

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 U S A INC 11111 S. WILCREST HOUSTON , TX 77099 | | 2. OGRID Number 4323 |
| | | 3. API Number 30-025-38789 |
| 4. Property Code 2671 | 5. Property Name HARRY LEONARD NCT J | 6. Well No. 005 |

7. Surface Location

| | | | | | | | | | |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
| A | 24 | 21S | 36E | A | 1200 | N | 990 | E | LEA |

8. Pool Information

| | |
|-------------------------|-------|
| PENROSE SKELLY,GRAYBURG | 50350 |
|-------------------------|-------|

Additional Well Information

| | | | | |
|--|----------------------|--|-------------------------|------------------------------------|
| 9. Work Type New Well | 10. Well Type OIL | 11. Cable/Rotary | 12. Lease Type State | 13. Ground Level Elevation 3528 |
| 14. Multiple N | 15. Proposed Depth | 16. Formation Grayburg | 17. Contractor | 18. Spud Date |
| Depth to Ground water 95 | | Distance from nearest fresh water well | | Distance to nearest surface water |
| Pit: Liner: Synthetic <input type="checkbox"/> mls thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input checked="" 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 | 11 | 8.625 | 24 | 450 | 475 | |
| Prod | 7.875 | 5.5 | 15.5 | 4300 | 1050 | |

Casing/Cement Program: Additional Comments

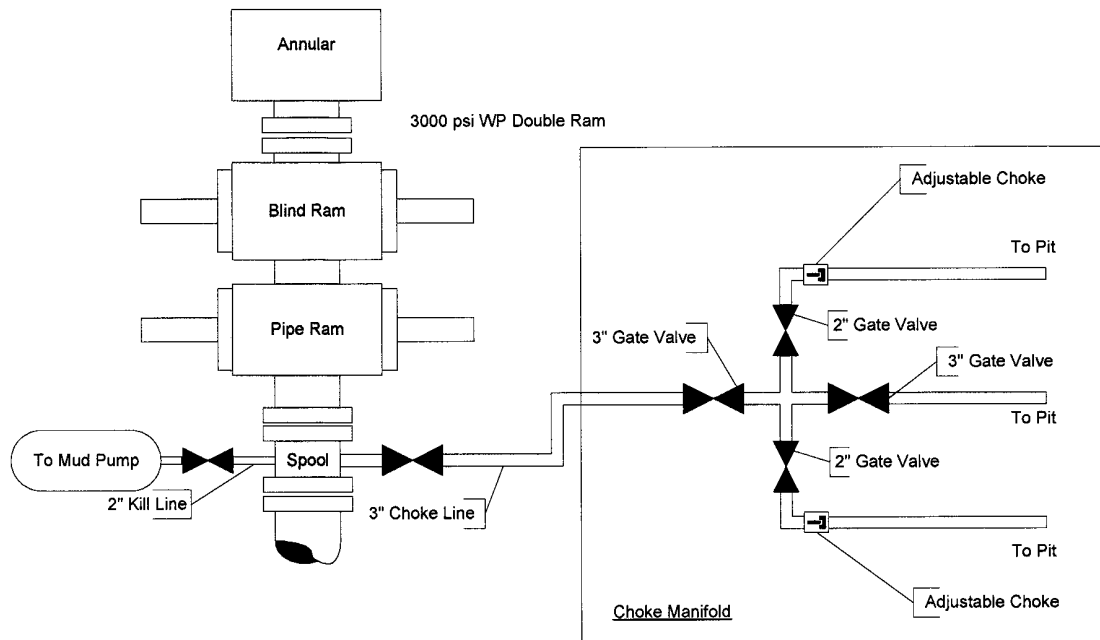
SURF: J-55,STC,475 SX CL C,2%CACL2,0.35PPS,D39 CELLOFLAKE, WEIGHT: 14.8 PPG, YIELD:1.34 CU.FT/SX PROD: J-55,LTC,LEAD: 550 SX 35:65 POZ, CL C,5%D44,6%D20,0.4%D112,0.25PPS,D29 CELLOFLAKE,0.2%D46, TAIL:500 SX 50:50 POZ CL,5%D44,2%D20,0.25PPS,D29 CELLOFLAKE,WEIGHT:12.4PPG,LEAD, 14.2 PPG TAIL, YIELD: 2.15 CU.FT/SX LEAD, 1.35 CU.FT.SX TAIL

Proposed Blowout Prevention Program

| Type | Working Pressure | Test Pressure | Manufacturer |
|---------|------------------|---------------|--------------|
| Annular | 3000 | 2500 | |
| Blind | 3000 | 2500 | |
| Pipe | 3000 | 2500 | |

| | | |
|---|--|--|
| 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 type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> . Printed Name: Electronically filed by Denise Pinkerton Title: Regulatory Specialist Email Address: leakejd@chevron.com Date: 2/28/2008 Phone: 432-687-7375 | OIL CONSERVATION DIVISION | |
| | Approved By: Chris Williams | |
| | Title: District Supervisor | |
| | Approved Date: 2/29/2008 Expiration Date: 2/28/2010 | |
| | Conditions of Approval Attached | |

Capstar 22 -
BOPE



DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 86240

State of New Mexico
Energy, Minerals and Natural Resources Department

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
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 50350 | Pool Name Pernose Skelly Grayburg |
| Property Code | Property Name HARRY LEONARD J | Well Number 5 |
| OGRID No. 4323 | Operator Name CHEVRON USA INC. | Elevation 3528' |

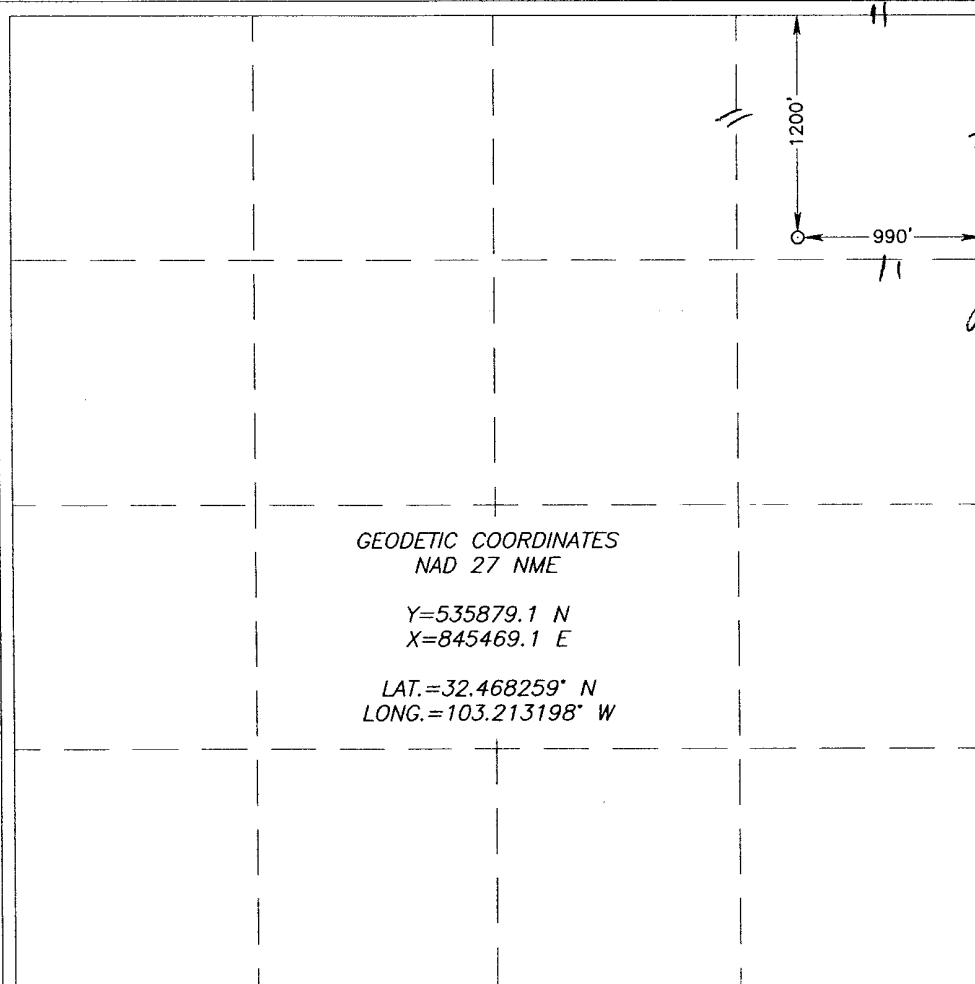
Surface Location

| UL or lot No. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
|---------------|---------|----------|-------|---------|---------------|------------------|---------------|----------------|--------|
| A | 24 | 21-S | 36-E | | 1200 | NORTH | 990 | EAST | LEA |

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 |
| | | | | | | | | | |
| Dedicated Acres | Joint or Infill | Consolidation Code | 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

| | |
|--|--|
|  | <p>OPERATOR CERTIFICATION</p> <p>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p>Denise Pinkerton 2-25-08 Signature Date Denise Pinkerton Printed Name</p> <p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>RONALD J. EIDSON OCTOBER 10 2007 Date Surveyed Signature & Seal of Professional Surveyor Ronald J. Eidson 10/18/07 07.11.1319</p> <p>Certificate No. GARY G. EIDSON 12641 RONALD J. EIDSON 3239</p> |
|--|--|

Permit Conditions of Approval

Operator: CHEVRON U S A INC , 4323

Well: HARRY LEONARD NCT J #005

API: 30-025-38789

| OCD Reviewer | Condition |
|-----------------|---|
| DMULL | Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines |
| DMULL | NSL-5769, 01/17/08, 1200/N & 990/E, Penrose Skelly Grayburg. |