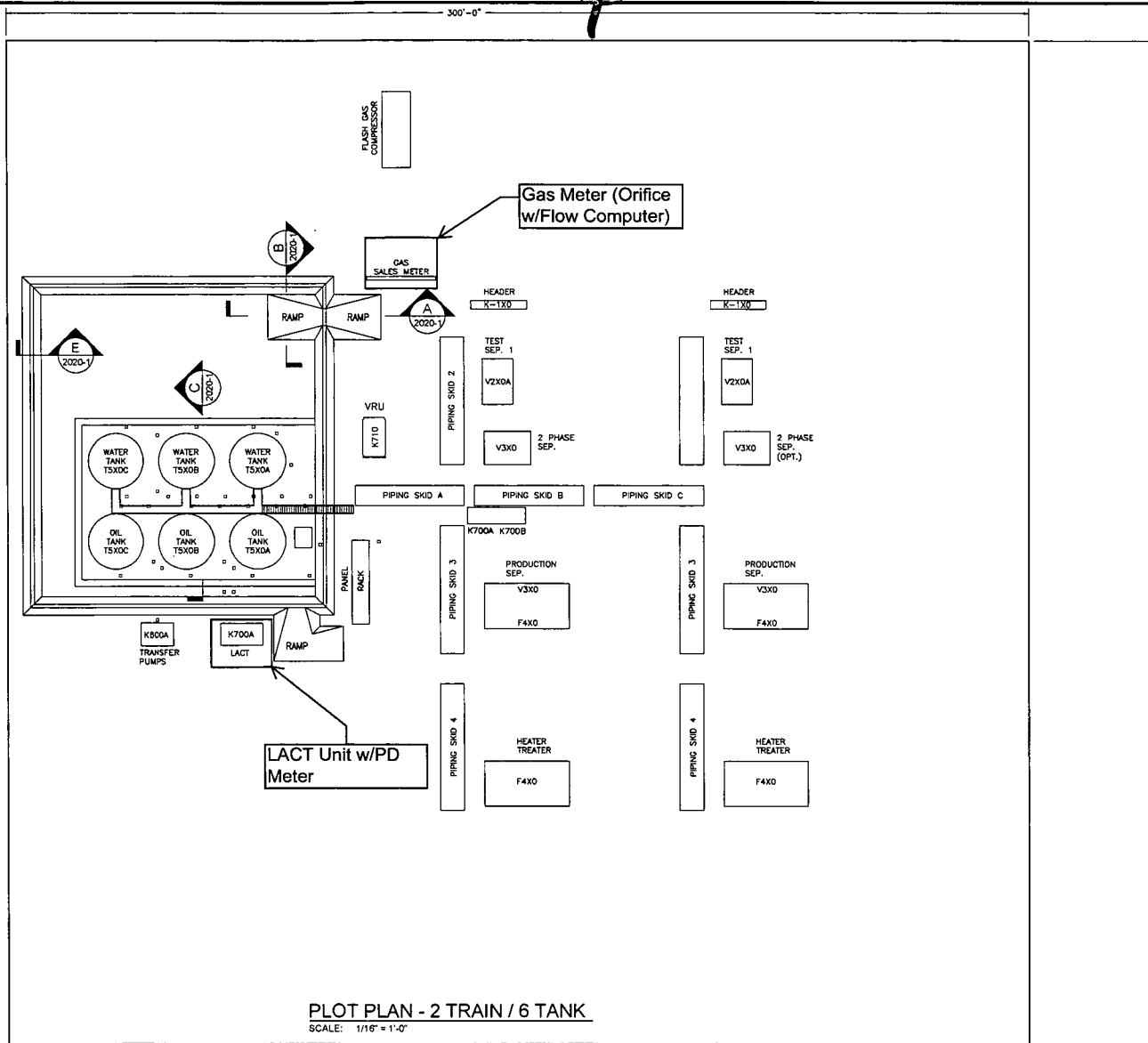


Exhibit 4



PLOT PLAN - 2 TRAIN / 6 TANK
SCALE: 1/16" = 1'-0"

REVISIONS	DATE	BY	CHKD	APP
ISSUED FOR CONSTRUCTION - DESIGN 01/12/15				

IFC
ISSUED FOR CONSTRUCTION

Chevron U.S.A. Inc.

HOBBS FMT - SALADO DRAW SEC. 19 CTB
DELAWARE BASIN

PLOT PLAN

API _____ LEASE _____

SLDRW-SDW-19CTB-MCB-STB-FDN-2005-1

Exhibit 5

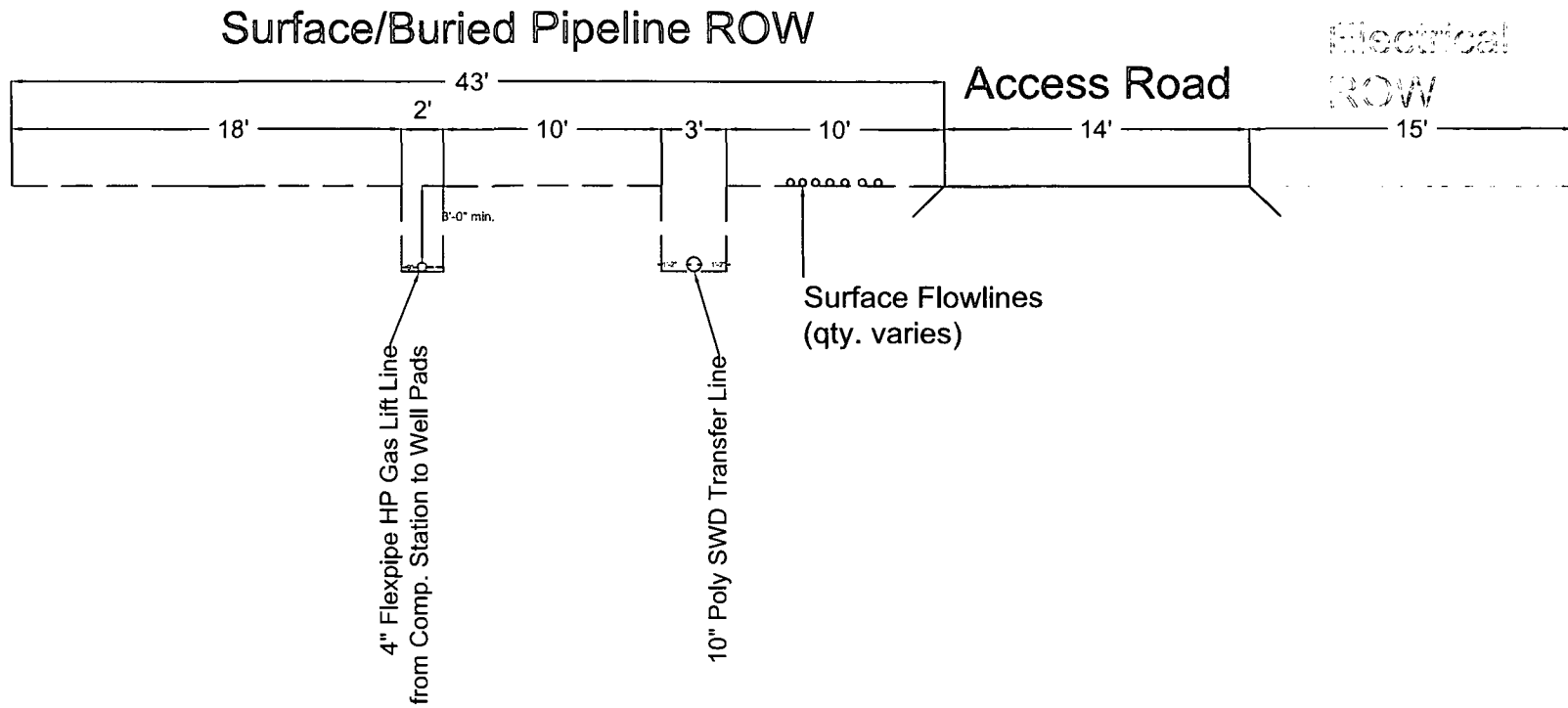


Exhibit 7

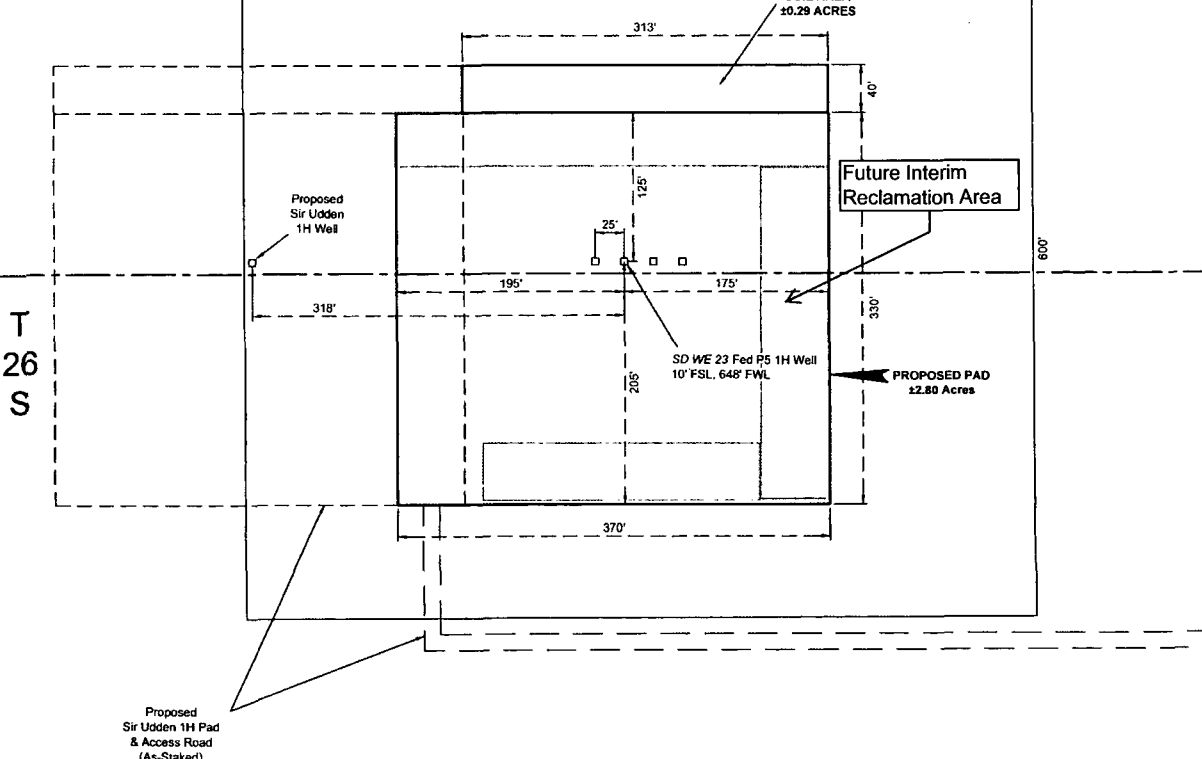
R 32 E

Sec. 14
Bureau of Land Management

SD WE 23 FED P5 1H WELL	
X _c	711,242 NAD 27
Y _c	377,312
LAT.	32 035512
LONG.	103 651639
X _s	752,430 NAD83
Y _s	377,369
LAT.	32 035637
LONG.	103 652109
ELEVATION +3157 NAVD 88	
NW PAD CORNER	
X _c	711,047 NAD 27
Y _c	377,435
ELEVATION +3157 NAVD 88	
NE PAD CORNER & SE TOP SOIL AREA CORNER	
X _c	711,417 NAD 27
Y _c	377,438
ELEVATION +3157 NAVD 88	
SE PAD CORNER	
X _c	711,419 NAD 27
Y _c	377,108
ELEVATION +3158 NAVD 88	
SW PAD CORNER	
X _c	711,049 NAD 27
Y _c	377,105
ELEVATION +3157 NAVD 88	

NW TOP SOIL AREA CORNER	
X _c	711,103 NAD 27
Y _c	377,475
ELEVATION +3157 NAVD 88	
NE TOP SOIL AREA CORNER	
X _c	711,416 NAD 27
Y _c	377,478
ELEVATION +3157 NAVD 88	
SW TOP SOIL AREA CORNER	
X _c	711,103 NAD 27
Y _c	377,436
ELEVATION +3158 NAVD 88	

NW ARCH. AREA CORNER	
X _c	710,915 NAD 27
Y _c	377,609
ELEVATION +3158 NAVD 88	
NE ARCH. AREA CORNER	
X _c	711,590 NAD 27
Y _c	377,615
ELEVATION +3159 NAVD 88	
SE ARCH. AREA CORNER	
X _c	711,595 NAD 27
Y _c	377,015
ELEVATION +3154 NAVD 88	
SW ARCH. AREA CORNER	
X _c	710,920 NAD 27
Y _c	377,009
ELEVATION +3154 NAVD 88	



Sec. 23
Bureau of Land Management

FOR THE EXCLUSIVE USE OF
CHEVRON U.S.A. INC.
I, WM. J. DANIEL III, Registered Professional
Land Surveyor, do hereby state this plat is true
and correct to the best of my knowledge.



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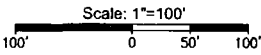
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LEGEND	
---	Section Line
□	Proposed Well
---	Proposed Road



135 Regency Sq. Lafayette, LA 70508
Ph. 337-237-2200 Fax. 337-232-3299
www.fenstermaker.com



DRAWN BY: TPD	REVISIONS		
PROJ. MGR.: VHV	No.	DATE:	REVISED BY:
DATE: OCTOBER 14, 2014	No.	DATE:	REVISED BY:
FILENAME: T:201412146717DWGSD WE 23 Fed P5 1H_SUP.dwg			

CHEVRON U.S.A. INC.
PROPOSED PAD
SD WE 23 FED P5 1H WELL
SECTIONS 14 & 23, T26S-R32E
LEA COUNTY, NEW MEXICO

**Boone Arch Services of NM, LLC
506 E. Chapman Road
Carlsbad, NM 88220**



November 13, 2014

Chevron U.S.A, Inc.
15 Smith Road
Midland, TX 79705
Attn: Stephen Tarr

Re: SD WE 23 Fed P5 #1H & #2H and SD WE 14 Fed P5 #1H & #2H

Dear Mr. Tarr,

Records searches were conducted on November 4, 2014, for the proposed SD WE 23 Fed P5 #1H, SD WE 23 Fed P5 #2H, SD WE 14 Fed P5 #1H and SD WE 14 Fed P5 #2H well pad in Township 26 South (T26S), Range 32 East (R32E), Sections 14 and 23. All wells will be on a single pad.

Sources consulted included Bureau of Land Management Carlsbad Field Office (BLM/CFO) GIS database and the online GIS database maintained by the New Mexico Historic Preservation Division, Archaeological Resource Management Section, in Santa Fe, NM. These records indicate archaeological survey coverage of the project area (NMCRIS #s: 63533, 126220, and 130167). No archaeological sites have been found in the project area and only one site has been previously recorded within a ¼-mile radius.

In consultation with BLM archaeologist Stacy Galassini, it was determined that no additional survey is required. The project is recommended for approval without further archaeological survey as currently staked. A copy of this letter will be forwarded to the BLM Carlsbad archaeologist.

Legal Description: T26S R32E Section 14 S½ SW SW and 23 N½ NW NW, Lea County, New Mexico

Map Reference: U.S.G.S. 7.5' Paduca Breaks West 32103-A6

Sincerely,

Rebecca Hill
Owner/Principal Investigator
Boone Arch Services of NM, LLC

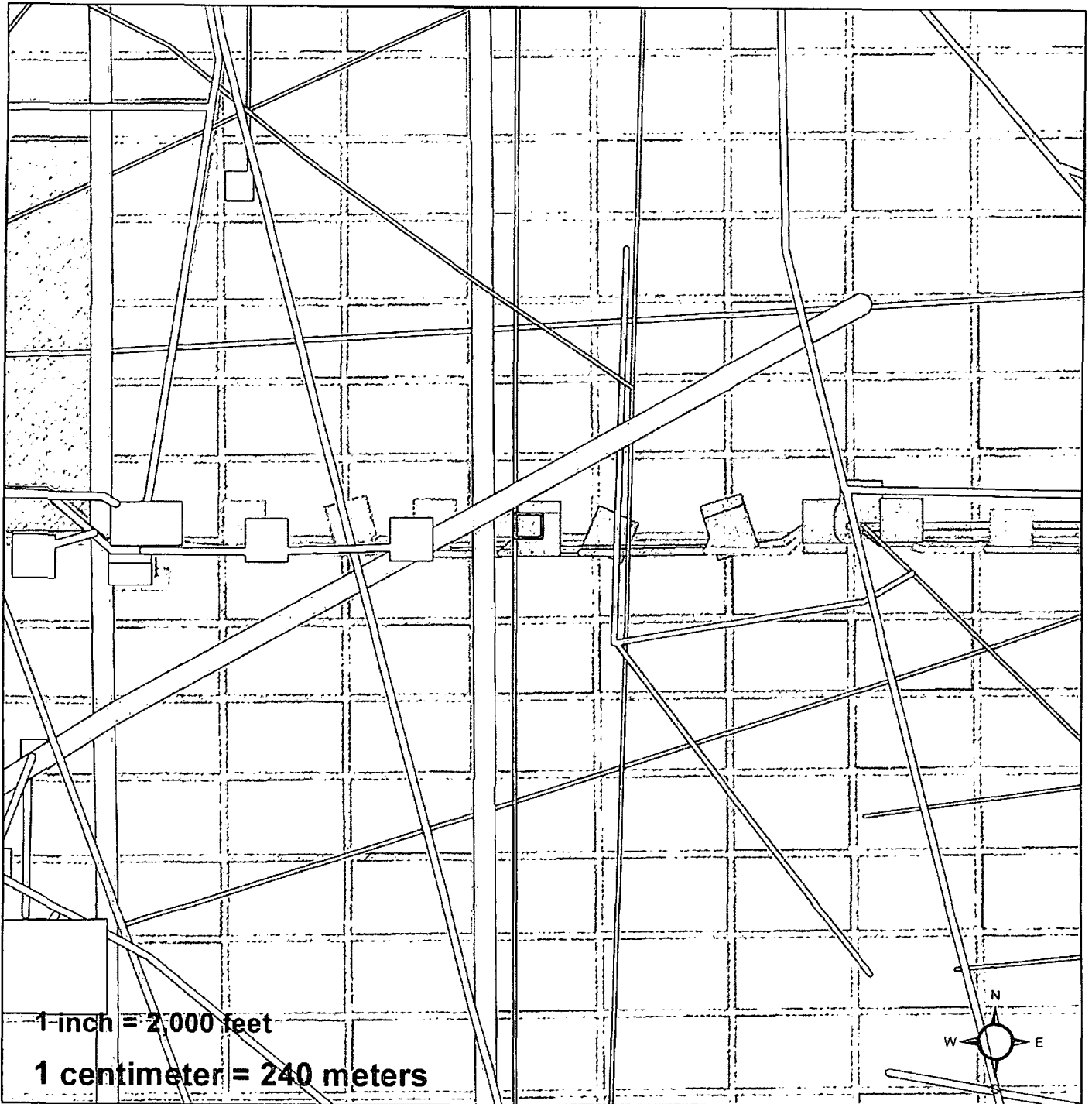
Encl: (1) project map
(2) NMCRIS Map

Office: 575-885-1352









Cell: 575-361-1353

Fax: 575-887-7667

Chevron U.S.A. Inc.
 SD WE 23 Fed P5 #1H & #2H and SD WE
 14 Fed P5 #1H & #2H



Legend

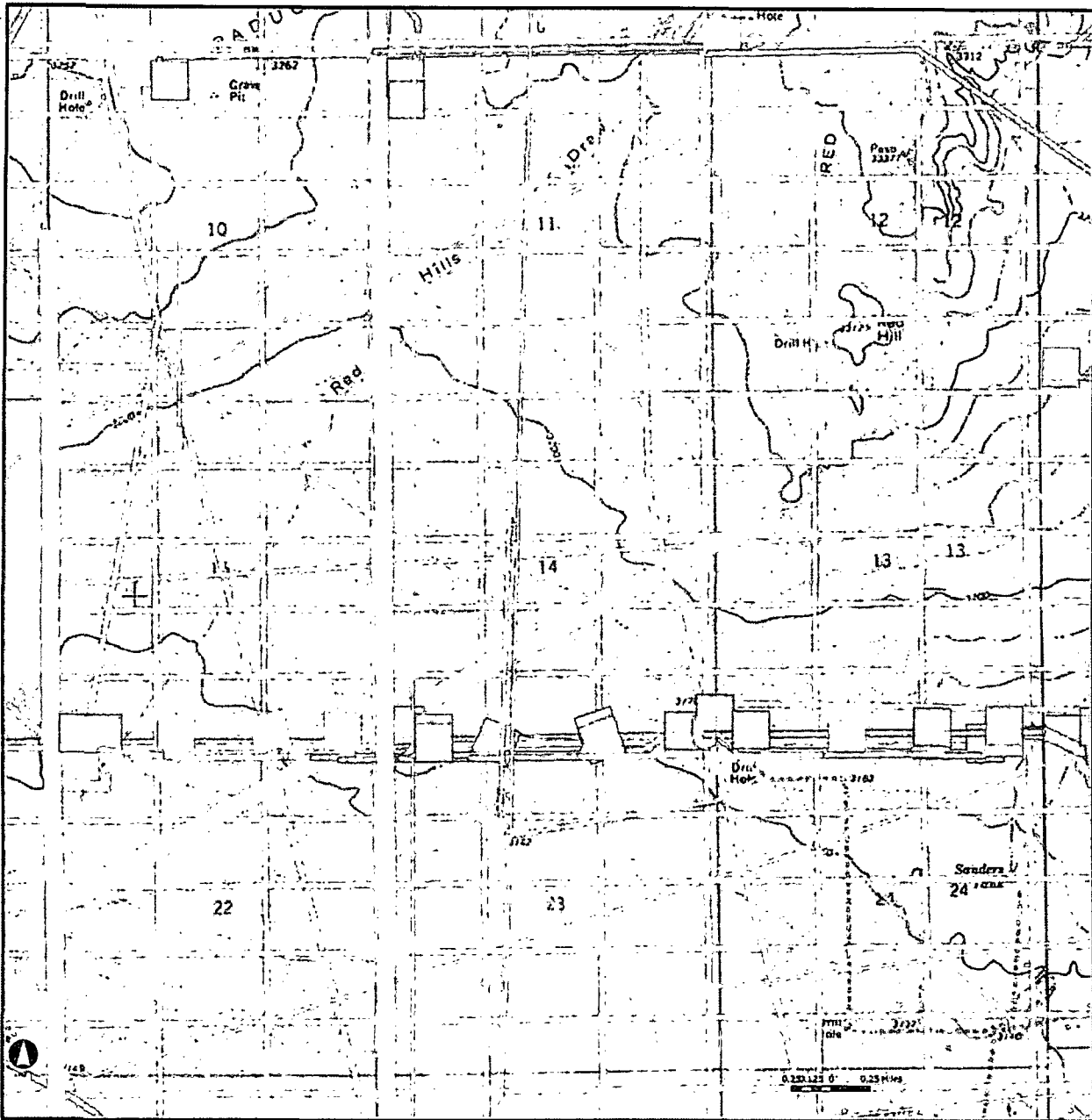
- | | | |
|--|--|--|
|  WellPad |  BLM |  NPS |
|  Arch Sites |  BOR | Private |
| |  DOE | NM State Trust Lands |
| |  Forest Service |  NM State Game & Fish |
| | BOI | NM State Park |

Paduca Breaks West 32103-A6
 T26S R32E S14, 23

1:24,000

BASNM 10-14-15

10-14-15 ARMS Map



PLSS

- Building Labels
- ◆ Object Labels
- ◆ Linear Resource Labels
- ◆ Historic Structure Labels
- ◆ Historic Structures (Edit)

Objects

- Not Defined
- Proposed
- Approved
- Linear Resources
- Not Defined
- Proposed
- Approved
- District Labels
- ◆

Archaeological Surveys

- Not Defined
- Proposed
- Approved
- Highways
- Primary Limited Access or Interstate
- Primary US and State Highways
- Secondary State and County
- - - Local - Rural



United States Department of the Interior
Bureau of Land Management
Carlsbad Field Office



Refer to: 3160-3

COPY

To: AFM, Lands & Minerals, CFO
From: Geologist, CFO
Subject: Geologic Review of Application for Permit to Drill

Operator: Chevron USA Inc
Well Name and Number: SD WE 23 Fed P 5-1H
Potash: No
Location: SHL:10/S.& 648'/W. SEC014 T026S, R032E.(SWSW)
County Lea **Lease Number:** NMNM118723 **APD Received:** 4-29-2015
Ground Level Elevation: 3157 **Surface Geology:** Qe/Qp-Eolian deposits/Piedmont alluvial deposits
TVD: 8950 **MD:** 13856 **BH Mud Weight:** 9.6
BHP: 4468 **MASP:** 2499

1. Geologic Marker Tops (from reports on surrounding wells):

	BEN FEDERAL #001 3002508256 T26S R32E Sec 15 2004FSL 666FEL	RED HILLS WEST 22 FEDERAL #001H 3002539901 T26S R32E Sec 22 380FNL 380FWL	Red Hills West 22 AP Federal Com 1H 3002540608 T26S R32E Sec 22 150FSL 990FEL	SALADO DRAW 18 26 33 FED #003H 3002542278 T26S R33E Sec 19 200FNL 1943FWL	Proposed Well <u>SD WE 23 Fed P 5-1H</u> T026S, R032E.(SWSWSEC014 10/S.& 648'/W Unit Elevation Estimated Depth
Geologic Marker	Elevation	Elevation	Elevation	Elevation	
Rustler	Depth 589	Depth 533	Depth 560	Depth 710	575
Top of Salt	955	902	940	1062	940
Lamar	4515	4420	4494	4714	4520
Bell Canyon	4560	4470	4540	4753	4565
Bone Spring Lime	-	8545	8680	8815	8690
1st BS Sand	-	9480	-	-	9590

2. Fresh Water Information

- a. Fresh Water: 655
- b. Fresh Water Remarks:
According to well data from the New Mexico Office of the State Engineer's Water Rights Reporting System, there are 14 water wells within a six-mile radius of the proposed project. Depth to water ranges from 110' to 405' with the deepest well drilled to 850'. Usable water may also be encountered in the Magenta Dolomite Member of the Rustler Formation down to a depth of approximately 655'.
- c. Water Basin: Carlsbad Water Basin

3. Recommended Casing Setting Depth

- a. Surface Casing Depth: 670
- b. Intermediate Casing Depth: 4530
- c. 2nd Interm. Casing Depth
- d. Casing Depth Remarks:

The operator proposes to set surface casing at 850' which is near the base of the Rustler Formation and is not the most competent bedrock for setting casing. Instead, set in the anhydrite just below the Magenta Dolomite at approximately 670'. The operator proposes to set intermediate casing at 4740' which is well into the Delaware Sands and is a known loss zone. Instead, set casing in the Lamar Limestone at approximately 4530'.

4. Geologic Hazards

- a. Cave/Karst Occurance: Medium
- b. Potential Cave/Karst Depth: 350
- c. Possible Water Flows: Castile, Salado,
- d. Possible Lost Circulation: Rustler, Red Beds, Delaware,
- e. Possible Abnormal Pressure: NO
- f. H2S within 1 mile: YES
- g. H2S Remarks:

H2S has been reported within one mile of the proposed project. Measurements up to 600 ppm were recorded from an unknown formation in the El Mar Pool.

5. Additional Remarks

Data density in this area is extremely low. Ensure GR and CNL logs are run to surface for future development.

Geologist: Andrea Bowen

Sign Off Date: 9-9-2015