

Chevron USA

Skeen 2 26 27 State 4H

Eddy County, New Mexico

Ensign 767

API# 30-015-41118-0000

June 15, 2014 – July 5, 2014

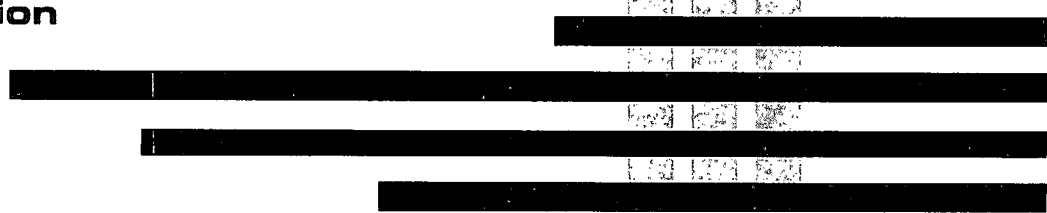
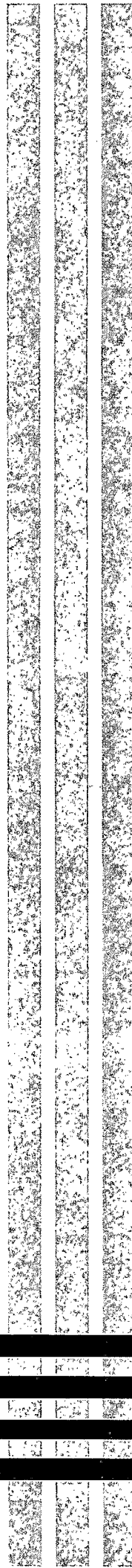
HD-MJ-0901422720

Sperry Drilling

Survey Report

HALLIBURTON

**Drilling and Formation
Evaluation**





WELL INFORMATION

Created On : Jul 04 2014

Survey Report

Customer : Chevron USA, Inc.
Well Name : Skeen 2 26 27 State 4H
Job Number : HD-XX-0901422720
Rig Name : Ensign 767
Country : USA
State / Province : New Mexico

DIRECTIONAL SURVEY DATA

Tie-in

0.00 0.00 0.00 0.00 0.00 N 0.00 E

Measured Depth (ft)	Inclination (deg)	Direction (deg)	Vertical Depth (ft)	Latitude (ft)	Departure (ft)	Vertical Section (ft)	Dogleg (%/100')
493.00	0.92	17.25	492.98	3.79 N	1.18 E	-3.80	0.19
675.00	0.77	31.75	674.96	6.23 N	2.26 E	-6.25	0.14
861.00	0.65	20.19	860.94	8.29 N	3.28 E	-8.32	0.10
1042.00	0.62	36.08	1,041.93	10.05 N	4.21 E	-10.09	0.10
1234.00	0.54	41.31	1,233.92	11.57 N	5.42 E	-11.62	0.05
1421.00	0.79	50.56	1,420.91	13.05 N	7.00 E	-13.11	0.14
1614.00	0.74	43.00	1,613.89	14.81 N	8.87 E	-14.89	0.06
1708.00	2.12	67.92	1,707.86	15.90 N	10.90 E	-16.00	1.57
1802.00	2.87	74.60	1,801.77	17.18 N	14.77 E	-17.32	0.86
1899.00	1.80	68.09	1,898.69	18.39 N	18.53 E	-18.57	1.14
1995.00	1.89	69.36	1,994.64	19.51 N	21.41 E	-19.71	0.11
2090.00	2.42	70.31	2,089.58	20.74 N	24.76 E	-20.97	0.55
2185.00	1.72	59.51	2,184.51	22.14 N	27.88 E	-22.40	0.83
2279.00	1.45	48.34	2,278.48	23.65 N	29.99 E	-23.93	0.44
2371.00	1.42	59.01	2,370.45	25.01 N	31.84 E	-25.31	0.29
2466.00	1.87	296.69	2,465.43	26.31 N	31.46 E	-26.61	3.04
2561.00	3.95	276.96	2,560.30	27.40 N	26.83 E	-27.65	2.40
2656.00	2.05	272.99	2,655.17	27.89 N	21.89 E	-28.09	2.01
2751.00	1.79	270.89	2,750.12	28.00 N	18.71 E	-28.17	0.28
2847.00	1.71	273.66	2,846.07	28.11 N	15.78 E	-28.26	0.12
2941.00	1.79	274.47	2,940.03	28.32 N	12.92 E	-28.44	0.08
3036.00	1.58	271.49	3,034.99	28.47 N	10.13 E	-28.56	0.24
3131.00	1.76	268.15	3,129.95	28.45 N	7.37 E	-28.52	0.21
3227.00	1.94	266.32	3,225.90	28.30 N	4.27 E	-28.34	0.20
3321.00	1.01	199.44	3,319.87	27.42 N	2.41 E	-27.44	1.91
3415.00	1.20	174.42	3,413.85	25.66 N	2.23 E	-25.68	0.55
3511.00	1.36	178.84	3,509.83	23.52 N	2.36 E	-23.55	0.19
3605.00	1.10	184.72	3,603.81	21.51 N	2.30 E	-21.53	0.30
3700.00	1.14	183.90	3,698.79	19.65 N	2.16 E	-19.67	0.05
3795.00	1.18	190.83	3,793.77	17.75 N	1.92 E	-17.77	0.15
3890.00	1.27	196.39	3,888.75	15.78 N	1.44 E	-15.79	0.16
3985.00	1.35	195.12	3,983.72	13.69 N	0.85 E	-13.70	0.09



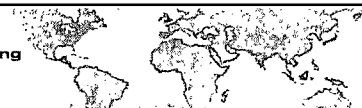
DIRECTIONAL SURVEY DATA

Measured Depth (ft)	Inclination (deg)	Direction (deg)	Vertical Depth (ft)	Latitude (ft)	Departure (ft)	Vertical Section (ft)	Dogleg (°/100')
4081.00	0.93	197.95	4,079.70	11.86 N	0.31 E	-11.86	0.45
4175.00	1.05	197.15	4,173.69	10.32 N	0.17 W	-10.31	0.13
4270.00	1.28	201.03	4,268.67	8.50 N	0.81 W	-8.49	0.25
4366.00	1.27	190.79	4,364.65	6.45 N	1.40 W	-6.44	0.24
4461.00	1.52	190.01	4,459.62	4.17 N	1.81 W	-4.16	0.27
4556.00	1.58	189.44	4,554.58	1.63 N	2.25 W	-1.61	0.07
4651.00	1.56	191.69	4,649.55	0.93 S	2.73 W	0.96	0.07
4747.00	1.35	189.64	4,745.52	3.33 S	3.18 W	3.36	0.23
4842.00	1.39	186.62	4,840.49	5.58 S	3.50 W	5.61	0.08
4937.00	1.35	194.62	4,935.46	7.80 S	3.91 W	7.83	0.21
5032.00	0.66	310.38	5,030.45	8.52 S	4.61 W	8.57	1.83
5127.00	2.55	347.50	5,125.41	6.11 S	5.49 W	6.16	2.17
5223.00	3.24	6.73	5,221.29	1.33 S	5.63 W	1.39	1.23
5318.00	5.15	9.28	5,316.03	5.54 N	4.63 W	-5.50	2.03
5414.00	5.41	12.22	5,411.63	14.22 N	2.98 W	-14.19	0.39
5509.00	5.29	10.73	5,506.21	22.90 N	1.21 W	-22.89	0.20
5604.00	4.98	12.48	5,600.83	31.23 N	0.49 E	-31.23	0.36
5699.00	4.63	12.12	5,695.50	39.00 N	2.19 E	-39.02	0.38
5794.00	3.86	7.82	5,790.24	45.92 N	3.43 E	-45.95	0.88
5888.00	3.41	11.37	5,884.05	51.79 N	4.41 E	-51.83	0.54
5984.00	4.51	4.75	5,979.82	58.34 N	5.29 E	-58.39	1.24
6079.00	4.20	1.69	6,074.54	65.55 N	5.70 E	-65.60	0.41
6174.00	2.53	1.35	6,169.38	71.13 N	5.85 E	-71.18	1.76
6268.00	2.93	348.48	6,263.27	75.56 N	5.42 E	-75.61	0.77
6363.00	3.31	351.72	6,358.13	80.65 N	4.54 E	-80.69	0.44
6458.00	3.68	343.28	6,452.95	86.28 N	3.27 E	-86.31	0.67
6553.00	4.50	345.60	6,547.71	92.81 N	1.46 E	-92.82	0.88
6648.00	2.72	333.84	6,642.52	98.45 N	0.46 W	-98.44	2.02
6694.00	2.53	338.95	6,688.47	100.38 N	1.31 W	-100.36	0.66
6789.00	2.87	348.80	6,783.36	104.66 N	2.52 W	-104.63	0.60
6884.00	2.87	347.36	6,878.25	109.31 N	3.50 W	-109.27	0.08
6979.00	2.91	342.84	6,973.13	113.93 N	4.73 W	-113.88	0.24
7073.00	2.84	342.22	7,067.01	118.42 N	6.14 W	-118.36	0.08
7168.00	0.98	333.15	7,161.95	121.39 N	7.23 W	-121.31	1.98
7262.00	1.03	293.16	7,255.94	122.43 N	8.37 W	-122.35	0.73
7358.00	1.97	205.21	7,351.91	121.28 N	9.86 W	-121.19	2.28
7389.00	5.46	189.66	7,382.84	119.35 N	10.33 W	-119.25	11.63
7421.00	9.33	187.64	7,414.57	115.28 N	10.93 W	-115.17	12.11
7451.00	13.51	195.06	7,443.97	109.48 N	12.17 W	-109.36	14.76
7483.00	17.08	195.51	7,474.83	101.34 N	14.40 W	-101.20	11.14
7515.00	19.25	196.50	7,505.24	91.75 N	17.15 W	-91.59	6.85
7546.00	20.67	192.33	7,534.38	81.51 N	19.77 W	-81.32	6.49
7577.00	22.96	188.67	7,563.16	70.18 N	21.85 W	-69.97	8.60
7609.00	26.35	186.02	7,592.24	56.95 N	23.54 W	-56.72	11.13
7641.00	31.15	183.21	7,620.28	41.61 N	24.75 W	-41.37	15.59



DIRECTIONAL SURVEY DATA

Measured Depth (ft)	Inclination (deg)	Direction (deg)	Vertical Depth (ft)	Latitude (ft)	Departure (ft)	Vertical Section (ft)	Dogleg (%/100')
7673.00	36.00	184.14	7,646.94	23.95 N	25.89 W	-23.71	15.22
7704.00	39.57	182.10	7,671.44	5.00 N	26.91 W	-4.74	12.20
7736.00	43.98	181.48	7,695.29	16.31 S	27.58 W	16.56	13.85
7768.00	49.29	181.03	7,717.26	39.55 S	28.08 W	39.82	16.64
7799.00	53.53	180.96	7,736.59	63.78 S	28.50 W	64.04	13.66
7831.00	56.77	179.78	7,754.88	90.03 S	28.66 W	90.30	10.58
7863.00	59.27	180.35	7,771.82	117.17 S	28.70 W	117.44	7.96
7895.00	60.79	179.68	7,787.81	144.89 S	28.70 W	145.16	5.08
7927.00	64.95	179.63	7,802.40	173.37 S	28.53 W	173.63	13.00
7958.00	68.80	178.38	7,814.57	201.87 S	28.03 W	202.12	12.95
7990.00	72.27	176.67	7,825.23	232.00 S	26.72 W	232.24	11.96
8022.00	76.59	176.15	7,833.82	262.76 S	24.79 W	262.98	13.60
8054.00	81.21	177.34	7,839.98	294.10 S	23.01 W	294.31	14.88
8085.00	85.43	178.90	7,843.58	324.87 S	22.01 W	325.06	14.49
8117.00	88.92	179.84	7,845.16	356.82 S	21.65 W	357.01	11.31
8212.00	89.88	179.38	7,846.15	451.81 S	21.00 W	451.99	1.11
8307.00	92.16	179.31	7,844.46	546.78 S	19.91 W	546.95	2.40
8402.00	90.71	178.03	7,842.09	641.72 S	17.70 W	641.86	2.03
8497.00	88.71	178.81	7,842.57	736.68 S	15.09 W	736.79	2.26
8592.00	90.74	179.05	7,843.03	831.66 S	13.31 W	831.75	2.15
8687.00	93.51	179.39	7,839.51	926.58 S	12.02 W	926.65	2.94
8783.00	91.11	179.08	7,835.64	1,022.48 S	10.74 W	1022.54	2.53
8878.00	92.99	178.98	7,832.24	1,117.40 S	9.13 W	1117.44	1.98
8972.00	90.49	180.54	7,829.39	1,211.35 S	8.75 W	1211.38	3.13
9068.00	89.23	180.96	7,829.62	1,307.34 S	10.01 W	1307.37	1.39
9163.00	91.42	180.83	7,829.08	1,402.32 S	11.49 W	1402.37	2.31
9258.00	90.37	180.92	7,827.59	1,497.29 S	12.94 W	1497.35	1.11
9353.00	91.97	180.72	7,825.65	1,592.26 S	14.30 W	1592.33	1.70
9448.00	90.77	181.17	7,823.38	1,687.22 S	15.86 W	1687.29	1.35
9543.00	89.91	180.60	7,822.81	1,782.21 S	17.32 W	1782.29	1.09
9638.00	91.93	180.51	7,821.29	1,877.18 S	18.24 W	1877.27	2.13
9733.00	90.71	180.82	7,819.10	1,972.15 S	19.35 W	1972.25	1.33
9828.00	89.91	182.40	7,818.59	2,067.11 S	22.01 W	2067.22	1.86
9923.00	89.51	183.00	7,819.07	2,162.00 S	26.49 W	2162.15	0.77
10019.00	91.54	183.29	7,818.19	2,257.85 S	31.76 W	2258.05	2.14
10113.00	91.60	181.30	7,815.62	2,351.73 S	35.52 W	2351.96	2.11
10208.00	89.66	181.43	7,814.57	2,446.69 S	37.78 W	2446.94	2.05
10303.00	92.15	181.41	7,813.07	2,541.65 S	40.14 W	2541.91	2.62
10397.00	92.03	182.16	7,809.63	2,635.54 S	43.06 W	2635.83	0.80
10492.00	90.34	183.63	7,807.66	2,730.39 S	47.86 W	2730.72	2.37
10587.00	88.37	182.72	7,808.74	2,825.23 S	53.13 W	2825.61	2.29
10682.00	89.57	180.48	7,810.45	2,920.17 S	55.78 W	2920.57	2.68
10778.00	91.48	179.60	7,809.57	3,016.16 S	55.85 W	3016.55	2.19
10872.00	90.37	179.24	7,808.06	3,110.14 S	54.90 W	3110.52	1.24
10967.00	89.48	179.89	7,808.18	3,205.14 S	54.18 W	3205.51	1.16



DIRECTIONAL SURVEY DATA

Measured Depth (ft)	Inclination (deg)	Direction (deg)	Vertical Depth (ft)	Latitude (ft)	Departure (ft)	Vertical Section (ft)	Dogleg (%/100')
11062.00	91.57	180.11	7,807.32	3,300.13 S	54.18 W	3300.49	2.22
11156.00	90.34	179.39	7,805.75	3,394.11 S	53.77 W	3394.47	1.52
11250.00	88.03	179.84	7,807.09	3,488.09 S	53.14 W	3488.44	2.51
11346.00	89.82	180.06	7,808.90	3,584.07 S	53.06 W	3584.41	1.88
11441.00	92.84	180.12	7,806.70	3,679.04 S	53.21 W	3679.38	3.18
11536.00	90.92	180.21	7,803.58	3,773.98 S	53.49 W	3774.32	2.02
11631.00	88.74	180.67	7,803.87	3,868.97 S	54.22 W	3869.31	2.35
11725.00	91.29	180.87	7,803.84	3,962.95 S	55.48 W	3963.30	2.73
11821.00	94.31	180.95	7,799.15	4,058.82 S	57.01 W	4059.17	3.15
11916.00	93.46	180.67	7,792.71	4,153.59 S	58.35 W	4153.95	0.95
12011.00	92.25	179.03	7,787.98	4,248.46 S	58.10 W	4248.82	2.15
12106.00	89.38	179.01	7,786.62	4,343.43 S	56.48 W	4343.77	3.02
12201.00	90.99	179.53	7,786.32	4,438.42 S	55.27 W	4438.74	1.77
12296.00	89.66	179.46	7,785.78	4,533.41 S	54.43 W	4533.72	1.40
12390.00	90.62	179.30	7,785.55	4,627.41 S	53.42 W	4627.70	1.03
12485.00	87.41	180.33	7,787.19	4,722.38 S	53.11 W	4722.67	3.54
12581.00	88.74	180.54	7,790.41	4,818.32 S	53.84 W	4818.61	1.40
12676.00	90.95	180.68	7,790.66	4,913.31 S	54.85 W	4913.61	2.34
12702.00	91.54	180.62	7,790.10	4,939.30 S	55.14 W	4939.60	2.27
12759.00	91.54	180.62	7,788.56	4,996.27 S	55.76 W	4996.58	0.00

SURVEY FOOTER

GNDMEVC

SURVEYS CALCULATED USING SHORT COLLAR METHOD

TIE-ON SURVEY ASSUMED VERTICAL AT SURFACE

SURVEYS FROM 0.00' MD TO 12702.00' MD ARE PROVIDED BY SPERRY DRILLING MWD

SURVEY AT 12702' MD HAS BEEN PROJECTED TO TD AT 12759' MD

SPERRY ENGINEERS: JOHN WELTON, ALAN SMILEY, ANDY FRAIZER, JUSTIN WATERMAN

DIRECTIONAL SURVEY DATA NOTES

- Calculation based on minimum curvature method.
- Survey coordinates relative to well system reference point.
- TVD values given relative to drilling measurement point.
- Vertical section relative to well head.
- Vertical section is computed along a direction of degrees ()
- A total correction of deg from Magnetic north to True north has been applied
- Horizontal displacement is relative to the well head.
- Horizontal displacement (closure) at 12,759.00 feet is 4,996.59 feet along 180.64 degrees ()

**WARRANTY**

HALLIBURTON ENERGY SERVICES, INC. WILL USE ITS BEST EFFORTS TO FURNISH CUSTOMERS WITH ACCURATE INFORMATION AND INTERPRETATIONS THAT ARE PART OF, AND INCIDENT TO, THE SERVICES PROVIDED. HOWEVER, HALLIBURTON ENERGY SERVICES, INC. CANNOT AND DOES NOT WARRANT THE ACCURACY OR CORRECTNESS OF SUCH INFORMATION AND INTERPRETATIONS. UNDER NO CIRCUMSTANCES SHOULD ANY SUCH INFORMATION OR INTERPRETATION BE RELIED UPON AS THE SOLE BASIS FOR ANY DRILLING, COMPLETION, PRODUCTION, OR FINANCIAL DECISION OR ANY PROCEDURE INVOLVING ANY RISK TO THE SAFETY OF ANY DRILLING VENTURE, DRILLING RIG OR ITS CREW OR ANY THIRD PARTY. THE CUSTOMER HAS FULL RESPONSIBILITY FOR ALL DRILLING, COMPLETION, AND PRODUCTION OPERATION. HALLIBURTON ENERGY SERVICES, INC. MAKES NO REPRESENTATIONS OR WARRANTIES, EITHER EXPRESSED OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE SERVICES RENDERED. IN NO EVENT WILL HALLIBURTON ENERGY SERVICES, INC. SERVICES BE LIABLE FOR FAILURE TO OBTAIN ANY PARTICULAR RESULTS OR FOR ANY DAMAGES, INCLUDING, BUT NOT LIMITED TO, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, RESULTING FROM THE USE OF ANY INFORMATION OR INTERPRETATION PROVIDED BY HALLIBURTON ENERGY SERVICES, INC.

HALLIBURTON

14103 Interwood S. Parkway • Houston, TX 77032

PHONE 281.986.4400 • FAX 281.986.4499

NM OIL CONSERVATION
ARTESIA DISTRICT

NOV 21 2014

State of New Mexico, Eddy County

RECEIVED

I, John Welton, certify that I am employed by Halliburton Energy Services, Inc. (AKA Sperry Drilling) and that on the dates of 15 June 2014 through 5 July 2014, I did conduct or supervise the taking of MWD directional surveys for the well Skeen 2 26 27 State 4H from surface to a depth of 12702' MD. This data is true, correct, complete and within the limitations of the tools as set forth by Halliburton Energy Services, Inc. (AKA Sperry Drilling). I am authorized and qualified to make this report and this survey which was conducted at the request of Chevron USA for the well of Skeen 2 26 27 State 4H, API No. 30-015-41118-0000 in Eddy County, New Mexico. I have reviewed this report and find that it confirms to the principles and procedures as set forth by Halliburton Energy Services, Inc. (AKA Sperry Drilling).



Field Engineer