

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

| | | |
|---|-------------------------------|-------------------------------|
| 1. Operator Name and Address CHEVRON MIDCONTINENT, L.P. 11111 S. WILCREST HOUSTON , TX 77099 | | 2. OGRID Number 241333 |
| | | 3. API Number 30-045-34235 |
| 4. Property Code 302841 | 5. Property Name GILBREATH | 6. Well No. 002 |

7. Surface Location

| | | | | | | | | | |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|--------------------|
| UL - Lot O | Section 28 | Township 30N | Range 12W | Lot Idn O | Feet From 195 | N/S Line S | Feet From 1505 | E/W Line E | County SAN JUAN |
|---------------|---------------|-----------------|--------------|--------------|------------------|---------------|-------------------|---------------|--------------------|

8. Pool Information

| | |
|----------------------|---|
| Basin Fruitland Coal | 0 |
|----------------------|---|

Additional Well Information

| | | | | |
|---|----------------------------|--|---------------------------|---|
| 9. Work Type New Well | 10. Well Type GAS | 11. Cable/Rotary | 12. Lease Type Private | 13. Ground Level Elevation 5531 |
| 14. Multiple N | 15. Proposed Depth 1870 | 16. Formation Pictured Cliffs Formation | 17. Contractor | 18. Spud Date |
| Depth to Ground water 100 | | Distance from nearest fresh water well > 1000 | | Distance to nearest surface water 1000 |
| Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ miles thick Clay <input type="checkbox"/> Pit Volume: 5000 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> | | | | |

19. Proposed Casing and Cement Program

| | | | | | | |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
| Surf | 12.25 | 9.625 | 36 | 200 | 130 | 0 |
| Prod | 8.75 | 7 | 23 | 1870 | 330 | 0 |

Casing/Cement Program: Additional Comments

| |
|--|
| |
|--|

Proposed Blowout Prevention Program

| | | | |
|---------|------------------|---------------|--------------|
| Type | Working Pressure | Test Pressure | Manufacturer |
| Annular | 3000 | 600 | |

| | | |
|---|---|--|
| I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Joy Pinkerton Title: Email Address: leakejd@chevron.com Date: 3/14/2007 | OIL CONSERVATION DIVISION | |
| | Approved By: Charlie Perrin | |
| | Title: District Supervisor | |
| | Approved Date: 3/19/2007 Expiration Date: 3/19/2008 | |
| | Phone: 432-687-7375 Conditions of Approval Attached | |

DISTRICT I
1625 N. French Dr., Hobbs, N.M. 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised October 12, 2005

DISTRICT II
1301 W. Grand Avenue, Artesia, N.M. 88210

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, N.M. 87410

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

DISTRICT IV
2040 S. St. Francis Dr., Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | | |
|----------------------------|---|---------------------------------|
| ¹ API Number | ² Pool Code | ³ Pool Name |
| ⁴ Property Code | ⁵ Property Name GILBREATH | ⁶ Well Number #2 |
| ⁷ OGRID No. | ⁸ Operator Name CHEVRON | ⁹ Elevation 5531' |

¹⁰ Surface Location

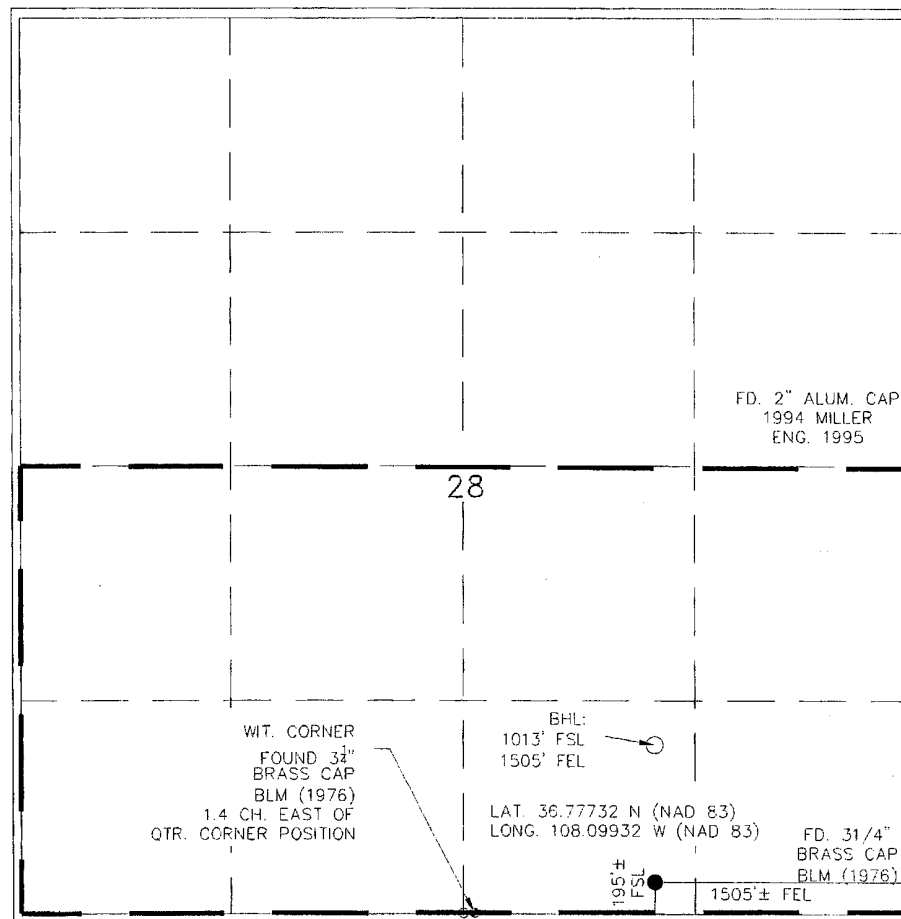
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|----------|
| O | 28 | 30-N | 12-W | | 195' | SOUTH | 1505' | EAST | SAN JUAN |

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 | 28 | 30-N | 12-W | | 1013' | SOUTH | 1505' | EAST | SAN JUAN |

| | | | |
|-------------------------------|-------------------------------|----------------------------------|-------------------------|
| ¹² Dedicated Acres | ¹³ Joint or Infill | ¹⁴ Consolidation Code | ¹⁵ Order No. |
|-------------------------------|-------------------------------|----------------------------------|-------------------------|

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.



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.

Teresa Jackson
Signature

Teresa Jackson
Printed Name

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.

NOVEMBER 12, 2006
Date of Survey
Signature of Surveyor: *John A. Vukonic*



14831
Certificate Number

S 89°53'25" W 2544.0' ± (MEAS.)

Permit Comments

Operator: CHEVRON MIDCONTINENT, L.P. , 241333

Well: GILBREATH #002

API: 30-045-34235

| Created By | Comment | Comment Date |
|------------|--|--------------|
| SHAYDEN | Basin Fruitland Coal requires a 320 acre spacing unit. Please designate the proper spacing and resubmit. | 2/6/2007 |

Permit Conditions of Approval

Operator: CHEVRON MIDCONTINENT, L.P. , 241333

Well: GILBREATH #002

API: 30-045-34235

| OCD Reviewer | Condition |
|--------------|--|
| SHAYDEN | Will require a directional survey with the C-104 |