

Carlsbad Field Office OCD Artesia

Form 3160-3
(March 2012)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires October 31, 2014

5. Lease Serial No.
NMNM100549

6. If Indian, Allottee or Tribe Name

1a. Type of work: DRILL REENTER

7. If Unit or CA Agreement, Name and No.

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

8. Lease Name and Well No.
HH SO 17 20 FED 002 4H **321650**

2. Name of Operator
CHEVRON USA INCORPORATED

9. API Well No.
30-015-45107

3a. Address
6301 Deauville Blvd. Midland TX 79706

3b. Phone No. (include area code)
(432)687-7866

10. Field and Pool, or Exploratory
PURPLE SAGE / WOLFCAMP, (GAS)

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface NWNE / 212 FNL / 1650 FEL / LAT 32.049168 / LONG -104.20906
At proposed prod. zone SWSE / 280 FSL / 2430 FEL / LAT 32.021236 / LONG -104.211347

11. Sec., T. R. M. or Blk. and Survey or Area
SEC 17 / T26S / R27E / NMP

14. Distance in miles and direction from nearest town or post office*
11.5 miles

12. Country or Parish
EDDY

13. State
NM

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
330 feet

16. No. of acres in lease
1920

17. Spacing Unit dedicated to this well
640

18. Distance from proposed location* to nearest well, drilling, completed, 1835 feet applied for, on this lease, ft.

19. Proposed Depth
9709 feet / 20044 feet

20. BLM/BIA Bond No. on file
FED: CA0329

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
3248 feet

22. Approximate date work will start*
01/28/2018

23. Estimated duration
130 days

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

- | | |
|--|--|
| <p>1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).</p> | <p>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification 6. Such other site specific information and/or plans as may be required by the BLM.</p> |
|--|--|

25. Signature
(Electronic Submission)

Name (Printed/Typed)
Laura Becerra / Ph: (432)687-7665

Date
09/28/2017

Title
Permitting Specialist

Approved by (Signature)
(Electronic Submission)

Name (Printed/Typed)
Cody Layton / Ph: (575)234-5959

Date
07/06/2018

Title
Supervisor Multiple Resources

Office
CARLSBAD

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

(Continued on page 2)

NM OIL CONSERVATION
INSTRUCTIONS ON PAGE 2
ARTESIA DISTRICT

JUL 11 2018

RECEIVED

APPROVED WITH CONDITIONS

Approval Date: 07/06/2018

Rec'd 7-12-18

INSTRUCTIONS

GENERAL: This form is designed for submitting proposals to perform certain well operations, as indicated on Federal and Indian lands and leases for action by appropriate Federal agencies, pursuant to applicable Federal laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from local Federal offices.

ITEM 1: If the proposal is to redrill to the same reservoir at a different subsurface location or to a new reservoir, use this form with appropriate notations. Consult applicable Federal regulations concerning subsequent work proposals or reports on the well.

ITEM 4: Locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local Federal offices for specific instructions.

ITEM 14: Needed only when location of well cannot readily be found by road from the land or lease description. A plat, or plats, separate or on the reverse side, showing the roads to, and the surveyed location of, the well, and any other required information, should be furnished when required by Federal agency offices.

ITEMS 15 AND 18: If well is to be, or has been directionally drilled, give distances for subsurface location of hole in any present or objective productive zone.

ITEM 22: Consult applicable Federal regulations, or appropriate officials, concerning approval of the proposal before operations are started.

NOTICES

The Privacy Act of 1974 and regulation in 43 CFR 2.48(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et seq., 25 U.S.C. 396; 43 CFR 3160

PRINCIPAL PURPOSES: The information will be used to: (1) process and evaluate your application for a permit to drill a new oil, gas, or service well or to reenter a plugged and abandoned well; and (2) document, for administrative use, information for the management, disposal and use of National Resource Lands and resources including (a) analyzing your proposal to discover and extract the Federal or Indian resources encountered; (b) reviewing procedures and equipment and the projected impact on the land involved; and (c) evaluating the effects of the proposed operation on the surface and subsurface water and other environmental impacts.

ROUTINE USE: Information from the record and/or the record will be transferred to appropriate Federal, State, and local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecution, in connection with congressional inquiries and for regulatory responsibilities.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this application and disclosure of the information is mandatory only if you elect to initiate a drilling or reentry operation on an oil and gas lease.

The Paperwork Reduction Act of 1995 requires us to inform you that:

The BLM collects this information to allow evaluation of the technical, safety, and environmental factors involved with drilling for oil and/or gas on Federal and Indian oil and gas leases. This information will be used to analyze and approve applications.

Response to this request is mandatory only if the operator elects to initiate drilling or reentry operations on an oil and gas lease.

The BLM would like you to know that you do not have to respond to this or any other Federal agency-sponsored information collection unless it displays a currently valid OMB control number.

BURDEN HOURS STATEMENT: Public reporting burden for this form is estimated to average 8 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to U.S. Department of the Interior, Bureau of Land Management (1004-0137), Bureau Information Collection Clearance Officer (WO-630), 1849 C Street, N.W., Mail Stop 401 LS, Washington, D.C. 20240.

Additional Operator Remarks

Location of Well

1. SHL: NWNE / 212 FNL / 1650 FEL / TWSP: 26S / RANGE: 27E / SECTION: 17 / LAT: 32.049168 / LONG: -104.20906 (TVD: 0 feet, MD: 0 feet)
PPP: NWNE / 330 FNL / 2430 FEL / TWSP: 26S / RANGE: 27E / SECTION: 17 / LAT: 32.048851 / LONG: -104.211577 (TVD: 9706 feet, MD: 20044 feet)
BHL: SWSE / 280 FSL / 2430 FEL / TWSP: 26S / RANGE: 27E / SECTION: 20 / LAT: 32.021236 / LONG: -104.211347 (TVD: 9709 feet, MD: 20044 feet)

BLM Point of Contact

Name: Tenille Ortiz

Title: Legal Instruments Examiner

Phone: 5752342224

Email: tortiz@blm.gov

Review and Appeal Rights

A person contesting a decision shall request a State Director review. This request must be filed within 20 working days of receipt of the Notice with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Land Appeals, 801 North Quincy Street, Suite 300, Arlington, VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

| | |
|------------------------------|--|
| OPERATOR'S NAME: | CHEVRON USA INC |
| LEASE NO.: | NMNM100549 |
| WELL NAME & NO.: | HH SO 17 20 FED 002 4H |
| SURFACE HOLE FOOTAGE: | 212' FNL & 1650' FEL |
| BOTTOM HOLE FOOTAGE: | 280' FSL & 2430' FEL; Sec. 20 |
| LOCATION: | Section 17, T. 26 S., R 27 E., NMPM |
| COUNTY: | Eddy County, New Mexico |

COA

| | | | |
|----------------------|--|--|---------------------------------------|
| H2S | <input type="radio"/> Yes | <input checked="" type="radio"/> No | |
| Potash | <input checked="" type="radio"/> None | <input type="radio"/> Secretary | <input type="radio"/> R-111-P |
| Cave/Karst Potential | <input type="radio"/> Low | <input type="radio"/> Medium | <input checked="" type="radio"/> High |
| Variance | <input type="radio"/> None | <input checked="" type="radio"/> Flex Hose | <input type="radio"/> Other |
| Wellhead | <input type="radio"/> Conventional | <input checked="" type="radio"/> Multibowl | <input type="radio"/> Both |
| Other | <input type="checkbox"/> 4 String Area | <input type="checkbox"/> Capitan Reef | <input type="checkbox"/> WIPP |

A. Hydrogen Sulfide

Hydrogen Sulfide (H2S) monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items. If Hydrogen Sulfide is encountered, provide measured values and formations to the BLM.

B. CASING

1. The **13-3/8** inch surface casing shall be set at approximately **450** feet (a minimum of 25 feet into the Rustler Anhydrite and above the salt) and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of **8 hours** or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement).

- c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
- d. If cement falls back, remedial cementing will be done prior to drilling out that string.

Operator shall filled 1/3rd of casing with fluid while running intermediate casing to maintain collapse safety factor.

2. The minimum required fill of cement behind the 9-5/8 inch intermediate casing is: Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to cave/karst or potash.

Operator has proposed a DV tool, the depth may be adjusted as long as the cement is changed proportionally. The DV tool may be cancelled if cement circulates to surface on the first stage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job. **Additional cement maybe required. Excess calculates to 14%.**
- b. Second stage above DV tool: Cement to surface. If cement does not circulate, contact the appropriate BLM office. **Additional cement maybe required. Excess calculates to 22%.**
- c.

❖ In High Cave/Karst Areas if cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.

3. The minimum required fill of cement behind the 5-1/2 inch production casing is:
 - Cement should tie-back at least 200 feet into previous casing string. Operator shall provide method of verification.

C. PRESSURE CONTROL

1. Variance approved to use flex line from BOP to choke manifold. Manufacturer's specification to be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no hard bends).
2. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be **5000 (5M) psi**.

GENERAL REQUIREMENTS

The BLM is to be notified in advance for a representative to witness:

- a. Spudding well (minimum of 24 hours)
- b. Setting and/or Cementing of all casing strings (minimum of 4 hours)
- c. BOPE tests (minimum of 4 hours)

Chaves and Roosevelt Counties
Call the Roswell Field Office, 2909 West Second St., Roswell NM 88201.
During office hours call (575) 627-0272.
After office hours call (575)

Eddy County
Call the Carlsbad Field Office, 620 East Greene St., Carlsbad, NM 88220,
(575) 361-2822

Lea County
Call the Hobbs Field Station, 414 West Taylor, Hobbs NM 88240, (575)
393-3612

1. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
 - b. When the operator proposes to set surface casing with Spudder Rig
 - Notify the BLM when moving in and removing the Spudder Rig.
 - Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
2. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller and will be operational at all times during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the dog house or stairway area.
3. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well – vertical portion of hole) shall be submitted to the BLM office as

well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

A. CASING

1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
6. **On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.**
7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a

larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

B. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply: The flex line must meet the requirements of API 16C. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.
3. 5M or higher system requires an HCR valve, remote kill line and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
4. **If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:**
 - a. **Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.**
 - b. **If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.**
 - c. **Manufacturer representative shall install the test plug for the initial BOP test.**
 - d. **If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.**
 - e. **Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.**
5. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.

- a. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
- b. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, **no tests** shall commence until the cement has had a minimum of 24 hours setup time, except the casing pressure test can be initiated immediately after bumping the plug (only applies to single stage cement jobs).
- c. The tests shall be done by an independent service company utilizing a test plug. The results of the test shall be reported to the appropriate BLM office.
- d. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
- e. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.
- f. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes. This test shall be performed prior to the test at full stack pressure.
- g. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.

C. DRILLING MUD

Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

D. WASTE MATERIAL AND FLUIDS

All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.

Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Waste Minimization Plan (WMP)

In the interest of resource development, submission of additional well gas capture development plan information is deferred but may be required by the BLM Authorized Officer at a later date.

ZS 030418

**PECOS DISTRICT
SURFACE USE
CONDITIONS OF APPROVAL**

| | |
|------------------------------|--|
| OPERATOR'S NAME: | Chevron USA Inc. |
| LEASE NO.: | NMNM 118108 |
| WELL NAME & NO.: | HH SO 17 20 FED 002 |
| SURFACE HOLE FOOTAGE: | 1H: 212' FNL & 1725' FEL, 2H: 212' FNL & 1700' FEL, 3H: 212' FNL & 1675' FEL, 4H: 212' FNL & 1650' FEL, 5H: 212' FNL & 1625' FEL, 6H: 212' FNL & 1600' FEL |
| BOTTOM HOLE FOOTAGE: | 1H: 280' FSL & 330' FEL, 2H: 280' FSL & 1170' FEL, 3H: 280' FSL & 2010' FEL, 4H: 280' FSL & 2430' FEL, 5H: 280' FSL & 1590' FEL, 6H: 280' FSL & 750' FEL |
| LOCATION: | Sec 17, T26S, R27E |
| COUNTY: | Eddy County, New Mexico |

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Standard Conditions of Approval (COA) apply to this APD. If any deviations to these standards exist or special COAs are required, the section with the deviation or requirement will be checked below.

- General Provisions**
- Permit Expiration**
- Archaeology, Paleontology, and Historical Sites**
- Noxious Weeds**
- Special Requirements**
 - Cave/Karst
 - Watershed
- Construction**
 - Notification
 - Topsoil
 - Closed Loop System
 - Federal Mineral Material Pits
 - Well Pads
 - Roads
- Road Section Diagram**
- Production (Post Drilling)**
 - Well Structures & Facilities
 - Pipelines
- Interim Reclamation**
- Final Abandonment & Reclamation**

I. GENERAL PROVISIONS

The approval of the Application For Permit To Drill (APD) is in compliance with all applicable laws and regulations: 43 Code of Federal Regulations 3160, the lease terms, Onshore Oil and Gas Orders, Notices To Lessees, New Mexico Oil Conservation Division (NMOCD) Rules, National Historical Preservation Act As Amended, and instructions and orders of the Authorized Officer. Any request for a variance shall be submitted to the Authorized Officer on Form 3160-5, Sundry Notices and Report on Wells.

II. PERMIT EXPIRATION

If the permit terminates prior to drilling and drilling cannot be commenced within 60 days after expiration, an operator is required to submit Form 3160-5, Sundry Notices and Reports on Wells, requesting surface reclamation requirements for any surface disturbance. However, if the operator will be able to initiate drilling within 60 days after the expiration of the permit, the operator must have set the conductor pipe in order to allow for an extension of 60 days beyond the expiration date of the APD. (Filing of a Sundry Notice is required for this 60 day extension.)

III. ARCHAEOLOGICAL, PALEONTOLOGY & HISTORICAL SITES

Any cultural and/or paleontological resource discovered by the operator or by any person working on the operator's behalf shall immediately report such findings to the Authorized Officer. The operator is fully accountable for the actions of their contractors and subcontractors. The operator shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery shall be made by the Authorized Officer to determine the appropriate actions that shall be required to prevent the loss of significant cultural or scientific values of the discovery. The operator shall be held responsible for the cost of the proper mitigation measures that the Authorized Officer assesses after consultation with the operator on the evaluation and decisions of the discovery. Any unauthorized collection or disturbance of cultural or paleontological resources may result in a shutdown order by the Authorized Officer.

IV. NOXIOUS WEEDS

The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, pads, associated pipeline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for

acceptable weed control methods, which include following EPA and BLM requirements and policies.

V. SPECIAL REQUIREMENT(S)

Cave and Karst Conditions of Approval for APDs

** Depending on location, additional Drilling, Casing, and Cementing procedures may be required by engineering to protect critical karst groundwater recharge areas.

Cave/Karst Surface Mitigation

The following stipulations will be applied to minimize impacts during construction, drilling and production:

Construction:

In the advent that any underground voids are opened up during construction activities, construction activities will be halted and the BLM will be notified immediately.

No Blasting:

No blasting will be utilized for pad construction. The pad will be constructed and leveled by adding the necessary fill and caliche.

Pad Berming:

- The entire perimeter of the well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad.
- The compacted berm shall be constructed at a minimum of 12 inches high with impermeable mineral material (e.g., caliche).
- No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad.
- The topsoil stockpile shall be located outside the bermed well pad.
- Topsoil, either from the well pad or surrounding area, shall not be used to construct the berm.
- No storm drains, tubing or openings shall be placed in the berm.
- If fluid collects within the bermed area, the fluid must be vacuumed into a safe container and disposed of properly at a state approved facility.
- The integrity of the berm shall be maintained around the surfaced pad throughout the life of the well and around the downsized pad after interim reclamation has been completed.
- Any access road entering the well pad shall be constructed so that the integrity of the berm height surrounding the well pad is not compromised. (Any access road crossing the berm cannot be lower than the berm height.)
- Following a rain event, all fluids will vacuumed off of the pad and hauled off-site and disposed at a proper disposal facility.

Tank Battery Liners and Berms:

Tank battery locations and all facilities will be lined and bermed. A 20 mil permanent liner will be installed with a 4 oz. felt backing, or equivalent, to prevent tears or punctures. Tank battery berms must be large enough to contain 1 ½ times the content of the largest tank.

Leak Detection System:

A method of detecting leaks is required. The method could incorporate gauges to measure loss, siting valves and lines so they can be visually inspected, or installing electronic sensors to alarm when a leak is present. Leak detection plan will be submitted to BLM for approval.

Automatic Shut-off Systems:

Automatic shut off, check valves, or similar systems will be installed for pipelines and tanks to minimize the effects of catastrophic line failures used in production or drilling.

Cave/Karst Subsurface Mitigation

The following stipulations will be applied to protect cave/karst and ground water concerns:

Rotary Drilling with Fresh Water:

Fresh water will be used as a circulating medium in zones where caves or karst features are expected. SEE ALSO: Drilling COAs for this well.

Directional Drilling:

Kick off for directional drilling will occur at least 100 feet below the bottom of the cave occurrence zone. SEE ALSO: Drilling COAs for this well.

Lost Circulation:

ALL lost circulation zones from the surface to the base of the cave occurrence zone will be logged and reported in the drilling report.

Regardless of the type of drilling machinery used, if a void of four feet or more and circulation losses greater than 70 percent occur simultaneously while drilling in any cave-bearing zone, the BLM will be notified immediately by the operator. The BLM will assess the situation and work with the operator on corrective actions to resolve the problem.

Abandonment Cementing:

Upon well abandonment in cave karst areas additional plugging conditions of approval may be required. The BLM will assess the situation and work with the operator to ensure proper plugging of the wellbore.

Pressure Testing:

Annual pressure monitoring will be performed by the operator on all casing annuli and reported in a sundry notice. If the test results indicated a casing failure has occurred, remedial action will be undertaken to correct the problem to the BLM's approval.

Watershed

- The entire well pad will be bermed to prevent oil, salt, and other chemical contaminants from leaving the well pad. Topsoil shall not be used to construct the berm. No water flow from the uphill side(s) of the pad shall be allowed to enter the well pad. The berm shall be maintained through the life of the well and after interim reclamation has been completed.
- Any water erosion that may occur due to the construction of the well pad during the life of the well will be quickly corrected and proper measures will be taken to prevent future erosion.

VI. CONSTRUCTION

A. NOTIFICATION

The BLM shall administer compliance and monitor construction of the access road and well pad. Notify the Carlsbad Field Office at (575) 234-5909 at least 3 working days prior to commencing construction of the access road and/or well pad.

When construction operations are being conducted on this well, the operator shall have the approved APD and Conditions of Approval (COA) on the well site and they shall be made available upon request by the Authorized Officer.

B. TOPSOIL

The operator shall strip the top portion of the soil (root zone) from the entire well pad area and stockpile the topsoil along the edge of the well pad as depicted in the APD. The root zone is typically six (6) inches in depth. All the stockpiled topsoil will be redistributed over the interim reclamation areas. Topsoil shall not be used for berming the pad or facilities. For final reclamation, the topsoil shall be spread over the entire pad area for seeding preparation.

Other subsoil (below six inches) stockpiles must be completely segregated from the topsoil stockpile. Large rocks or subsoil clods (not evident in the surrounding terrain) must be buried within the approved area for interim and final reclamation.

C. CLOSED LOOP SYSTEM

Tanks are required for drilling operations: No Pits.

The operator shall properly dispose of drilling contents at an authorized disposal site.

D. FEDERAL MINERAL MATERIALS PIT

Payment shall be made to the BLM prior to removal of any federal mineral materials. Call the Carlsbad Field Office at (575) 234-5972.

E. WELL PAD SURFACING

Surfacing of the well pad is not required.

If the operator elects to surface the well pad, the surfacing material may be required to be removed at the time of reclamation. The well pad shall be constructed in a manner which creates the smallest possible surface disturbance, consistent with safety and operational needs.

F. EXCLOSURE FENCING (CELLARS & PITS)

Exclosure Fencing

The operator will install and maintain exclosure fencing for all open well cellars to prevent access to public, livestock, and large forms of wildlife before and after drilling operations until the pit is free of fluids and the operator initiates backfilling. (For examples of exclosure fencing design, refer to BLM's Oil and Gas Gold Book, Exclosure Fence Illustrations, Figure 1, Page 18.)

G. ON LEASE ACCESS ROADS

Road Width

The access road shall have a driving surface that creates the smallest possible surface disturbance and does not exceed fourteen (14) feet in width. The maximum width of surface disturbance, when constructing the access road, shall not exceed twenty-five (25) feet.

Surfacing

Surfacing material is not required on the new access road driving surface. If the operator elects to surface the new access road or pad, the surfacing material may be required to be removed at the time of reclamation.

Where possible, no improvements should be made on the unsurfaced access road other than to remove vegetation as necessary, road irregularities, safety issues, or to fill low areas that may sustain standing water.

The Authorized Officer reserves the right to require surfacing of any portion of the access road at any time deemed necessary. Surfacing may be required in the

event the road deteriorates, erodes, road traffic increases, or it is determined to be beneficial for future field development. The surfacing depth and type of material will be determined at the time of notification.

Crowning

Crowning shall be done on the access road driving surface. The road crown shall have a grade of approximately 2% (i.e., a 1" crown on a 14' wide road). The road shall conform to Figure 1; cross section and plans for typical road construction.

Ditching

Ditching shall be required on both sides of the road.

Turnouts

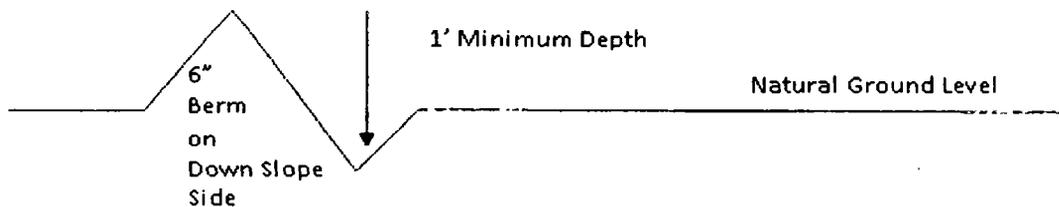
Vehicle turnouts shall be constructed on the road. Turnouts shall be intervisible with interval spacing distance less than 1000 feet. Turnouts shall conform to Figure 1; cross section and plans for typical road construction.

Drainage

Drainage control systems shall be constructed on the entire length of road (e.g. ditches, sidehill outsloping and insloping, lead-off ditches, culvert installation, and low water crossings).

A typical lead-off ditch has a minimum depth of 1 foot below and a berm of 6 inches above natural ground level. The berm shall be on the down-slope side of the lead-off ditch.

Cross Section of a Typical Lead-off Ditch



All lead-off ditches shall be graded to drain water with a 1 percent minimum to 3 percent maximum ditch slope. The spacing interval are variable for lead-off ditches and shall be determined according to the formula for spacing intervals of lead-off ditches, but may be amended depending upon existing soil types and centerline road slope (in %);

Formula for Spacing Interval of Lead-off Ditches

Example - On a 4% road slope that is 400 feet long, the water flow shall drain water into a lead-off ditch. Spacing interval shall be determined by the following formula:

$$400 \text{ foot road with } 4\% \text{ road slope: } \frac{400'}{4\%} + 100' = 200' \text{ lead-off ditch interval}$$

Cattle guards

An appropriately sized cattle guard sufficient to carry out the project shall be installed and maintained at fence/road crossings. Any existing cattle guards on the access road route shall be repaired or replaced if they are damaged or have deteriorated beyond practical use. The operator shall be responsible for the condition of the existing cattle guards that are in place and are utilized during lease operations.

Fence Requirement

Where entry is granted across a fence line, the fence shall be braced and tied off on both sides of the passageway prior to cutting. The operator shall notify the private surface landowner or the grazing allotment holder prior to crossing any fences.

Public Access

Public access on this road shall not be restricted by the operator without specific written approval granted by the Authorized Officer.

Construction Steps

1. Salvage topsoil
2. Construct road

3. Redistribute topsoil
4. Revegetate slopes

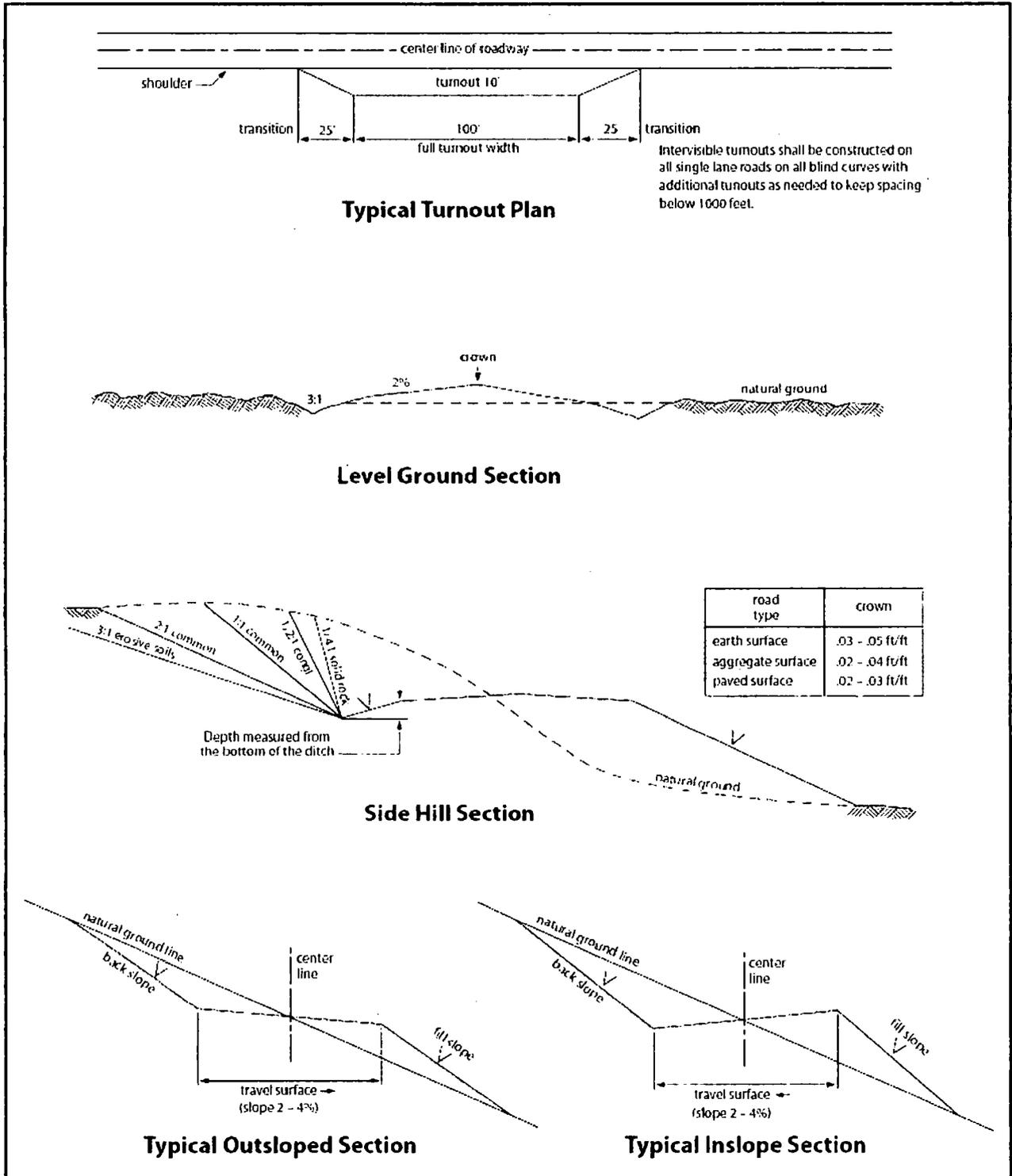


Figure 1. Cross-sections and plans for typical road sections representative of BLM resource or FS local and higher-class roads.

VII. PRODUCTION (POST DRILLING)

A. WELL STRUCTURES & FACILITIES

Placement of Production Facilities

Production facilities should be placed on the well pad to allow for maximum interim recontouring and revegetation of the well location.

Exclosure Netting (Open-top Tanks)

Immediately following active drilling or completion operations, the operator will take actions necessary to prevent wildlife and livestock access, including avian wildlife, to all open-topped tanks that contain or have the potential to contain salinity sufficient to cause harm to wildlife or livestock, hydrocarbons, or Resource Conservation and Recovery Act of 1976-exempt hazardous substances. At a minimum, the operator will net, screen, or cover open-topped tanks to exclude wildlife and livestock and prevent mortality. If the operator uses netting, the operator will cover and secure the open portion of the tank to prevent wildlife entry. The operator will net, screen, or cover the tanks until the operator removes the tanks from the location or the tanks no longer contain substances that could be harmful to wildlife or livestock. Use a maximum netting mesh size of 1 ½ inches. The netting must not be in contact with fluids and must not have holes or gaps.

Chemical and Fuel Secondary Containment and Exclosure Screening

The operator will prevent all hazardous, poisonous, flammable, and toxic substances from coming into contact with soil and water. At a minimum, the operator will install and maintain an impervious secondary containment system for any tank or barrel containing hazardous, poisonous, flammable, or toxic substances sufficient to contain the contents of the tank or barrel and any drips, leaks, and anticipated precipitation. The operator will dispose of fluids within the containment system that do not meet applicable state or U. S. Environmental Protection Agency livestock water standards in accordance with state law; the operator must not drain the fluids to the soil or ground. The operator will design, construct, and maintain all secondary containment systems to prevent wildlife and livestock exposure to harmful substances. At a minimum, the operator will install effective wildlife and livestock exclosure systems such as fencing, netting, expanded metal mesh, lids, and grate covers. Use a maximum netting mesh size of 1 ½ inches.

Open-Vent Exhaust Stack Exclosures

The operator will construct, modify, equip, and maintain all open-vent exhaust stacks on production equipment to prevent birds and bats from entering, and to discourage perching, roosting, and nesting. (*Recommended exclosure structures on open-vent exhaust stacks are in the shape of a cone.*) Production

equipment includes, but may not be limited to, tanks, heater-treaters, separators, dehydrators, flare stacks, in-line units, and compressor mufflers.

Containment Structures

Proposed production facilities such as storage tanks and other vessels will have a secondary containment structure that is constructed to hold the capacity of 1.5 times the largest tank, plus freeboard to account for precipitation, unless more stringent protective requirements are deemed necessary.

Painting Requirement

All above-ground structures including meter housing that are not subject to safety requirements shall be painted a flat non-reflective paint color, **Shale Green** from the BLM Standard Environmental Color Chart (CC-001: June 2008).

B. PIPELINES

STANDARD STIPULATIONS FOR SURFACE INSTALLED PIPELINES

A copy of the Grant and attachments, including stipulations, survey plat(s) and/or map(s), shall be on location during construction. BLM personnel may request to review a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, Holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC § 2601 *et seq.* (1982) with regard to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant (see 40 CFR, Part 702-799 and in particular, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193). Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR, Part 117 shall be reported as required by the Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the Authorized Officer concurrent with the filing of the reports to the involved Federal agency or State government.
3. Holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms

are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. § 9601, *et seq.* or the Resource Conservation and Recovery Act, 42 U.S.C. 6901, *et seq.*) on the Right-of-Way (unless the release or threatened release is wholly unrelated to activity of the Right-of-Way Holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way Holder on the Right-of-Way. This provision applies without regard to whether a release is caused by Holder, its agent, or unrelated third parties.

4. Holder shall be liable for damage or injury to the United States to the extent provided by 43 CFR Sec. 2883.1-4. Holder shall be held to a standard of strict liability for damage or injury to the United States resulting from pipe rupture, fire, or spills caused or substantially aggravated by any of the following within the right-of-way or permit area:

- a. Activities of Holder including, but not limited to: construction, operation, maintenance, and termination of the facility;
- b. Activities of other parties including, but not limited to:
 - (1) Land clearing
 - (2) Earth-disturbing and earth-moving work
 - (3) Blasting
 - (4) Vandalism and sabotage;
- c. Acts of God.

The maximum limitation for such strict liability damages shall not exceed one million dollars (\$1,000,000) for any one event, and any liability in excess of such amount shall be determined by the ordinary rules of negligence of the jurisdiction in which the damage or injury occurred.

This section shall not impose strict liability for damage or injury resulting primarily from an act of war or from the negligent acts or omissions of the United States.

5. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil, salt water, or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil, salt water, or other pollutant, wherever found, shall be the responsibility of Holder, regardless of fault. Upon failure of Holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he/she deems necessary to control and clean up the discharge and restore the area, including, where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of Holder. Such action by the Authorized Officer shall not relieve Holder of any responsibility as provided herein.

6. All construction and maintenance activity shall be confined to the authorized

right-of-way width of 20 feet. If the pipeline route follows an existing road or buried pipeline right-of-way, the surface pipeline shall be installed no farther than 10 feet from the edge of the road or buried pipeline right-of-way. If existing surface pipelines prevent this distance, the proposed surface pipeline shall be installed immediately adjacent to the outer surface pipeline. All construction and maintenance activity shall be confined to existing roads or right-of-ways.

7. No blading or clearing of any vegetation shall be allowed unless approved in writing by the Authorized Officer.

8. Holder shall install the pipeline on the surface in such a manner that will minimize suspension of the pipeline across low areas in the terrain. In hummocky or dune areas, the pipeline shall be "snaked" around hummocks and dunes rather than suspended across these features.

9. The pipeline shall be buried with a minimum of 24 inches under all roads, "two-tracks," and trails. Burial of the pipe will continue for 20 feet on each side of each crossing. The condition of the road, upon completion of construction, shall be returned to at least its former state with no bumps or dips remaining in the road surface.

10. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. Excluding the pipe, all above-ground structures not subject to safety requirement shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be a color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2; designated by the Rocky Mountain Five State Interagency Committee.

13. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. Signs will be maintained in a legible condition for the life of the pipeline.

14. The holder shall not use the pipeline route as a road for purposes other than

routine maintenance as determined necessary by the Authorized Officer in consultation with the holder. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway.

15. Any cultural and/or paleontological resource (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the authorized officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the authorized officer. An evaluation of the discovery will be made by the authorized officer to determine appropriate cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the authorized officer after consulting with the holder.

16. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes the roads, powerline corridor, and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

17. Surface pipelines shall be less than or equal to 4 inches and a working pressure below 125 psi.

STANDARD STIPULATIONS FOR BURIED PIPELINE STIPULATIONS

A copy of the application (Grant, APD, or Sundry Notice) and attachments, including conditions of approval, survey plat and/or map, will be on location during construction. BLM personnel may request to you a copy of your permit during construction to ensure compliance with all stipulations.

Holder agrees to comply with the following stipulations to the satisfaction of the Authorized Officer:

1. The Holder shall indemnify the United States against any liability for damage to life or property arising from the occupancy or use of public lands under this grant.
2. The Holder shall comply with all applicable Federal laws and regulations existing or hereafter enacted or promulgated. In any event, the holder shall comply with the Toxic Substances Control Act of 1976 as amended, 15 USC 2601 et seq. (1982) with regards to any toxic substances that are used, generated by or stored on the right-of-way or on facilities authorized under this right-of-way grant. (See 40 CFR Part 702-799 and especially, provisions on polychlorinated biphenyls, 40 CFR 761.1-761.193.) Additionally, any release of toxic substances (leaks, spills, etc.) in excess of the reportable quantity established by 40 CFR Part 117 shall be reported as required by the

Comprehensive Environmental Response, Compensation, and Liability Act, section 102b. A copy of any report required or requested by any Federal agency or State government as a result of a reportable release or spill of any toxic substances shall be furnished to the authorized officer concurrent with the filing of the reports to the involved Federal agency or State government.

3. The holder agrees to indemnify the United States against any liability arising from the release of any hazardous substance or hazardous waste (as these terms are defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. 9601, et seq. or the Resource Conservation and Recovery Act, 42 U.S.C.6901, et seq.) on the Right-of-Way (unless the release or threatened release is wholly unrelated to the Right-of-Way holder's activity on the Right-of-Way), or resulting from the activity of the Right-of-Way holder on the Right-of-Way. This agreement applies without regard to whether a release is caused by the holder, its agent, or unrelated third parties.

4. If, during any phase of the construction, operation, maintenance, or termination of the pipeline, any oil or other pollutant should be discharged from the pipeline system, impacting Federal lands, the control and total removal, disposal, and cleaning up of such oil or other pollutant, wherever found, shall be the responsibility of holder, regardless of fault. Upon failure of holder to control, dispose of, or clean up such discharge on or affecting Federal lands, or to repair all damages resulting therefrom, on the Federal lands, the Authorized Officer may take such measures as he deems necessary to control and clean up the discharge and restore the area, including where appropriate, the aquatic environment and fish and wildlife habitats, at the full expense of the holder. Such action by the Authorized Officer shall not relieve holder of any responsibility as provided herein.

5. All construction and maintenance activity will be confined to the authorized right-of-way.

6. The pipeline will be buried with a minimum cover of 36 inches between the top of the pipe and ground level.

7. The maximum allowable disturbance for construction in this right-of-way will be 30 feet:

- Blading of vegetation within the right-of-way will be allowed: maximum width of blading operations will not exceed 20 feet. The trench is included in this area. (*Blading is defined as the complete removal of brush and ground vegetation.*)
- Clearing of brush species within the right-of-way will be allowed: maximum width of clearing operations will not exceed 30 feet. The trench and bladed area are included in this area. (*Clearing is defined as the removal of brush while leaving ground vegetation (grasses, weeds, etc.)*)

intact. Clearing is best accomplished by holding the blade 4 to 6 inches above the ground surface.)

- The remaining area of the right-of-way (if any) shall only be disturbed by compressing the vegetation. (*Compressing can be caused by vehicle tires, placement of equipment, etc.*)

8. The holder shall stockpile an adequate amount of topsoil where blading is allowed. The topsoil to be stripped is approximately 6 inches in depth. The topsoil will be segregated from other spoil piles from trench construction. The topsoil will be evenly distributed over the bladed area for the preparation of seeding.

9. The holder shall minimize disturbance to existing fences and other improvements on public lands. The holder is required to promptly repair improvements to at least their former state. Functional use of these improvements will be maintained at all times. The holder will contact the owner of any improvements prior to disturbing them. When necessary to pass through a fence line, the fence shall be braced on both sides of the passageway prior to cutting of the fence. No permanent gates will be allowed unless approved by the Authorized Officer.

10. Vegetation, soil, and rocks left as a result of construction or maintenance activity will be randomly scattered on this right-of-way and will not be left in rows, piles, or berms, unless otherwise approved by the Authorized Officer. The entire right-of-way shall be recontoured to match the surrounding landscape. The backfilled soil shall be compacted and a 6 inch berm will be left over the ditch line to allow for settling back to grade.

11. In those areas where erosion control structures are required to stabilize soil conditions, the holder will install such structures as are suitable for the specific soil conditions being encountered and which are in accordance with sound resource management practices.

12. The holder will reseed all disturbed areas. Seeding will be done according to the attached seeding requirements, using the following seed mix.

- | | |
|--|--|
| <input checked="" type="checkbox"/> seed mixture 1 | <input type="checkbox"/> seed mixture 3 |
| <input type="checkbox"/> seed mixture 2 | <input type="checkbox"/> seed mixture 4 |
| <input type="checkbox"/> seed mixture 2/LPC | <input type="checkbox"/> Aplomado Falcon Mixture |

13. All above-ground structures not subject to safety requirements shall be painted by the holder to blend with the natural color of the landscape. The paint used shall be color which simulates "Standard Environmental Colors" – **Shale Green**, Munsell Soil Color No. 5Y 4/2.

14. The pipeline will be identified by signs at the point of origin and completion of the right-of-way and at all road crossings. At a minimum, signs will state the holder's name, BLM serial number, and the product being transported. All signs and information thereon will be posted in a permanent, conspicuous manner, and will be maintained in a legible condition for the life of the pipeline.

15. The holder shall not use the pipeline route as a road for purposes other than routine maintenance as determined necessary by the Authorized Officer in consultation with the holder before maintenance begins. The holder will take whatever steps are necessary to ensure that the pipeline route is not used as a roadway. As determined necessary during the life of the pipeline, the Authorized Officer may ask the holder to construct temporary deterrence structures.

16. Any cultural and/or paleontological resources (historic or prehistoric site or object) discovered by the holder, or any person working on his behalf, on public or Federal land shall be immediately reported to the Authorized Officer. Holder shall suspend all operations in the immediate area of such discovery until written authorization to proceed is issued by the Authorized Officer. An evaluation of the discovery will be made by the Authorized Officer to determine appropriate actions to prevent the loss of significant cultural or scientific values. The holder will be responsible for the cost of evaluation and any decision as to proper mitigation measures will be made by the Authorized Officer after consulting with the holder.

17. The operator shall be held responsible if noxious weeds become established within the areas of operations. Weed control shall be required on the disturbed land where noxious weeds exist, which includes associated roads, pipeline corridor and adjacent land affected by the establishment of weeds due to this action. The operator shall consult with the Authorized Officer for acceptable weed control methods, which include following EPA and BLM requirements and policies.

18. Escape Ramps - The operator will construct and maintain pipeline/utility trenches [that are not otherwise fenced, screened, or netted] to prevent livestock, wildlife, and humans from becoming entrapped. At a minimum, the operator will construct and maintain escape ramps, ladders, or other methods of avian and terrestrial wildlife escape in the trenches according to the following criteria:

- a. Any trench left open for eight (8) hours or less is not required to have escape ramps; however, before the trench is backfilled, the contractor/operator shall inspect the trench for wildlife, remove all trapped wildlife, and release them at least 100 yards from the trench.
- b. For trenches left open for eight (8) hours or more, earthen escape ramps (built at no more than a 30 degree slope and spaced no more than 500 feet apart) shall be placed in the trench.

VIII. INTERIM RECLAMATION

During the life of the development, all disturbed areas not needed for active support of production operations should undergo interim reclamation in order to minimize the environmental impacts of development on other resources and uses.

Within six (6) months of well completion, operators should work with BLM surface management specialists (Jim Amos: 575-234-5909) to devise the best strategies to reduce the size of the location. Interim reclamation should allow for remedial well operations, as well as safe and efficient removal of oil and gas.

During reclamation, the removal of caliche is important to increasing the success of revegetating the site. Removed caliche that is free of contaminants may be used for road repairs, fire walls or for building other roads and locations. In order to operate the well or complete workover operations, it may be necessary to drive, park and operate on restored interim vegetation within the previously disturbed area. Disturbing revegetated areas for production or workover operations will be allowed. If there is significant disturbance and loss of vegetation, the area will need to be revegetated. Communicate with the appropriate BLM office for any exceptions/exemptions if needed.

All disturbed areas after they have been satisfactorily prepared need to be reseeded with the seed mixture provided below.

Upon completion of interim reclamation, the operator shall submit a Sundry Notices and Reports on Wells, Subsequent Report of Reclamation (Form 3160-5).

IX. FINAL ABANDONMENT & RECLAMATION

At final abandonment, well locations, production facilities, and access roads must undergo "final" reclamation so that the character and productivity of the land are restored.

Earthwork for final reclamation must be completed within six (6) months of well plugging. All pads, pits, facility locations and roads must be reclaimed to a satisfactory revegetated, safe, and stable condition, unless an agreement is made with the landowner or BLM to keep the road and/or pad intact.

After all disturbed areas have been satisfactorily prepared, these areas need to be revegetated with the seed mixture provided below. Seeding should be accomplished by drilling on the contour whenever practical or by other approved methods. Seeding may need to be repeated until revegetation is successful, as determined by the BLM.

Operators shall contact a BLM surface protection specialist prior to surface abandonment operations for site specific objectives (Jim Amos: 575-234-5909).

Seed Mixture 1 for Loamy Sites

Holder shall seed all disturbed areas with the seed mixture listed below. The seed mixture shall be planted in the amounts specified in pounds of pure live seed (PLS)* per acre. There shall be no primary or secondary noxious weeds in the seed mixture. Seed shall be tested and the viability testing of seed will be done in accordance with State law(s) and within nine (9) months prior to purchase. Commercial seed shall be either certified or registered seed. The seed container shall be tagged in accordance with State law(s) and available for inspection by the Authorized Officer.

Seed shall be planted using a drill equipped with a depth regulator to ensure proper depth regulator to ensure proper depth of planting where drilling is possible. The seed mixture shall be evenly and uniformly planted over the disturbed area (small/heavier seeds have a tendency to drop the bottom of the drill and are planted first). Holder shall take appropriate measures to ensure this does not occur. Where drilling is not possible, seed shall be broadcast and the area shall be raked or chained to cover the seed. When broadcasting the seed, the pounds per acre shall be doubled. The seeding shall be repeated until a satisfactory stand is established as determined by the Authorized Officer. Evaluation of growth may not be made before completion of at least one full growing season after seeding.

Species to be planted in pounds of pure live seed* per acre:

| <u>Species</u> | <u>lb/acre</u> |
|--|----------------|
| Plains lovegrass (Eragrostis intermedia) | 0.5 |
| Sand dropseed (Sporobolus cryptandrus) | 1.0 |
| Sideoats grama (Bouteloua curtipendula) | 5.0 |
| Plains bristlegrass (Setaria macrostachya) | 2.0 |

*Pounds of pure live seed:

Pounds of seed x percent purity x percent germination = pounds pure live seed



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Operator Certification Data Report

07/09/2018

Operator 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 herein 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 false statements.

NAME: Laura Becerra

Signed on: 09/05/2017

Title: Permitting Specialist

Street Address: 6301 Deauville Blvd., S2211

City: Midland

State: TX

Zip: 79706

Phone: (432)687-7665

Email address: LBecerra@Chevron.com

Field Representative

Representative Name:

Street Address:

City:

State:

Zip:

Phone:

Email address:



| | | |
|--|------------------------------------|--|
| APD ID: 10400021091 | Submission Date: 09/28/2017 | Highlighted data reflects the most recent changes |
| Operator Name: CHEVRON USA INCORPORATED | | |
| Well Name: HH SO 17 20 FED 002 | Well Number: 4H | Show Final Text |
| Well Type: CONVENTIONAL GAS WELL | Well Work Type: Drill | |

Section 1 - General

| | | |
|---|--|-------------------------------------|
| APD ID: 10400021091 | Tie to previous NOS? | Submission Date: 09/28/2017 |
| BLM Office: CARLSBAD | User: Laura Becerra | Title: Permitting Specialist |
| Federal/Indian APD: FED | Is the first lease penetrated for production Federal or Indian? FED | |
| Lease number: NMNM100549 | Lease Acres: 1920 | |
| Surface access agreement in place? | Allotted? | Reservation: |
| Agreement in place? NO | Federal or Indian agreement: | |
| Agreement number: | | |
| Agreement name: | | |
| Keep application confidential? NO | | |
| Permitting Agent? NO | APD Operator: CHEVRON USA INCORPORATED | |
| Operator letter of designation: | | |

Operator Info

Operator Organization Name: CHEVRON USA INCORPORATED

Operator Address: 6301 Deauville Blvd. **Zip:** 79706

Operator PO Box:

Operator City: Midland **State:** TX

Operator Phone: (432)687-7866

Operator Internet Address:

Section 2 - Well Information

| | | |
|--|---|-----------------------------------|
| Well in Master Development Plan? EXISTING | Mater Development Plan name: HAYHURST DEVELOPMENT AREA | |
| Well in Master SUPO? NO | Master SUPO name: | |
| Well in Master Drilling Plan? NO | Master Drilling Plan name: | |
| Well Name: HH SO 17 20 FED 002 | Well Number: 4H | Well API Number: |
| Field/Pool or Exploratory? Field and Pool | Field Name: PURPLE SAGE | Pool Name: WOLFCAMP, (GAS) |

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Is the proposed well in an area containing other mineral resources? USEABLE WATER,NATURAL GAS,OIL

Describe other minerals:

Is the proposed well in a Helium production area? N Use Existing Well Pad? NO New surface disturbance?

Type of Well Pad: MULTIPLE WELL

Multiple Well Pad Name: HH SONumber: 1H 2H 3H 4H-5H 6H
17 20 FED 002

Well Class: HORIZONTAL

Number of Legs: 1

Well Work Type: Drill

Well Type: CONVENTIONAL GAS WELL

Describe Well Type:

Well sub-Type: INFILL

Describe sub-type:

Distance to town: 11.5 Miles

Distance to nearest well: 1835 FT

Distance to lease line: 330 FT

Reservoir well spacing assigned acres Measurement: 640 Acres

Well plat: HH_SO_17_20_FED_002_4H_C_102_20170928113625.pdf

Well work start Date: 01/28/2018

Duration: 130 DAYS

Section 3 - Well Location Table

Survey Type: RECTANGULAR

Describe Survey Type:

Datum: NAD83

Vertical Datum: NAVD88

Survey number:

| | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | MD | TVD |
|------------------|---------|--------------|----------|--------------|------|-------|---------|----------------------|---------------|---------------------|----------|-------------------|-------------------|------------|----------------|---------------|-----------|----------|
| SHL Leg #1 | 212 | FNL | 165 0 | FEL | 26S | 27E | 17 | Aliquot NWNE 8 | 32.04916 8 | - 104.2090 6 | EDD Y | NEW MEXI CO | NEW MEXI CO | F | NMNM 100549 | 324 8 | 0 | 0 |
| KOP Leg #1 | 212 | FNL | 165 0 | FEL | 26S | 27E | 17 | Aliquot NWNE 8 | 32.04916 8 | - 104.2090 6 | EDD Y | NEW MEXI CO | NEW MEXI CO | F | NMNM 100549 | 324 8 | 0 | 0 |
| PPP Leg #1 | 330 | FNL | 243 0 | FEL | 26S | 27E | 17 | Aliquot NWNE 1 | 32.04885 1 | - 104.2115 77 | EDD Y | NEW MEXI CO | NEW MEXI CO | F | NMNM 100549 | - 645 8 | 200 44 | 970 6 |

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

| | NS-Foot | NS Indicator | EW-Foot | EW Indicator | Twsp | Range | Section | Aliquot/Lot/Tract | Latitude | Longitude | County | State | Meridian | Lease Type | Lease Number | Elevation | MD | TVD |
|-------------------|---------|--------------|----------|--------------|------|-------|---------|----------------------|---------------|---------------------|----------|-------------------|-------------------|------------|----------------|---------------|-----------|----------|
| EXIT Leg #1 | 330 | FSL | 243 0 | FEL | 27S | 27E | 20 | Aliquot SWSE 3 | 32.02137 3 | - 104.2113 48 | EDD Y | NEW MEXI CO | NEW MEXI CO | F | NMNM 100549 | - 646 1 | 200 44 | 970 9 |
| BHL Leg #1 | 280 | FSL | 243 0 | FEL | 26S | 27E | 20 | Aliquot SWSE 6 | 32.02123 6 | - 104.2113 47 | EDD Y | NEW MEXI CO | NEW MEXI CO | F | NMNM 100549 | - 646 1 | 200 44 | 970 9 |

Division
1075 N. First Street, Suite 1000
Santa Fe, New Mexico 87503
Phone (505) 425-1100
Fax (505) 425-1101
Website: www.nm.gov

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

NM OIL CONSERVATION
ARTESIA DISTRICT

JUL 11 2018

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION **RECEIVED**

| | | |
|----------------------------------|--------------------------------------|---|
| APLN. No. 30-015-45107 | Pool Code 98220 | Pool Name PURPLE SAGE; WOLF CAMP (GAS) |
| Proposed Code 321650 | Formation Name HHSO 17 20 FED C02 | Well Number 4H |
| GRID N. 4323 | Operator Name CHEVRON U.S.A. INC. | Elevation 3218 |

Surface Location

| Section | Township | Range | East from the | North of the | Section | County |
|---------|----------|-------------------|---------------|--------------|---------|--------|
| B | 26 SOUTH | 27 EAST, N.M.P.M. | 212 | NORTH | 1650 | LODDY |

Bottom Hole Location If Different From Surface

| Section | Township | Range | East from the | North of the | Section | County |
|---------|----------|-------------------|---------------|--------------|---------|--------|
| O | 26 SOUTH | 27 EAST, N.M.P.M. | 280 | SOUTH | 2130 | LODDY |

| | | | |
|------------------------------|--------------|-------------|---------------|
| Dedicated Area 64c | Section Code | County Code | Operator Code |
|------------------------------|--------------|-------------|---------------|

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

| PROPOSED FIRST TAKE POINT | |
|---------------------------|-----------------|
| X= 537,877 NAD 27 | Y= 381,475 |
| LAT 32.048730 | LONG 104.211083 |
| X= 579,061 NAD83 | Y= 381,531 |
| LAT 32.048851 | LONG 104.211577 |
| MID POINT | |
| X= 537,924 NAD 27 | Y= 376,477 |
| LAT 32.034992 | LONG 104.210949 |
| X= 579,108 NAD83 | Y= 376,534 |
| LAT 32.035114 | LONG 104.211443 |
| PROPOSED LAST TAKE POINT | |
| X= 537,959 NAD 27 | Y= 371,479 |
| LAT 32.021251 | LONG 104.210855 |
| X= 579,143 NAD83 | Y= 371,536 |
| LAT 32.021373 | LONG 104.211348 |

OPERATOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of a trial survey made by me or under my supervision and that the same is true and correct to the best of my belief.

[Signature] 9-15-17
Date of Survey
Professional Surveyor
Company: *[Signature]* Chevron Co.

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of a trial survey made by me or under my supervision and that the same is true and correct to the best of my belief.

6-15-2017
Date of Survey
Signature and Seal of Professional Surveyor
Certificate Number: 23006
Professional Surveyor

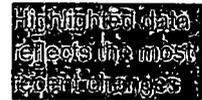
RW 7-12-18



APD ID: 10400021091

Submission Date: 09/28/2017

Operator Name: CHEVRON USA INCORPORATED



Well Name: HH SO 17 20 FED 002

Well Number: 4H

Show Final Text

Well Type: CONVENTIONAL GAS WELL

Well Work Type: Drill

Section 1 - Geologic Formations

| Formation ID | Formation Name | Elevation | True Vertical Depth | Measured Depth | Lithologies | Mineral Resources | Producing Formation |
|--------------|----------------------|-----------|---------------------|----------------|------------------------------|-------------------|---------------------|
| 1 | CASTILE | 3626 | 505 | 505 | LIMESTONE, ANHYDRITE, GYPSUM | NONE | No |
| 2 | BELL CANYON | 1316 | 2310 | 2310 | SANDSTONE | NONE | No |
| 3 | LAMAR LS | 1231 | 2395 | 2395 | LIMESTONE | NONE | No |
| 4 | CHERRY CANYON | 418 | 3208 | 3208 | SANDSTONE | NONE | No |
| 5 | BRUSHY CANYON | -824 | 4450 | 4450 | SANDSTONE | NONE | No |
| 6 | BONE SPRING | -2673 | 6299 | 6299 | LIMESTONE | NONE | No |
| 7 | BONE SPRING 1ST | -3262 | 6888 | 6888 | SANDSTONE | NONE | No |
| 8 | BONE SPRING 1ST | -3288 | 6914 | 6914 | SHALE, SANDSTONE | NONE | No |
| 9 | 2ND BONE SPRING CARB | -3995 | 7621 | 7621 | SANDSTONE | NONE | No |
| 10 | 3RD BONE SPRING CARB | -4991 | 8617 | 8617 | LIMESTONE | NONE | No |
| 11 | WOLFCAMP | -6083 | 9709 | 9709 | MUDSTONE | NATURAL GAS, OIL | Yes |

Section 2 - Blowout Prevention

Pressure Rating (PSI): 5M

Rating Depth: 9709

Equipment: Will have a minimum of 5000 PSI rig stack for drill out below surface casing. Stack will be treated as specified in the attached requirements.

Requesting Variance? YES

Variance request: Chevron requests a variance to use a CoFlex hose with a metal protective covering that will be utilized between the BOP and Choke manifold and Chevron would also like to request another variance to use a FMC technologies conventional well head which will be run through the rig floor on surface casing. BOPE will be nipped up and tested after cementing surface casing. Subsequent tests will be performed as needed, not to exceed 30 days.

Testing Procedure: Test BOP from 250 PSI to 5000 psi in Ram and 250 PSI to 3500 PSI in Annular

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Choke Diagram Attachment:

HH_SO_17_20_FED_002_4H_Choke_Diagram_20170928113835.pdf

BOP Diagram Attachment:

HH_SO_17_20_FED_002_4H_BOP_Diagram_20170928113855.pdf

Section 3 - Casing

| Casing ID | String Type | Hole Size | Csg Size | Condition | Standard | Tapered String | Top Set MD | Bottom Set MD | Top Set TVD | Bottom Set TVD | Top Set MSL | Bottom Set MSL | Calculated casing length MD | Grade | Weight | Joint Type | Collapse SF | Burst SF | Joint SF Type | Joint SF | Body SF Type | Body SF |
|-----------|--------------|-----------|----------|-----------|----------|----------------|------------|---------------|-------------|----------------|-------------|----------------|-----------------------------|-------|--------|-------------|-------------|----------|---------------|----------|--------------|---------|
| 1 | SURFACE | 17.5 | 13.375 | NEW | API | N | 0 | 450 | 0 | 450 | -5742 | -6192 | 450 | K-55 | 54.5 | STC | 5.11 | 1.82 | DRY | 2.31 | DRY | 3.97 |
| 2 | INTERMEDIATE | 12.25 | 9.625 | NEW | API | Y | 0 | 8700 | 0 | 8700 | -5742 | -14757 | 8700 | L-80 | 43.5 | OTHER - TXP | 1.32 | 1.45 | DRY | 1.84 | DRY | 1.78 |
| 3 | PRODUCTION | 8.5 | 5.5 | NEW | API | N | 0 | 20044 | 0 | 20044 | -5742 | -26008 | 20044 | P-110 | 20 | OTHER - TXP | 1.5 | 1.26 | DRY | 1.84 | DRY | 2.43 |

Casing Attachments

Casing ID: 1 String Type: SURFACE

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

HH_SO_17_20_FED_002_4H_9PT_20170928113933.pdf

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Casing Attachments

Casing ID: 2 String Type: INTERMEDIATE

Inspection Document:

Spec Document:

Tapered String Spec:

HH_SO_17_20_FED_002_4H_9.625_TXP_20170928113944.pdf

Casing Design Assumptions and Worksheet(s):

HH_SO_17_20_FED_002_4H_9.625_TXP_20170928113954.pdf

Casing ID: 3 String Type: PRODUCTION

Inspection Document:

Spec Document:

Tapered String Spec:

Casing Design Assumptions and Worksheet(s):

HH_SO_17_20_FED_002_4H_P110_TXP_20170928114013.pdf

Section 4 - Cement

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|-------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|-------------|-----------|
| SURFACE | Lead | | 0 | 450 | 356 | 1.33 | 14.8 | 6.37 | 50 | C | CLASS C |

| | | | | | | | | | | | |
|--------------|------|------|------|------|-----|------|------|-------|----|--------------|--|
| INTERMEDIATE | Lead | 2100 | 0 | 1100 | 213 | 2.43 | 11.9 | 14.21 | 50 | 50:50 POZ: C | CLASS C + ANTIFOAM, EXTENDER, SALT, RETARDER |
| INTERMEDIATE | Tail | | 1100 | 2100 | 235 | 1.33 | 14.8 | 6.37 | 0 | CLASS C | CLASS C + ANTIFOAM, RETARDER, |

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

| String Type | Lead/Tail | Stage Tool Depth | Top MD | Bottom MD | Quantity(sx) | Yield | Density | Cu Ft | Excess% | Cement type | Additives |
|--------------|-----------|------------------|--------|-----------|--------------|-------|---------|-------|---------|-------------|---|
| | | | | | | | | | | | VISCOSIFIER |
| INTERMEDIATE | Lead | 2100 | 2100 | 8015 | 838 | 2.43 | 11.9 | 13.76 | 10 | H | 50:50 POZ: CLASS H + EXTENDER, ANTIFOAM, RETARDER, SALT, VISCOSIFIER |
| INTERMEDIATE | Tail | | 8015 | 8700 | 285 | 1.21 | 15.6 | 5.54 | 50 | H | CLASS H + RETARDER, EXTENDER, DISPERSANT |
| PRODUCTION | Lead | | 7015 | 8015 | 237 | 1.21 | 14.5 | 5.54 | 10 | H | 50:50 POZ: CLASS H + EXTENDER, ANTIFOAM, DISPERSANT, RETARDER |
| PRODUCTION | Tail | | 8015 | 2004 4 | 2547 | 1.2 | 15.6 | 5.3 | 10 | H | CL H + VISCOSIFIER, ANTIFOAM, DISPERSANT, FLUID LOSS, RETARDER, EXPANDING AGENT |

Section 5 - Circulating Medium

Mud System Type: Closed

Will an air or gas system be Used? NO

Description of the equipment for the circulating system in accordance with Onshore Order #2:

Diagram of the equipment for the circulating system in accordance with Onshore Order #2:

Describe what will be on location to control well or mitigate other conditions: A closed system will be utilized consisting of above ground steel tanks. All wastes accumulated during drilling operations will be contained in a portable trash cage and removed from location and deposited in an approved sanitary landfill. Sanitary wastes will be contained in a chemical porta-toilet and then hauled to an approved sanitary landfill. All fluids and cuttings will be disposed of in accordance with NMOCD regulations.

Describe the mud monitoring system utilized: A mud test shall be performed every 24 hours after muddling up to determine, as applicable density, viscosity, gel strength, filtration, and pH. Visual mud monitoring equipment shall be in place to detect volume changes indicating loss or gain of circulating fluid volume. When abnormal pressures are anticipated a PVT, stroke counter, flow sensor will be used to detect volume changes indicating loss or gain of circulating fluid volume in compliance with Onshore Order #2.

Circulating Medium Table

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

| Top Depth | Bottom Depth | Mud Type | Min Weight (lbs/gal) | Max Weight (lbs/gal) | Density (lbs/cu ft) | Gel Strength (lbs/100 sqft) | PH | Viscosity (CP) | Salinity (ppm) | Filtration (cc) | Additional Characteristics |
|-----------|--------------|---------------|----------------------|----------------------|---------------------|-----------------------------|----|----------------|----------------|-----------------|--|
| 0 | 450 | SPUD MUD | 8.3 | 8.7 | | | | | | | |
| 450 | 8700 | OIL-BASED MUD | 9 | 9.5 | | | | | | | |
| 8700 | 2004 4 | OIL-BASED MUD | 10 | 13 | | | | | | | The mud weights will range depending on the targeted formation. The Wolfcamp A pore pressure will not exceed 9.5 ppg, but due to wellbore stability, the mud program will exceed the pore pressure. To control pressure we are using 13.5 and may end up using heavier mud weight to 14.0. |

Section 6 - Test, Logging, Coring

List of production tests including testing procedures, equipment and safety measures:

Drill stem tests are not planned

The logging program will be as follows:

Type: Mudlogs Logs: 2 man mudlog Interval: Csg to TD Timing: Drillout of Int. Csg Vendor: TBD

Type: LWD Logs: MWD gamma Interval: Int. and Prod. Hole Timing: while drilling Vendor: TBD

List of open and cased hole logs run in the well:

GR,MWD,MUDLOG

Coring operation description for the well:

Conventional whole core samples are not planned; direction survey will be run - will send log(s) when run.

Section 7 - Pressure

Anticipated Bottom Hole Pressure: 6563

Anticipated Surface Pressure: 4427.02

Anticipated Bottom Hole Temperature(F): 150

Anticipated abnormal pressures, temperatures, or potential geologic hazards? NO

Describe:

Contingency Plans geohazards description:

Contingency Plans geohazards attachment:

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Hydrogen Sulfide drilling operations plan required? YES

Hydrogen sulfide drilling operations plan:

HH_SO_17_20_FED_002_4H_H2S_20170928114922.pdf

Section 8 - Other Information

Proposed horizontal/directional/multi-lateral plan submission:

HH_SO_17_20_FED_002_4H_Rig_Layout_20170928114959.pdf

HH_SO_17_20_FED_002_4H_Directional_20180119100718.pdf

Other proposed operations facets description:

Other proposed operations facets attachment:

Other Variance attachment:

CHOKE MANIFOLD SCHEMATIC

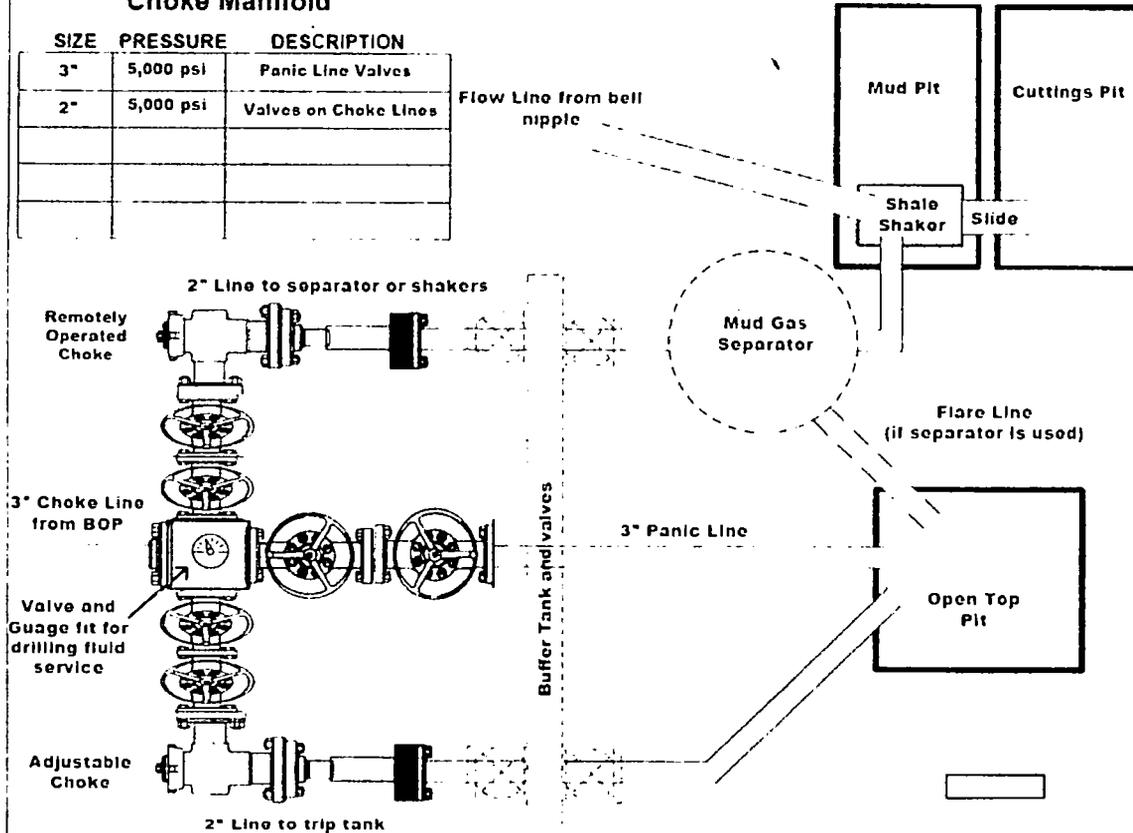
Minimum Requirements

OPERATION : Intermediate and Production Hole Sections

Minimum System Pressure Rating : 5,000 psi

Choke Manifold

| SIZE | PRESSURE | DESCRIPTION |
|------|-----------|-----------------------|
| 3" | 5,000 psi | Panic Line Valves |
| 2" | 5,000 psi | Valves on Choke Lines |
| | | |
| | | |



Installation Checklist

The following items must be verified and checked off prior to pressure testing of BOP equipment.

- The installed BOP equipment meets at least the minimum requirements (rating, type, size, configuration) as shown on this schematic. Components may be substituted for equivalent equipment rated to higher pressures. Additional components may be put into place as long as they meet or exceed the minimum pressure rating of the system.
- Adjustable Chokes may be Remotely Operated but will have backup hand pump for hydraulic actuation in case of loss of rig air pressure or power.
- Flare and Panic lines will terminate a minimum of 150' from the wellhead. These lines will terminate at a location as per approved APD.
- The choke line, kill line, and choke manifold lines will be straight unless turns use tee blocks or are targeted with running tees, and will be anchored to prevent whip and reduce vibration. This excludes the line between mud gas separator and shale shaker.
- All valves (except chokes) on choke line, kill line, and choke manifold will be full opening and will allow straight through flow. This excludes any valves between mud gas separator and shale shakers.
- All manual valves will have hand wheels installed.
- If used, flare system will have effective method for ignition
- All connections will be flanged, welded, or clamped (no threaded connections like hammer unions)
- If buffer tank is used, a valve will be used on all lines at any entry or exit point to or from the buffer tank.

After Installation Checklist is complete, fill out the information below and email to Superintendent and Drilling Engineer

Wellname: _____

Representative: _____

Date: _____

BLOWOUT PREVENTOR SCHEMATIC

Minimum Requirements

OPERATION : Intermediate and Production Hole Sections

Minimum System Pressure Rating : 5,000 psi

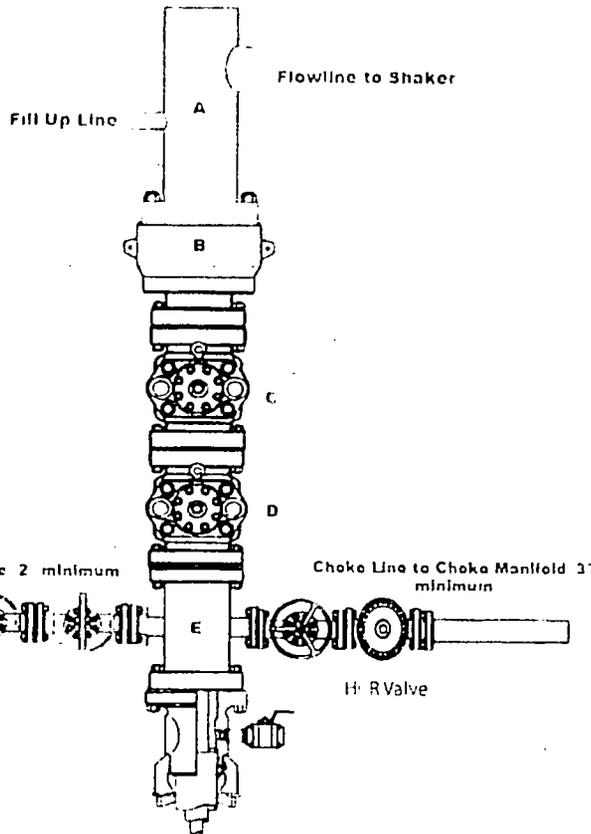
| SIZE | PRESSURE | DESCRIPTION |
|-------|--------------------------------|-------------|
| A | N/A | Bell Nipple |
| B | 13 5/8" 5,000 psi | Annular |
| C | 13 5/8" 5,000 psi | Pipe Ram |
| D | 13 5/8" 5,000 psi | Blind Ram |
| E | 13 5/8" 5,000 psi | Mud Cross |
| F | | |
| DSA | As required for each hole size | |
| C-Sec | | |
| B-Sec | 13-5/8" 5K x 11" 5K | |
| A-Sec | 13-3/8" SOW x 13-5/8" 5K | |

Kill Line

| SIZE | PRESSURE | DESCRIPTION |
|------|-----------|-------------|
| 2" | 5,000 psi | Gate Valve |
| 2" | 5,000 psi | Gate Valve |
| 2" | 5,000 psi | Chock Valve |
| | | |
| | | |

Choke Line

| SIZE | PRESSURE | DESCRIPTION |
|------|-----------|-------------|
| 3" | 5,000 psi | Gate Valve |
| 3" | 5,000 psi | HCR Valve |
| | | |
| | | |



Installation Checklist

The following items must be verified and checked off prior to pressure testing of BOP equipment

- The installed BOP equipment meets at least the minimum requirements (rating, type, size, configuration) as shown on this schematic. Components may be substituted for equivalent equipment rated to higher pressures. Additional components may be put into place as long as they meet or exceed the minimum pressure rating of the system.
- All valves on the kill line and choke line will be full opening and will allow straight through flow.
- The kill line and choke line will be straight unless turns use toe blocks or are targeted with running tool, and will be anchored to prevent whip and reduce vibration.
- Manual (hand wheels) or automatic locking devices will be installed on all ram preventors. Hand wheels will also be installed on all manual valves on the choke line and kill line.
- A valve will be installed in the closing line as close as possible to the annular preventer to act as a locking device. This valve will remain open unless accumulator is inoperative.
- Upper Kelly cock valve with handle will be available on rig floor along with safety valve and subs to fit all drill string connections in use.

After Installation Checklist is complete, fill out the information below and email to Superintendent and Drilling Engineer

Wellname: _____

Representative: _____

Date: _____

BOPE Testing

Minimum Requirements

Closing Unit and Accumulator Checklist

The following item must be performed, verified, and checked off at least once per well prior to low/high pressure testing of BOP equipment. This must be repeated after 6 months on the same well.

- Precharge pressure for each accumulator bottle must fall within the range below. Bottles may be further charged with nitrogen gas only. Tested precharge pressures must be recorded for each individual bottle and kept on location through the end of the well. Test will be conducted prior to connecting unit to BOP stack.

| Check one that applies | Accumulator working pressure rating | Minimum acceptable operating pressure | Desired precharge pressure | Maximum acceptable precharge pressure | Minimum acceptable precharge pressure |
|--------------------------|-------------------------------------|---------------------------------------|----------------------------|---------------------------------------|---------------------------------------|
| <input type="checkbox"/> | 1500 psi | 1500 psi | 750 psi | 800 psi | 700 psi |
| <input type="checkbox"/> | 2000 psi | 2000 psi | 1000 psi | 1100 psi | 900 psi |
| <input type="checkbox"/> | 3000 psi | 3000 psi | 1000 psi | 1100 psi | 900 psi |

- Accumulator will have sufficient capacity to open the hydraulically-controlled choke line valve (if used), close all rams, close the annular preventer, and retain a minimum of 200 psi above the maximum acceptable precharge pressure (see table above) on the closing manifold without the use of the closing pumps. This test will be performed with test pressure recorded and kept on location through the end of the well.
- Accumulator fluid reservoir will be double the usable fluid volume of the accumulator system capacity. Fluid level will be maintained at manufacturer's recommendations. Usable fluid volume will be recorded. Reservoir capacity will be recorded. Reservoir fluid level will be recorded along with manufacturer's recommendation. All will be kept on location through the end of the well.
- Closing unit system will have two independent power sources (not counting accumulator bottles) to close the preventers.
- Power for the closing unit pumps will be available to the unit at all times so that the pumps will automatically start when the closing valve manifold pressure decreases to the pre-set level. It is recommended to check that air line to accumulator pump is "ON" during each tour change.
- With accumulator bottles isolated, closing unit will be capable of opening the hydraulically-operated choke line valve (if used) plus close the annular preventer on the smallest size drill pipe within 2 minutes and obtain a minimum of 200 psi above maximum acceptable precharge pressure (see table above) on the closing manifold. Test pressure and closing time will be recorded and kept on location through the end of the well.
- Master controls for the BOPE system will be located at the accumulator and will be capable of opening and closing all preventer and the choke line valve (if used).
- Remote controls for the BOPE system will be readily accessible (clear path) to the driller and located on the rig floor (not in the dog house). Remote controls will be capable of closing all preventers.
- Record accumulator tests in drilling reports and IADC sheet.

BOPE Test Checklist

The following item must be checked off prior to beginning test

- BLM will be given at least 4 hour notice prior to beginning BOPE testing
- Valve on casing head below test plug will be open
- Test will be performed using clear water.

The following item must be performed during the BOPE testing and then checked off

- BOPE will be pressure tested when initially installed, whenever any seal subject to test pressure is broken, following related repairs, and at a minimum of 30 days intervals. Test pressure and times will be recorded by a 3rd party on a test chart and kept on location through the end of the well
- Test plug will be used
- Ram type preventer and all related well control equipment will be tested to 250 psi (low) and 5,000 psi (high).
- Annular type preventer will be tested to 250 psi (low) and 3,500 psi (high).
- Valves will be tested from the working pressure side with all down stream valves open. The check valve will be held open to test the kill line valve(s)
- Each pressure test will be held for 10 minutes with no allowable leak off.
- Master controls and remote controls to the closing unit (accumulator) must be function tested as part of the BOP testing
- Record BOP tests and pressures in drilling reports and IADC sheet

After Installation Checklist is complete, fill out the information below and email to Superintendent and Drilling Engineer along with any all BOP and accumulator test charts and reports from 3rd parties.

Wellname: _____

Representative: _____

Date: _____

For the latest performance data, always visit our website: www.tenaris.com

February 08 2017



Connection: TenarisXP® BTC
Casing/Tubing: CAS
Coupling Option: REGULAR

Size: 9.625 in.
Wall: 0.435 in.
Weight: 43.50 lbs/ft
Grade: L80.1
Min. Wall Thickness: 87.5 %

| PIPE BODY DATA | | | |
|--|-----------------|---|-----------------|
| GEOMETRY | | | |
| Nominal OD | 9.625 in. | Nominal Weight | 43.50 lbs/ft |
| Nominal ID | 8.755 in. | Wall Thickness | 0.435 in. |
| Plain End Weight | 42.73 lbs/ft | Standard Drift Diameter | 8.599 in. |
| | | Special Drift Diameter | N/A |
| PERFORMANCE | | | |
| Body Yield Strength | 1005 x 1000 lbs | Internal Yield | 6330 psi |
| Collapse | 3810 psi | SMYS | 80000 psi |
| TENARISXP® BTC CONNECTION DATA | | | |
| GEOMETRY | | | |
| Connection OD | 10.625 in. | Coupling Length | 10.825 in. |
| Critical Section Area | 12.559 sq. in. | Threads per in. | 5.00 |
| | | Connection ID | 8.743 in. |
| | | Make-Up Loss | 4.891 in. |
| PERFORMANCE | | | |
| Tension Efficiency | 100 % | Joint Yield Strength | 1005 x 1000 lbs |
| Structural Compression Efficiency | 100 % | Structural Compression Strength | 1005 x 1000 lbs |
| External Pressure Capacity | 3810 psi | Internal Pressure Capacity ⁽¹⁾ | 6330 psi |
| | | Structural Bending ⁽²⁾ | 38 %/100 ft |
| ESTIMATED MAKE-UP TORQUES ⁽³⁾ | | | |
| Minimum | 20240 ft-lbs | Optimum | 22490 ft-lbs |
| | | Maximum | 24740 ft-lbs |
| OPERATIONAL LIMIT TORQUES | | | |
| Operating Torque | ASK | Yield Torque | 45900 ft-lbs |

BLANKING DIMENSIONS

Blanking Dimensions

- (1)** Internal Pressure Capacity related to structural resistance only. Internal pressure leak resistance as per section 10.3 API 5C3 / ISO 10400 - 2007.
- (2)** Structural rating, pure bending to yield (i.e no other loads applied)
- (3)** Torque values calculated for API Modified thread compounds with Friction Factor=1. For other thread compounds please contact us at licensees@oilfield.tenaris.com. Torque values may be further reviewed. For additional information, please contact us at contact-tenarishydril@tenaris.com

For the latest performance data, always visit our website: www.tenaris.com

February 08 2017



Connection: TenarisXP® BTC
Casing/Tubing: CAS
Coupling Option: REGULAR

Size: 9.625 in.
Wall: 0.435 in.
Weight: 43.50 lbs/ft
Grade: L80.1
Min. Wall Thickness: 87.5 %

| PIPE BODY DATA | | | |
|--|-----------------|---|-----------------|
| GEOMETRY | | | |
| Nominal OD | 9.625 in. | Nominal Weight | 43.50 lbs/ft |
| Nominal ID | 8.755 in. | Wall Thickness | 0.435 in. |
| Plain End Weight | 42.73 lbs/ft | Standard Drift Diameter | 8.599 in. |
| | | Special Drift Diameter | N/A |
| PERFORMANCE | | | |
| Body Yield Strength | 1005 x 1000 lbs | Internal Yield | 6330 psi |
| Collapse | 3810 psi | SMYS | 80000 psi |
| TENARISXP® BTC CONNECTION DATA | | | |
| GEOMETRY | | | |
| Connection OD | 10.625 in. | Coupling Length | 10.825 in. |
| Critical Section Area | 12.559 sq. in. | Threads per in. | 5.00 |
| | | Connection ID | 8.743 in. |
| | | Make-Up Loss | 4.891 in. |
| PERFORMANCE | | | |
| Tension Efficiency | 100 % | Joint Yield Strength | 1005 x 1000 lbs |
| Structural Compression Efficiency | 100 % | Structural Compression Strength | 1005 x 1000 lbs |
| External Pressure Capacity | 3810 psi | Internal Pressure Capacity ⁽¹⁾ | 6330 psi |
| | | Structural Bending ⁽²⁾ | 38 °/100 ft |
| ESTIMATED MAKE-UP TORQUES ⁽³⁾ | | | |
| Minimum | 20240 ft-lbs | Optimum | 22490 ft-lbs |
| | | Maximum | 24740 ft-lbs |
| OPERATIONAL LIMIT TORQUES | | | |
| Operating Torque | ASK | Yield Torque | 45900 ft-lbs |

BLANKING DIMENSIONS

Blanking Dimensions

- (1) Internal Pressure Capacity related to structural resistance only. Internal pressure leak resistance as per section 10.3 API 5C3 / ISO 10400 - 2007.
- (2) Structural rating, pure bending to yield (i.e no other loads applied)
- (3) Torque values calculated for API Modified thread compounds with Friction Factor=1. For other thread compounds please contact us at licensees@oilfield.tenaris.com. Torque values may be further reviewed. For additional information, please contact us at contact-tenarishydril@tenaris.com

For the latest performance data, always visit our website: www.tenaris.com

July 07 2015



Connection: TenarisXP™ BTC
Casing/Tubing: CAS
Coupling Option: REGULAR

Size: 5.500 in.
Wall: 0.361 in.
Weight: 20.00 lbs/ft
Grade: P110
Min. Wall Thickness: 87.5 %

| PIPE BODY DATA | | | |
|--|----------------|---|----------------|
| GEOMETRY | | | |
| Nominal OD | 5.500 in. | Nominal Weight | 20.00 lbs/ft |
| Nominal ID | 4.778 in. | Wall Thickness | 0.361 in. |
| Plain End Weight | 19.83 lbs/ft | Standard Drift Diameter | 4.653 in. |
| | | Special Drift Diameter | N/A |
| PERFORMANCE | | | |
| Body Yield Strength | 641 x 1000 lbs | Internal Yield | 12630 psi |
| Collapse | 11100 psi | SMYS | 110000 psi |
| TENARISXP™ BTC CONNECTION DATA | | | |
| GEOMETRY | | | |
| Connection OD | 6.100 in. | Coupling Length | 9.450 in. |
| Critical Section Area | 5.828 sq. in. | Threads per in. | 5.00 |
| | | Connection ID | 4.766 in. |
| | | Make-Up Loss | 4.204 in. |
| PERFORMANCE | | | |
| Tension Efficiency | 100 % | Joint Yield Strength | 641 x 1000 lbs |
| Structural Compression Efficiency | 100 % | Structural Compression Strength | 641 x 1000 lbs |
| External Pressure Capacity | 11100 psi | Internal Pressure Capacity ¹ | 12630 psi |
| | | Structural Bending ² | 92 °/100 ft |
| ESTIMATED MAKE-UP TORQUES ⁽³⁾ | | | |
| Minimum | 11270 ft-lbs | Optimum | 12520 ft-lbs |
| | | Maximum | 13770 ft-lbs |
| OPERATIONAL LIMIT TORQUES | | | |
| Operating Torque | 21500 ft-lbs | Yield Torque | 23900 ft-lbs |

BLANKING DIMENSIONS

Blanking Dimensions

- (1) Internal Pressure Capacity related to structural resistance only. Internal pressure leak resistance as per section 10.3 API 5C3 / ISO 10400 - 2007.
- (2) Structural rating, pure bending to yield (i.e no other loads applied)
- (3) Torque values calculated for API Modified thread compounds with Friction Factor=1. For other thread compounds please contact us at licensees@oilfield.tenaris.com. Torque values may be further reviewed. For additional information, please contact us at contact-tenarishydril@tenaris.com



H₂S Preparedness and Contingency Plan Summary

- Hayhurst Eddy County, New Mexico

Training

MCBU Drilling and Completions H₂S training requirements are intended to define the minimum level of training required for employees, contractors and visitors to enter or perform work at MCBU Drilling and Completions locations that have known concentrations of H₂S.

Awareness Level

Employees and visitors to MCBU Drilling and Completions locations that have known concentrations of H₂S, who are not required to perform work in H₂S areas will be provided with an awareness level of H₂S training prior to entering any H₂S areas. At a minimum awareness level training will include

1. Physical and chemical properties of H₂S
2. Health hazards of H₂S
3. Personal protective equipment
4. Information regarding potential sources of H₂S
5. Alarms and emergency evacuation procedures

Awareness level training will be developed and conducted by personnel who are qualified either by specific training educational experience and/or work-related background

Advanced Level H₂S Training

Employees and contractors required to work in areas that may contain H₂S will be provided with Advanced Level H₂S training prior to initial assignment. In addition to the Awareness Level requirements Advanced Level H₂S training will include:

1. H₂S safe work practice procedures;
2. Emergency contingency plan procedures;
3. Methods to detect the presence or release of H₂S (e.g., alarms, monitoring equipment), including hands-on training with direct reading and personal monitoring H₂S equipment.
4. Basic overview of respiratory protective equipment suitable for use in H₂S environments. Note Employees who work at sites that participate in the Chevron Respirator User program will require separate respirator training as required by the MCBU Respiratory Protection Program;
5. Basic overview of emergency rescue techniques, first aid CPR and medical evaluation procedures. Employees who may be required to perform "standby" duties are required to receive additional first aid and CPR training, which is not covered in the Advanced Level H₂S training;
6. Proficiency examination covering all course material

Advanced H₂S training courses will be instructed by personnel who have successfully completed an appropriate H₂S train-the-trainer development course (ANSI/ASSE Z390 1-2006) or who possess significant past experience through educational or work-related background



H₂S Preparedness and Contingency Plan Summary

H₂S Training Certification

All employees and visitors will be issued an H₂S training certification card (or certificate) upon successful completion of the appropriate H₂S training course. Personnel working in an H₂S environment will carry a current H₂S training certification card as proof of having received the proper training on their person at all times.

Briefing Area

A minimum of two briefing areas will be established in locations that at least one area will be up-wind from the well at all times. Upon recognition of an emergency situation, all personnel should assemble at the designated upwind briefing areas for instructions.

H₂S Equipment

Respiratory Protection

- a) Six 30 minute SCBAs – 2 at each briefing area and 2 in the Safety Trailer.
- b) Eight 5 minute EBAs – 5 in the dog house at the rig floor, 1 at the accumulator, 1 at the shale shakers and 1 at the mud pits.

Visual Warning System

- a) One color code sign, displaying all possible conditions, will be placed at the entrance to the location with a flag displaying the current condition.
- b) Two windsocks will be on location, one on the dog house and one on the Drill Site Manager's Trailer.

H₂S Detection and Monitoring System

- a) H₂S monitoring system (sensor head, warning light and siren) placed throughout rig.
 - Drilling Rig Locations: at a minimum, in the area of the Shale shaker, rig floor, and bell nipple.
 - Workover Rig Locations: at a minimum, in the area of the Cellar, rig floor and circulating tanks or shale shaker.



H₂S Preparedness and Contingency Plan Summary

Well Control Equipment

- a) Flare Line 150' from wellhead with igniter.
- b) Choke manifold with a remotely operated choke.
- c) Mud / gas separator

Mud Program

In the event of drilling, completions, workover and well servicing operations involving a hydrogen sulfide concentration of 100 ppm or greater the following shall be considered:

- 1. Use of a degasser
- 2. Use of a zinc based mud treatment
- 3. Increasing mud weight

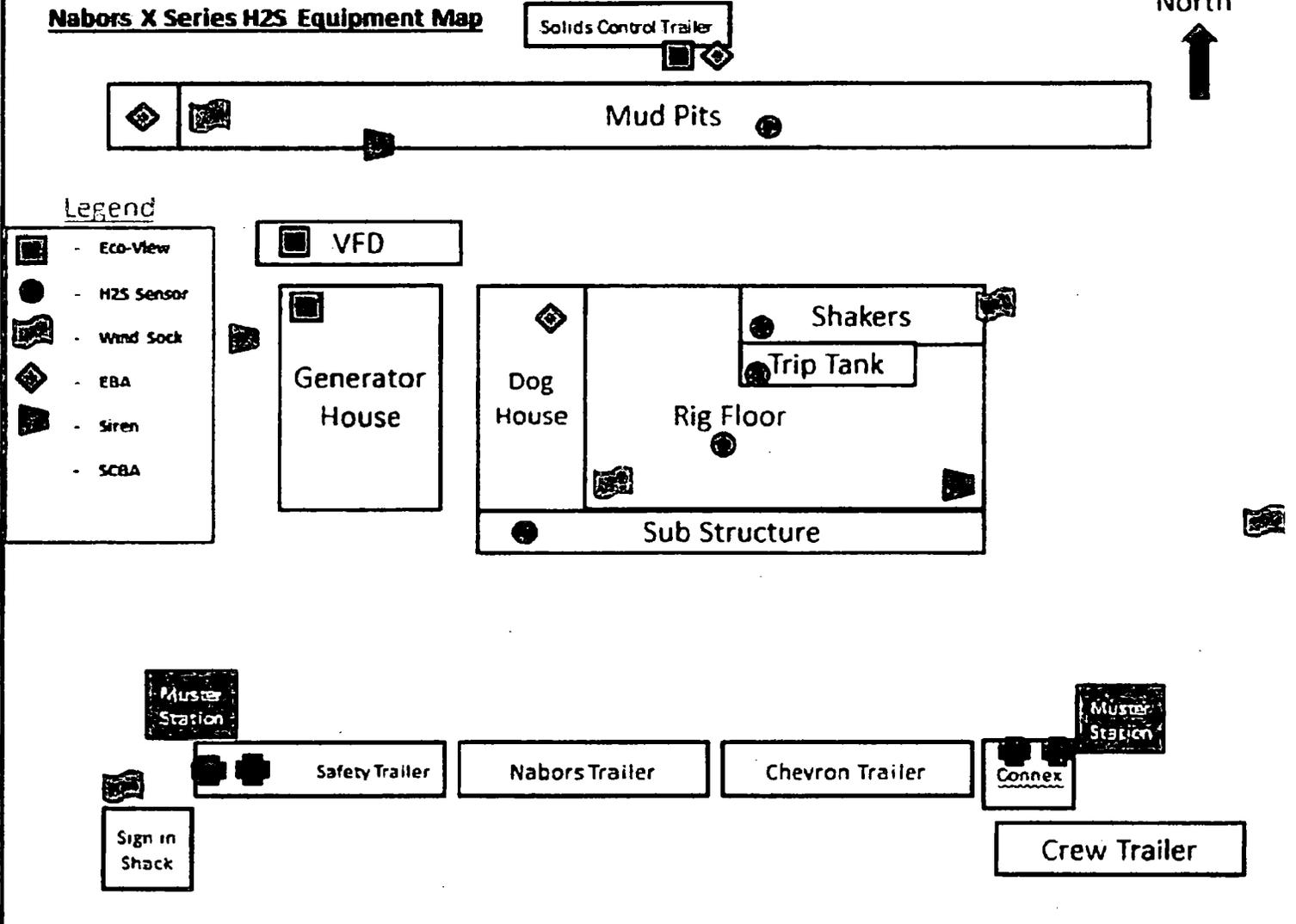
Public Safety - Emergency Assistance

| <u>Agency</u> | <u>Telephone Number</u> |
|----------------------------------|-------------------------|
| Eddy County Sheriff's Department | 575-887-7551 |
| Fire Department: | |
| Carlsbad | 575-885-3125 |
| Artesia | 575-746-5050 |
| Carlsbad Medical Center | 575-887-4100 |
| Eddy County Emergency Management | 575-628-5450 |
| Poison Control Center | 800-222-1222 |

H₂S Preparedness and Contingency Plan Summary



Nabors X Series H₂S Equipment Map



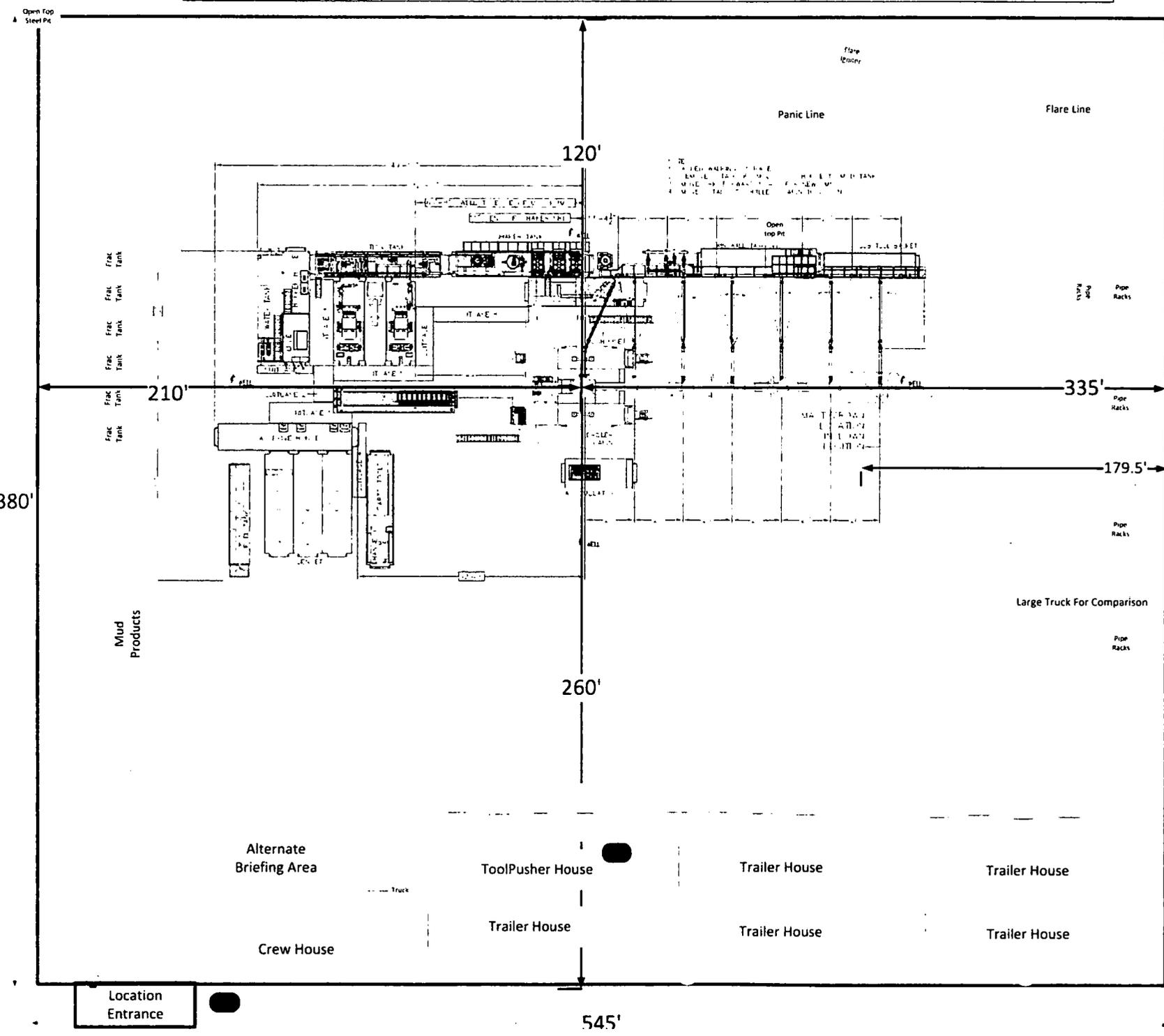
6 well pad Bi-lateral Patterson Mock Pad



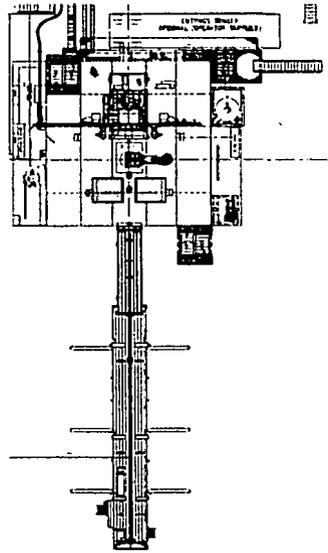
Rig layout shows rig in first and last well for illustration purposes.

- H2S Monitor Locations**
- Bop/Cellar
 - Rig Floor
 - Shaker Skid
 - Bell Nipple
- Flag Locations**
- Sign-in Shack
 - Rig Floor
 - Dog House
- 10 Minute Escape Packs**
- 1 at Pits
 - 1 at Trip Tank
 - 1 at Accumulator
 - 4 at Rig Floor
- 45 Minute Escape Packs**
- 2 at Briefing Area
 - 2 at Alternate Briefing Area

- Legend**
- H2S Monitor
 - Flag



Location Entrance





Chevron

Eddy County, NM (NAD27 NME)

HH SO 17 20 FED 002

4H

OH

Plan: Plan 2 01-09-18

Standard Planning Report

09 January, 2018





Phoenix Technology Services LP

Planning Report



Database: Compass 5000 GCR
Company: Chevron
Project: Eddy County, NM (NAD27 NME)
Site: HH SO 17 20 FED 002
Well: 4H
Wellbore: OH
Design: Plan 2 01-09-18

Local Co-ordinate Reference: Well 4H
TVD Reference: GL + KB @ 3276.60usft
MD Reference: GL + KB @ 3276.60usft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

| | | | |
|--------------------|--------------------------------------|----------------------|----------------|
| Project | Eddy County, NM (NAD27 NME) | | |
| Map System: | US State Plane 1927 (Exact solution) | System Datum: | Mean Sea Level |
| Geo Datum: | NAD 1927 (NADCON CONUS) | | |
| Map Zone: | New Mexico East 3001 | | |

Site HH SO 17 20 FED 002

| | | | | | |
|------------------------------|-----------|---------------------|-----------------|--------------------------|---------------------|
| Site Position: | | Northing: | 381,591.00 usft | Latitude: | 32° 2' 56.57076 N |
| From: | Map | Easting: | 538,581.00 usft | Longitude: | 104° 12' 31.71626 W |
| Position Uncertainty: | 0.00 usft | Slot Radius: | 13-3/16 " | Grid Convergence: | 0.07 ° |

Well 4H

| | | | | | | |
|-----------------------------|--------------|------------|----------------------------|-----------------|----------------------|---------------------|
| Well Position | +N/-S | 0.00 usft | Northing: | 381,591.00 usft | Latitude: | 32° 2' 56.56991 N |
| | +E/-W | 75.00 usft | Easting: | 538,656.00 usft | Longitude: | 104° 12' 30.84481 W |
| Position Uncertainty | | 0.00 usft | Wellhead Elevation: | 0.00 usft | Ground Level: | 3,248.00 usft |

Wellbore OH

| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
|-----------|------------|-------------|--------------------|------------------|------------------------|
| | HDGM | 2/19/2018 | 7.28 | 59.73 | 47,958 |

Design Plan 2 01-09-18

Audit Notes:

Version: Phase: PLAN Tie On Depth: 0.00

| Vertical Section: | Depth From (TVD) (usft) | +N/-S (usft) | +E/-W (usft) | Direction (°) |
|-------------------|----------------------------|-----------------|-----------------|------------------|
| | 0.00 | 0.00 | 0.00 | 183.92 |

Plan Sections

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) | TFO (°) | Target |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|------------------------------|-----------------------------|------------|-------------------|
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 1,800.00 | 0.00 | 0.00 | 1,800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 2,449.96 | 13.00 | 280.08 | 2,444.39 | 12.85 | -72.28 | 2.00 | 2.00 | 0.00 | 280.08 | |
| 4,691.61 | 13.00 | 280.08 | 4,628.61 | 101.15 | -568.72 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 5,341.57 | 0.00 | 0.00 | 5,273.00 | 114.00 | -641.00 | 2.00 | -2.00 | 0.00 | 180.00 | |
| 9,167.57 | 0.00 | 0.00 | 9,099.00 | 114.00 | -641.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 10,078.47 | 91.09 | 189.20 | 9,671.85 | -462.35 | -734.35 | 10.00 | 10.00 | 0.00 | 189.20 | |
| 10,565.23 | 91.09 | 179.46 | 9,662.59 | -947.05 | -771.06 | 2.00 | 0.00 | -2.00 | -89.93 | |
| 14,733.12 | 91.09 | 179.46 | 9,583.60 | -5,114.00 | -732.00 | 0.00 | 0.00 | 0.00 | 0.00 | MPT - HH SO 17 20 |
| 14,770.62 | 90.35 | 179.60 | 9,583.13 | -5,151.50 | -731.69 | 2.00 | -1.96 | 0.37 | 169.22 | |
| 19,781.33 | 90.35 | 179.60 | 9,552.60 | -10,162.00 | -697.00 | 0.00 | 0.00 | 0.00 | 0.00 | BHL - HH SO 17 20 |



Phoenix Technology Services LP

Planning Report



Database: Compass 5000 GCR
Company: Chevron
Project: Eddy County, NM (NAD27 NME)
Site: HH SO 17 20 FED 002
Well: 4H
Wellbore: OH
Design: Plan 2 01-09-18

Local Co-ordinate Reference: Well 4H
TVD Reference: GL + KB @ 3276.60usft
MD Reference: GL + KB @ 3276.60usft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Planned Survey

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|---------------------------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,800.00 | 0.00 | 0.00 | 1,800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| KOP1, Begin 2.00°/100' Build | | | | | | | | | |
| 1,900.00 | 2.00 | 280.08 | 1,899.98 | 0.31 | -1.72 | -0.19 | 2.00 | 2.00 | 0.00 |
| 2,000.00 | 4.00 | 280.08 | 1,999.84 | 1.22 | -6.87 | -0.75 | 2.00 | 2.00 | 0.00 |
| 2,100.00 | 6.00 | 280.08 | 2,099.45 | 2.75 | -15.45 | -1.68 | 2.00 | 2.00 | 0.00 |
| 2,200.00 | 8.00 | 280.08 | 2,198.70 | 4.88 | -27.45 | -2.99 | 2.00 | 2.00 | 0.00 |
| 2,300.00 | 10.00 | 280.08 | 2,297.47 | 7.62 | -42.85 | -4.67 | 2.00 | 2.00 | 0.00 |
| 2,400.00 | 12.00 | 280.08 | 2,395.62 | 10.96 | -61.64 | -6.72 | 2.00 | 2.00 | 0.00 |
| 2,449.96 | 13.00 | 280.08 | 2,444.39 | 12.85 | -72.28 | -7.88 | 2.00 | 2.00 | 0.00 |
| Hold 13.00° Inc at 280.08° Azm | | | | | | | | | |
| 2,500.00 | 13.00 | 280.08 | 2,493.16 | 14.83 | -83.36 | -9.09 | 0.00 | 0.00 | 0.00 |
| 2,600.00 | 13.00 | 280.08 | 2,590.59 | 18.76 | -105.51 | -11.50 | 0.00 | 0.00 | 0.00 |
| 2,700.00 | 13.00 | 280.08 | 2,688.03 | 22.70 | -127.66 | -13.91 | 0.00 | 0.00 | 0.00 |
| 2,800.00 | 13.00 | 280.08 | 2,785.47 | 26.64 | -149.80 | -16.33 | 0.00 | 0.00 | 0.00 |
| 2,900.00 | 13.00 | 280.08 | 2,882.91 | 30.58 | -171.95 | -18.74 | 0.00 | 0.00 | 0.00 |
| 3,000.00 | 13.00 | 280.08 | 2,980.34 | 34.52 | -194.09 | -21.16 | 0.00 | 0.00 | 0.00 |
| 3,100.00 | 13.00 | 280.08 | 3,077.78 | 38.46 | -216.24 | -23.57 | 0.00 | 0.00 | 0.00 |
| 3,200.00 | 13.00 | 280.08 | 3,175.22 | 42.40 | -238.39 | -25.98 | 0.00 | 0.00 | 0.00 |
| 3,300.00 | 13.00 | 280.08 | 3,272.65 | 46.33 | -260.53 | -28.40 | 0.00 | 0.00 | 0.00 |
| 3,400.00 | 13.00 | 280.08 | 3,370.09 | 50.27 | -282.68 | -30.81 | 0.00 | 0.00 | 0.00 |
| 3,500.00 | 13.00 | 280.08 | 3,467.53 | 54.21 | -304.82 | -33.23 | 0.00 | 0.00 | 0.00 |
| 3,600.00 | 13.00 | 280.08 | 3,564.97 | 58.15 | -326.97 | -35.64 | 0.00 | 0.00 | 0.00 |
| 3,700.00 | 13.00 | 280.08 | 3,662.40 | 62.09 | -349.12 | -38.05 | 0.00 | 0.00 | 0.00 |
| 3,800.00 | 13.00 | 280.08 | 3,759.84 | 66.03 | -371.26 | -40.47 | 0.00 | 0.00 | 0.00 |
| 3,900.00 | 13.00 | 280.08 | 3,857.28 | 69.97 | -393.41 | -42.88 | 0.00 | 0.00 | 0.00 |
| 4,000.00 | 13.00 | 280.08 | 3,954.72 | 73.91 | -415.55 | -45.30 | 0.00 | 0.00 | 0.00 |
| 4,100.00 | 13.00 | 280.08 | 4,052.15 | 77.84 | -437.70 | -47.71 | 0.00 | 0.00 | 0.00 |
| 4,200.00 | 13.00 | 280.08 | 4,149.59 | 81.78 | -459.85 | -50.12 | 0.00 | 0.00 | 0.00 |
| 4,300.00 | 13.00 | 280.08 | 4,247.03 | 85.72 | -481.99 | -52.54 | 0.00 | 0.00 | 0.00 |
| 4,400.00 | 13.00 | 280.08 | 4,344.47 | 89.66 | -504.14 | -54.95 | 0.00 | 0.00 | 0.00 |
| 4,500.00 | 13.00 | 280.08 | 4,441.90 | 93.60 | -526.28 | -57.37 | 0.00 | 0.00 | 0.00 |
| 4,600.00 | 13.00 | 280.08 | 4,539.34 | 97.54 | -548.43 | -59.78 | 0.00 | 0.00 | 0.00 |
| 4,691.61 | 13.00 | 280.08 | 4,628.61 | 101.15 | -568.72 | -61.99 | 0.00 | 0.00 | 0.00 |
| Begin 2.00°/100' Drop | | | | | | | | | |
| 4,700.00 | 12.83 | 280.08 | 4,636.78 | 101.47 | -570.57 | -62.19 | 2.00 | -2.00 | 0.00 |
| 4,800.00 | 10.83 | 280.08 | 4,734.65 | 105.06 | -590.75 | -64.39 | 2.00 | -2.00 | 0.00 |
| 4,900.00 | 8.83 | 280.08 | 4,833.18 | 108.05 | -607.56 | -66.23 | 2.00 | -2.00 | 0.00 |
| 5,000.00 | 6.83 | 280.08 | 4,932.24 | 110.44 | -620.98 | -67.69 | 2.00 | -2.00 | 0.00 |
| 5,100.00 | 4.83 | 280.08 | 5,031.72 | 112.22 | -630.98 | -68.78 | 2.00 | -2.00 | 0.00 |
| 5,200.00 | 2.83 | 280.08 | 5,131.49 | 113.39 | -637.56 | -69.50 | 2.00 | -2.00 | 0.00 |
| 5,300.00 | 0.83 | 280.08 | 5,231.43 | 113.95 | -640.70 | -69.84 | 2.00 | -2.00 | 0.00 |
| 5,341.57 | 0.00 | 0.00 | 5,273.00 | 114.00 | -641.00 | -69.87 | 2.00 | -2.00 | 0.00 |
| Begin Vertical Hold | | | | | | | | | |
| 9,167.57 | 0.00 | 0.00 | 9,099.00 | 114.00 | -641.00 | -69.87 | 0.00 | 0.00 | 0.00 |
| KOP2, Begin 10.00°/100' Build | | | | | | | | | |
| 9,200.00 | 3.24 | 189.20 | 9,131.41 | 113.09 | -641.15 | -68.96 | 10.00 | 10.00 | 0.00 |
| 9,300.00 | 13.24 | 189.20 | 9,230.26 | 98.96 | -643.44 | -54.70 | 10.00 | 10.00 | 0.00 |
| 9,400.00 | 23.24 | 189.20 | 9,325.11 | 68.10 | -648.43 | -23.57 | 10.00 | 10.00 | 0.00 |
| 9,500.00 | 33.24 | 189.20 | 9,413.09 | 21.44 | -655.99 | 23.50 | 10.00 | 10.00 | 0.00 |
| 9,600.00 | 43.24 | 189.20 | 9,491.53 | -39.58 | -665.88 | 85.06 | 10.00 | 10.00 | 0.00 |
| 9,700.00 | 53.24 | 189.20 | 9,558.04 | -113.13 | -677.79 | 159.24 | 10.00 | 10.00 | 0.00 |
| 9,800.00 | 63.24 | 189.20 | 9,610.61 | -196.96 | -691.36 | 243.80 | 10.00 | 10.00 | 0.00 |
| 9,900.00 | 73.24 | 189.20 | 9,647.63 | -288.52 | -706.19 | 336.17 | 10.00 | 10.00 | 0.00 |



Phoenix Technology Services LP

Planning Report



Database: Compass 5000 GCR
Company: Chevron
Project: Eddy County, NM (NAD27 NME)
Site: HH SO 17 20 FED 002
Well: 4H
Wellbore: OH
Design: Plan 2 01-09-18

Local Co-ordinate Reference: Well 4H
TVD Reference: GL + KB @ 3276.60usft
MD Reference: GL + KB @ 3276.60usft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Planned Survey

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|---|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 10,000.00 | 83.24 | 189.20 | 9,667.98 | -385.04 | -721.83 | 433.53 | 10.00 | 10.00 | 0.00 |
| 10,078.47 | 91.09 | 189.20 | 9,671.85 | -462.35 | -734.35 | 511.51 | 10.00 | 10.00 | 0.00 |
| LP, Hold 91.09° Inc, Begin 2.00°/100' Turn | | | | | | | | | |
| 10,100.00 | 91.09 | 188.77 | 9,671.44 | -483.61 | -737.71 | 532.96 | 2.00 | 0.00 | -2.00 |
| 10,200.00 | 91.09 | 186.77 | 9,669.54 | -582.67 | -751.22 | 632.71 | 2.00 | 0.00 | -2.00 |
| 10,300.00 | 91.09 | 184.77 | 9,667.63 | -682.14 | -761.27 | 732.63 | 2.00 | 0.00 | -2.00 |
| 10,400.00 | 91.09 | 182.77 | 9,665.73 | -781.90 | -767.84 | 832.61 | 2.00 | 0.00 | -2.00 |
| 10,500.00 | 91.09 | 180.77 | 9,663.83 | -881.83 | -770.93 | 932.52 | 2.00 | 0.00 | -2.00 |
| 10,565.23 | 91.09 | 179.46 | 9,662.59 | -947.05 | -771.06 | 997.59 | 2.00 | 0.00 | -2.00 |
| Hold 179.46° Azm | | | | | | | | | |
| 10,600.00 | 91.09 | 179.46 | 9,661.93 | -981.81 | -770.73 | 1,032.25 | 0.00 | 0.00 | 0.00 |
| 10,700.00 | 91.09 | 179.46 | 9,660.04 | -1,081.79 | -769.80 | 1,131.93 | 0.00 | 0.00 | 0.00 |
| 10,800.00 | 91.09 | 179.46 | 9,658.14 | -1,181.76 | -768.86 | 1,231.60 | 0.00 | 0.00 | 0.00 |
| 10,900.00 | 91.09 | 179.46 | 9,656.25 | -1,281.74 | -767.92 | 1,331.28 | 0.00 | 0.00 | 0.00 |
| 11,000.00 | 91.09 | 179.46 | 9,654.35 | -1,381.72 | -766.99 | 1,430.96 | 0.00 | 0.00 | 0.00 |
| 11,100.00 | 91.09 | 179.46 | 9,652.45 | -1,481.70 | -766.05 | 1,530.64 | 0.00 | 0.00 | 0.00 |
| 11,200.00 | 91.09 | 179.46 | 9,650.56 | -1,581.67 | -765.11 | 1,630.32 | 0.00 | 0.00 | 0.00 |
| 11,300.00 | 91.09 | 179.46 | 9,648.66 | -1,681.65 | -764.17 | 1,730.00 | 0.00 | 0.00 | 0.00 |
| 11,400.00 | 91.09 | 179.46 | 9,646.77 | -1,781.63 | -763.24 | 1,829.68 | 0.00 | 0.00 | 0.00 |
| 11,500.00 | 91.09 | 179.46 | 9,644.87 | -1,881.61 | -762.30 | 1,929.36 | 0.00 | 0.00 | 0.00 |
| 11,600.00 | 91.09 | 179.46 | 9,642.98 | -1,981.58 | -761.36 | 2,029.04 | 0.00 | 0.00 | 0.00 |
| 11,700.00 | 91.09 | 179.46 | 9,641.08 | -2,081.56 | -760.43 | 2,128.72 | 0.00 | 0.00 | 0.00 |
| 11,800.00 | 91.09 | 179.46 | 9,639.19 | -2,181.54 | -759.49 | 2,228.40 | 0.00 | 0.00 | 0.00 |
| 11,900.00 | 91.09 | 179.46 | 9,637.29 | -2,281.52 | -758.55 | 2,328.08 | 0.00 | 0.00 | 0.00 |
| 12,000.00 | 91.09 | 179.46 | 9,635.40 | -2,381.49 | -757.61 | 2,427.75 | 0.00 | 0.00 | 0.00 |
| 12,100.00 | 91.09 | 179.46 | 9,633.50 | -2,481.47 | -756.68 | 2,527.43 | 0.00 | 0.00 | 0.00 |
| 12,200.00 | 91.09 | 179.46 | 9,631.61 | -2,581.45 | -755.74 | 2,627.11 | 0.00 | 0.00 | 0.00 |
| 12,300.00 | 91.09 | 179.46 | 9,629.71 | -2,681.43 | -754.80 | 2,726.79 | 0.00 | 0.00 | 0.00 |
| 12,400.00 | 91.09 | 179.46 | 9,627.82 | -2,781.41 | -753.87 | 2,826.47 | 0.00 | 0.00 | 0.00 |
| 12,500.00 | 91.09 | 179.46 | 9,625.92 | -2,881.38 | -752.93 | 2,926.15 | 0.00 | 0.00 | 0.00 |
| 12,600.00 | 91.09 | 179.46 | 9,624.03 | -2,981.36 | -751.99 | 3,025.83 | 0.00 | 0.00 | 0.00 |
| 12,700.00 | 91.09 | 179.46 | 9,622.13 | -3,081.34 | -751.05 | 3,125.51 | 0.00 | 0.00 | 0.00 |
| 12,800.00 | 91.09 | 179.46 | 9,620.24 | -3,181.32 | -750.12 | 3,225.19 | 0.00 | 0.00 | 0.00 |
| 12,900.00 | 91.09 | 179.46 | 9,618.34 | -3,281.29 | -749.18 | 3,324.87 | 0.00 | 0.00 | 0.00 |
| 13,000.00 | 91.09 | 179.46 | 9,616.45 | -3,381.27 | -748.24 | 3,424.55 | 0.00 | 0.00 | 0.00 |
| 13,100.00 | 91.09 | 179.46 | 9,614.55 | -3,481.25 | -747.31 | 3,524.23 | 0.00 | 0.00 | 0.00 |
| 13,200.00 | 91.09 | 179.46 | 9,612.66 | -3,581.23 | -746.37 | 3,623.91 | 0.00 | 0.00 | 0.00 |
| 13,300.00 | 91.09 | 179.46 | 9,610.76 | -3,681.20 | -745.43 | 3,723.58 | 0.00 | 0.00 | 0.00 |
| 13,400.00 | 91.09 | 179.46 | 9,608.87 | -3,781.18 | -744.49 | 3,823.26 | 0.00 | 0.00 | 0.00 |
| 13,500.00 | 91.09 | 179.46 | 9,606.97 | -3,881.16 | -743.56 | 3,922.94 | 0.00 | 0.00 | 0.00 |
| 13,600.00 | 91.09 | 179.46 | 9,605.07 | -3,981.14 | -742.62 | 4,022.62 | 0.00 | 0.00 | 0.00 |
| 13,700.00 | 91.09 | 179.46 | 9,603.18 | -4,081.12 | -741.68 | 4,122.30 | 0.00 | 0.00 | 0.00 |
| 13,800.00 | 91.09 | 179.46 | 9,601.28 | -4,181.09 | -740.74 | 4,221.98 | 0.00 | 0.00 | 0.00 |
| 13,900.00 | 91.09 | 179.46 | 9,599.39 | -4,281.07 | -739.81 | 4,321.66 | 0.00 | 0.00 | 0.00 |
| 14,000.00 | 91.09 | 179.46 | 9,597.49 | -4,381.05 | -738.87 | 4,421.34 | 0.00 | 0.00 | 0.00 |
| 14,100.00 | 91.09 | 179.46 | 9,595.60 | -4,481.03 | -737.93 | 4,521.02 | 0.00 | 0.00 | 0.00 |
| 14,200.00 | 91.09 | 179.46 | 9,593.70 | -4,581.00 | -737.00 | 4,620.70 | 0.00 | 0.00 | 0.00 |
| 14,300.00 | 91.09 | 179.46 | 9,591.81 | -4,680.98 | -736.06 | 4,720.38 | 0.00 | 0.00 | 0.00 |
| 14,400.00 | 91.09 | 179.46 | 9,589.91 | -4,780.96 | -735.12 | 4,820.06 | 0.00 | 0.00 | 0.00 |
| 14,500.00 | 91.09 | 179.46 | 9,588.02 | -4,880.94 | -734.18 | 4,919.73 | 0.00 | 0.00 | 0.00 |
| 14,600.00 | 91.09 | 179.46 | 9,586.12 | -4,980.91 | -733.25 | 5,019.41 | 0.00 | 0.00 | 0.00 |
| 14,700.00 | 91.09 | 179.46 | 9,584.23 | -5,080.89 | -732.31 | 5,119.09 | 0.00 | 0.00 | 0.00 |
| 14,733.12 | 91.09 | 179.46 | 9,583.60 | -5,114.00 | -732.00 | 5,152.10 | 0.00 | 0.00 | 0.00 |



Phoenix Technology Services LP

Planning Report



Database: Compass 5000 GCR
Company: Chevron
Project: Eddy County, NM (NAD27 NME)
Site: HH SO 17 20 FED 002
Well: 4H
Wellbore: OH
Design: Plan 2 01-09-18

Local Co-ordinate Reference: Well 4H
TVD Reference: GL + KB @ 3276.60usft
MD Reference: GL + KB @ 3276.60usft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Planned Survey

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|---|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| Begin 2.00°/100' Drop & Turn | | | | | | | | | |
| 14,770.62 | 90.35 | 179.60 | 9,583.13 | -5,151.50 | -731.69 | 5,189.49 | 2.00 | -1.96 | 0.37 |
| Hold 90.35° Inc at 179.60° Azm | | | | | | | | | |
| 14,800.00 | 90.35 | 179.60 | 9,582.95 | -5,180.88 | -731.49 | 5,218.79 | 0.00 | 0.00 | 0.00 |
| 14,900.00 | 90.35 | 179.60 | 9,582.34 | -5,280.87 | -730.80 | 5,318.50 | 0.00 | 0.00 | 0.00 |
| 15,000.00 | 90.35 | 179.60 | 9,581.73 | -5,380.87 | -730.11 | 5,418.22 | 0.00 | 0.00 | 0.00 |
| 15,100.00 | 90.35 | 179.60 | 9,581.12 | -5,480.87 | -729.41 | 5,517.93 | 0.00 | 0.00 | 0.00 |
| 15,200.00 | 90.35 | 179.60 | 9,580.51 | -5,580.86 | -728.72 | 5,617.65 | 0.00 | 0.00 | 0.00 |
| 15,300.00 | 90.35 | 179.60 | 9,579.91 | -5,680.86 | -728.03 | 5,717.36 | 0.00 | 0.00 | 0.00 |
| 15,400.00 | 90.35 | 179.60 | 9,579.30 | -5,780.85 | -727.34 | 5,817.07 | 0.00 | 0.00 | 0.00 |
| 15,500.00 | 90.35 | 179.60 | 9,578.69 | -5,880.85 | -726.64 | 5,916.79 | 0.00 | 0.00 | 0.00 |
| 15,600.00 | 90.35 | 179.60 | 9,578.08 | -5,980.84 | -725.95 | 6,016.50 | 0.00 | 0.00 | 0.00 |
| 15,700.00 | 90.35 | 179.60 | 9,577.47 | -6,080.84 | -725.26 | 6,116.22 | 0.00 | 0.00 | 0.00 |
| 15,800.00 | 90.35 | 179.60 | 9,576.86 | -6,180.84 | -724.57 | 6,215.93 | 0.00 | 0.00 | 0.00 |
| 15,900.00 | 90.35 | 179.60 | 9,576.25 | -6,280.83 | -723.87 | 6,315.64 | 0.00 | 0.00 | 0.00 |
| 16,000.00 | 90.35 | 179.60 | 9,575.64 | -6,380.83 | -723.18 | 6,415.36 | 0.00 | 0.00 | 0.00 |
| 16,100.00 | 90.35 | 179.60 | 9,575.03 | -6,480.82 | -722.49 | 6,515.07 | 0.00 | 0.00 | 0.00 |
| 16,200.00 | 90.35 | 179.60 | 9,574.42 | -6,580.82 | -721.80 | 6,614.79 | 0.00 | 0.00 | 0.00 |
| 16,300.00 | 90.35 | 179.60 | 9,573.81 | -6,680.81 | -721.10 | 6,714.50 | 0.00 | 0.00 | 0.00 |
| 16,400.00 | 90.35 | 179.60 | 9,573.20 | -6,780.81 | -720.41 | 6,814.21 | 0.00 | 0.00 | 0.00 |
| 16,500.00 | 90.35 | 179.60 | 9,572.59 | -6,880.81 | -719.72 | 6,913.93 | 0.00 | 0.00 | 0.00 |
| 16,600.00 | 90.35 | 179.60 | 9,571.98 | -6,980.80 | -719.03 | 7,013.64 | 0.00 | 0.00 | 0.00 |
| 16,700.00 | 90.35 | 179.60 | 9,571.37 | -7,080.80 | -718.34 | 7,113.35 | 0.00 | 0.00 | 0.00 |
| 16,800.00 | 90.35 | 179.60 | 9,570.77 | -7,180.79 | -717.64 | 7,213.07 | 0.00 | 0.00 | 0.00 |
| 16,900.00 | 90.35 | 179.60 | 9,570.16 | -7,280.79 | -716.95 | 7,312.78 | 0.00 | 0.00 | 0.00 |
| 17,000.00 | 90.35 | 179.60 | 9,569.55 | -7,380.78 | -716.26 | 7,412.50 | 0.00 | 0.00 | 0.00 |
| 17,100.00 | 90.35 | 179.60 | 9,568.94 | -7,480.78 | -715.57 | 7,512.21 | 0.00 | 0.00 | 0.00 |
| 17,200.00 | 90.35 | 179.60 | 9,568.33 | -7,580.78 | -714.87 | 7,611.92 | 0.00 | 0.00 | 0.00 |
| 17,300.00 | 90.35 | 179.60 | 9,567.72 | -7,680.77 | -714.18 | 7,711.64 | 0.00 | 0.00 | 0.00 |
| 17,400.00 | 90.35 | 179.60 | 9,567.11 | -7,780.77 | -713.49 | 7,811.35 | 0.00 | 0.00 | 0.00 |
| 17,500.00 | 90.35 | 179.60 | 9,566.50 | -7,880.76 | -712.80 | 7,911.07 | 0.00 | 0.00 | 0.00 |
| 17,600.00 | 90.35 | 179.60 | 9,565.89 | -7,980.76 | -712.10 | 8,010.78 | 0.00 | 0.00 | 0.00 |
| 17,700.00 | 90.35 | 179.60 | 9,565.28 | -8,080.76 | -711.41 | 8,110.49 | 0.00 | 0.00 | 0.00 |
| 17,800.00 | 90.35 | 179.60 | 9,564.67 | -8,180.75 | -710.72 | 8,210.21 | 0.00 | 0.00 | 0.00 |
| 17,900.00 | 90.35 | 179.60 | 9,564.06 | -8,280.75 | -710.03 | 8,309.92 | 0.00 | 0.00 | 0.00 |
| 18,000.00 | 90.35 | 179.60 | 9,563.45 | -8,380.74 | -709.33 | 8,409.64 | 0.00 | 0.00 | 0.00 |
| 18,100.00 | 90.35 | 179.60 | 9,562.84 | -8,480.74 | -708.64 | 8,509.35 | 0.00 | 0.00 | 0.00 |
| 18,200.00 | 90.35 | 179.60 | 9,562.24 | -8,580.73 | -707.95 | 8,609.06 | 0.00 | 0.00 | 0.00 |
| 18,300.00 | 90.35 | 179.60 | 9,561.63 | -8,680.73 | -707.26 | 8,708.78 | 0.00 | 0.00 | 0.00 |
| 18,400.00 | 90.35 | 179.60 | 9,561.02 | -8,780.73 | -706.56 | 8,808.49 | 0.00 | 0.00 | 0.00 |
| 18,500.00 | 90.35 | 179.60 | 9,560.41 | -8,880.72 | -705.87 | 8,908.21 | 0.00 | 0.00 | 0.00 |
| 18,600.00 | 90.35 | 179.60 | 9,559.80 | -8,980.72 | -705.18 | 9,007.92 | 0.00 | 0.00 | 0.00 |
| 18,700.00 | 90.35 | 179.60 | 9,559.19 | -9,080.71 | -704.49 | 9,107.63 | 0.00 | 0.00 | 0.00 |
| 18,800.00 | 90.35 | 179.60 | 9,558.58 | -9,180.71 | -703.79 | 9,207.35 | 0.00 | 0.00 | 0.00 |
| 18,900.00 | 90.35 | 179.60 | 9,557.97 | -9,280.70 | -703.10 | 9,307.06 | 0.00 | 0.00 | 0.00 |
| 19,000.00 | 90.35 | 179.60 | 9,557.36 | -9,380.70 | -702.41 | 9,406.78 | 0.00 | 0.00 | 0.00 |
| 19,100.00 | 90.35 | 179.60 | 9,556.75 | -9,480.70 | -701.72 | 9,506.49 | 0.00 | 0.00 | 0.00 |
| 19,200.00 | 90.35 | 179.60 | 9,556.14 | -9,580.69 | -701.03 | 9,606.20 | 0.00 | 0.00 | 0.00 |
| 19,300.00 | 90.35 | 179.60 | 9,555.53 | -9,680.69 | -700.33 | 9,705.92 | 0.00 | 0.00 | 0.00 |
| 19,400.00 | 90.35 | 179.60 | 9,554.92 | -9,780.68 | -699.64 | 9,805.63 | 0.00 | 0.00 | 0.00 |
| 19,500.00 | 90.35 | 179.60 | 9,554.31 | -9,880.68 | -698.95 | 9,905.35 | 0.00 | 0.00 | 0.00 |
| 19,600.00 | 90.35 | 179.60 | 9,553.71 | -9,980.67 | -698.26 | 10,005.06 | 0.00 | 0.00 | 0.00 |
| 19,700.00 | 90.35 | 179.60 | 9,553.10 | -10,080.67 | -697.56 | 10,104.77 | 0.00 | 0.00 | 0.00 |



Phoenix Technology Services LP

Planning Report



Database: Compass 5000 GCR
Company: Chevron
Project: Eddy County, NM (NAD27 NME)
Site: HH SO 17 20 FED 002
Well: 4H
Wellbore: OH
Design: Plan 2 01-09-18

Local Co-ordinate Reference: Well 4H
TVD Reference: GL + KB @ 3276.60usft
MD Reference: GL + KB @ 3276.60usft
North Reference: Grid
Survey Calculation Method: Minimum Curvature

Planned Survey

| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|-----------------------|-----------------|-------------|-----------------------|--------------|--------------|-------------------------|-------------------------|------------------------|-----------------------|
| 19,781.33 | 90.35 | 179.60 | 9,552.60 | -10,162.00 | -697.00 | 10,185.88 | 0.00 | 0.00 | 0.00 |
| TD at 19781.33 | | | | | | | | | |

Design Targets

Target Name

| - hit/miss target - Shape | Dip Angle (°) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude | Longitude |
|--|---------------|--------------|------------|--------------|--------------|-----------------|----------------|--------------------------------------|-----------|
| BHL - HH SO 17 20 F - plan hits target center - Point | 0.00 | 0.00 | 9,552.60 | -10,162.00 | -697.00 | 371,429.00 | 537,959.00 | 32° 1' 16.00795 N 04° 12' 39.07733 W | |
| LTP - HH SO 17 20 F: - plan misses target center by 31.34usft at 19700.00usft MD (9553.10 TVD, -10080.67 N, -697.56 E) - Point | 0.00 | 0.00 | 9,552.60 | -10,112.00 | -697.00 | 371,479.00 | 537,959.00 | 32° 1' 16.50278 N 04° 12' 39.07667 W | |
| MPT - HH SO 17 20 F - plan hits target center - Point | 0.00 | 0.00 | 9,583.60 | -5,114.00 | -732.00 | 376,477.00 | 537,924.00 | 32° 2' 5.96674 N 04° 12' 39.41745 W | |
| FTP - HH SO 17 20 F - plan misses target center by 134.86usft at 9779.72usft MD (9601.16 TVD, -179.25 N, -688.50 E) - Point | 0.00 | 0.00 | 9,678.60 | -116.00 | -779.00 | 381,475.00 | 537,877.00 | 32° 2' 55.43072 N 04° 12' 39.89775 W | |

Plan Annotations

| Measured Depth (usft) | Vertical Depth (usft) | Local Coordinates | | Comment |
|-----------------------|-----------------------|-------------------|--------------|--|
| | | +N/-S (usft) | +E/-W (usft) | |
| 1,800.00 | 1,800.00 | 0.00 | 0.00 | KOP1, Begin 2.00°/100' Build |
| 2,449.96 | 2,444.39 | 12.85 | -72.28 | Hold 13.00° Inc at 280.08° Azm |
| 4,691.61 | 4,628.61 | 101.15 | -568.72 | Begin 2.00°/100' Drop |
| 5,341.57 | 5,273.00 | 114.00 | -641.00 | Begin Vertical Hold |
| 9,167.57 | 9,099.00 | 114.00 | -641.00 | KOP2, Begin 10.00°/100' Build |
| 10,078.47 | 9,671.85 | -462.35 | -734.35 | LP, Hold 91.09° Inc, Begin 2.00°/100' Turn |
| 10,565.23 | 9,662.59 | -947.05 | -771.06 | Hold 179.46° Azm |
| 14,733.12 | 9,583.60 | -5,114.00 | -732.00 | Begin 2.00°/100' Drop & Turn |
| 14,770.62 | 9,583.13 | -5,151.50 | -731.69 | Hold 90.35° Inc at 179.60° Azm |
| 19,781.33 | 9,552.60 | -10,162.00 | -697.00 | TD at 19781.33 |



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

SUPO Data Report

07/09/2018

APD ID: 10400021091

Submission Date: 09/28/2017

Highlighted data
reflects the most
recent changes

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

[Show Final Text](#)

Well Type: CONVENTIONAL GAS WELL

Well Work Type: Drill

Section 1 - Existing Roads

Will existing roads be used? YES

Existing Road Map:

HH_SO_17_20_FED_002_4H_RoadPlat_20170928115015.pdf

Existing Road Purpose: ACCESS,FLUID TRANSPORT

Row(s) Exist? NO

ROW ID(s)

ID:

Do the existing roads need to be improved? YES

Existing Road Improvement Description: The operator will improve or maintain existing roads in a condition the same as or better than before operations begin. The operator will also repair any pot holes, clear ditches, repair crown; etc. All existing structures on the entire access route such as cattle guards, other range improvements project, culverts, etc. will be properly repaired or replace if they are damaged or have deteriorated beyond practical use. We will prevent and abate fugitive dust as needed, whether created by vehicular traffic, equipment operations, or wind events. BLM written approval will be acquired before application of surfactants, binding agents, or other dust suppression chemicals on roadways. Existing lease roads operated by Chevron will be maintained as needed or upon request (based on historical weather data, CVX expects that maintenance will likely occur four to five times annually). Existing lease roads used by multiple operators will be maintained through road maintenance parameters with all parties.

Existing Road Improvement Attachment:

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

HH_SO_17_20_FED_002_4H_NewRoad_20180228142452.pdf

New road type: LOCAL

Length (ft): 510

Feet

Width (ft): 24

Max slope (%): 2

Max grade (%): 3

Army Corp of Engineers (ACEC) permit required? NO

ACOE Permit Number(s):

New road level width: 24

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

New road access erosion control: Erosion / Drainage: Drainage control system shall be constructed on the entire length of road by the use of any of the following: ditching and will be graveled as needed for drilling, side hill out-sloping and in-sloping, lead-off ditches, culvert installation, or low water crossings, culverts, and water bars where needed: straw waddies will be used on the down-slope side of new roads where undisturbed grades away from the roadway are 5% or greater. New road access plan or profile prepared? NO

New road access plan attachment:

Access road engineering design? NO

Access road engineering design attachment:

Access surfacing type: NONE

Access topsoil source: ONSITE

Access surfacing type description:

Access topsoil source description:

Offsite topsoil source description:

Offsite topsoil removal process: NONE NEEDED

Access other construction information: Enclosure fencing will be installed around open cellar to prevent livestock or large wildlife from being trapped after installation. Fencing will remain in place while no activity is present and until back-filling takes place.

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing: CROSSING, CULVERT, OTHER

Drainage Control Comments: SEDIMENT TRAPS (PLY-BALES SUGGESTED BY BLM) we don't use every time but keep handy.

Additional Comments: (DCS) as a minimum, Ditching will be done on both sides of road.

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

HH_SO_17_20_FED_002_4H_NewRoad_20180228142452.pdf

New road type:

Length:

Width (ft.):

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Max slope (%):

Max grade (%):

Army Corp of Engineers (ACOE) permit required?

ACOE Permit Number(s):

New road travel width:

New road access erosion control:

New road access plan or profile prepared?

New road access plan attachment:

Access road engineering design?

Access road engineering design attachment:

Access surfacing type:

Access topsoil source:

Access surfacing type description:

Access on-site topsoil source details:

Offsite topsoil source description:

On-site topsoil removal process:

Access other construction information:

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing:

Drainage Control comments:

Road Drainage Control Structures (DCS) description:

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 2 - New or Reconstructed Access Roads

Will new roads be needed? YES

New Road Map:

HH_SO_17_20_FED_002_4H_NewRoad_20180228142452.pdf

New road type:

Length:

Width (ft.):

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Max slope (%):

Max grade (%):

Army Corp of Engineers (ACOE) permit required?

ACOE Permit Number(s):

New road travel width:

New road access erosion control:

New road access plan or profile prepared?

New road access plan attachment:

Access road engineering design:

Access road engineering design attachment:

Access surfacing type:

Access topsoil source:

Access surfacing type description:

Access on-site topsoil source:

Offsite topsoil source description:

On-site topsoil removal process:

Access on-site construction of turnout:

Access miscellaneous information:

Number of access turnouts:

Access turnout map:

Drainage Control

New road drainage crossing:

Drainage Control structures:

Road drainage Control Structures (DCS) description:

Road Drainage Control Structures (DCS) attachment:

Access Additional Attachments

Additional Attachment(s):

Section 3 - Location of Existing Wells

Existing Wells Map? YES

Attach Well map:

HH_SO_17_20_FED_002_4H_1_mile_radius_20170928115138.pdf

Existing Wells description:

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Section 4 - Location of Existing and/or Proposed Production Facilities

Submit or defer a Proposed Production Facilities plan? DEFER

Estimated Production Facilities description: Existing production facilities located in the SW corner of section 9, T26S, R27E where oil and gas sales will take place. The existing facility is 500' X 700'. Gas compression will occur within the EXISTING facility boundaries, Gas purchaser pipeline is in place at the tank battery, open top tanks or open containment WILL be netted, open vent exhaust stacks will be modified to prevent birds or bats from entering, discourage perching, roosting, and nesting.

Section 5 - Location and Types of Water Supply

Water Source Table

Water source use type: INTERMEDIATE/PRODUCTION CASING,
SURFACE CASING

Water source type: GW WELL

Describe type:

Source latitude:

Source longitude:

Source datum:

Water source permit type: PRIVATE CONTRACT

Source land ownership: FEDERAL

Water source transport method: PIPELINE

Source transportation land ownership: FEDERAL

Water source volume (barrels): 716000

Source volume (acre-feet): 92.28746

Source volume (gal): 30072000

Water source and transportation map:

HH_SO_17_20_FED_002_4H_DETAIL_20170928115422.pdf

Water source comments: Pond in SE4/SW4; Section 2, T26S-R27E, will be where fresh water is stored. Fresh water will be obtained from a private water source. A temporary surface laid lay-flat line will be utilized for drilling and completions.

New water well? NO

New Water Well Info

Well latitude:

Well Longitude:

Well datum:

Well target aquifer:

Est. depth to top of aquifer(ft):

Est thickness of aquifer:

Aquifer comments:

Aquifer documentation:

Well depth (ft):

Well casing type:

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Well casing outside diameter (in.):

Well casing inside diameter (in.):

New water well casing?

Used casing source:

Drilling method:

Drill material:

Grout material:

Grout depth:

Casing length (ft.):

Casing top depth (ft.):

Well Production type:

Completion Method:

Water well additional information:

State appropriation permit:

Additional information attachment:

Section 6 - Construction Materials

Construction Materials description: CALICHE WILL BE SOURCED FROM A CHEVRON OPERATED NMSLO PIT IN S2 NW4 SECTION 16 T26S R27E OR AN ALTERNATE PRIVATE PIN IN SECTION 13 T24S R27E, EDDY COUNTY NM.

Construction Materials source location attachment:

Section 7 - Methods for Handling Waste

Waste type: GARBAGE

Waste content description: o Garbage and Trash o Human waste and grey water o Other wastes material i.e. chemicals, salts, frac sand o Drill cutting

Amount of waste: 200 pounds

Waste disposal frequency : Daily

Safe containment description: o collected in a trash container collected for disposal o properly contained and disposed of state approved disposal facility o properly disposed of into steel tanks. All to be properly disposed at a State approved disposal facility.

Safe containmant attachment:

Waste disposal type: HAUL TO COMMERCIAL FACILITY **Disposal location ownership:** STATE

Disposal type description:

Disposal location description: STATE APPROVED FACILITY: o Carlsbad 6601 Hobbs HWY Carlsbad, NM 575-393-1079 o Eunice Sundance Services 5 miles East of Eunice on HWY 18 and Wallach Ln 575-390-0342 o Seminole Permian Disposal 587 US HWY 385 S 432-955-0322

Reserve Pit

Reserve Pit being used? NO

Temporary disposal of produced water into reserve pit?

Reserve pit length (ft.)

Reserve pit width (ft.)

Reserve pit depth (ft.)

Reserve pit volume (cu. yd.)

Is at least 50% of the reserve pit in cut?

Reserve pit liner

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Reserve pit liner specifications and installation description

Cuttings Area

Cuttings Area being used? NO

Are you storing cuttings on location? NO

Description of cuttings location

Cuttings area length (ft.)

Cuttings area width (ft.)

Cuttings area depth (ft.)

Cuttings area volume (cu. yd.)

Is at least 50% of the cuttings area in cut?

WCuttings area liner

Cuttings area liner specifications and installation description

Section 8 - Ancillary Facilities

Are you requesting any Ancillary Facilities?: NO

Ancillary Facilities attachment:

Comments:

Section 9 - Well Site Layout

Well Site Layout Diagram:

HH_SO_17_20_FED_002_4H_WellPlat_20170928115944.pdf

Comments: As referenced on the attached APD SUPO o Exterior well pad dimensions are 545' X 380' o Interior well pad dimensions from point of entry (well head) of the westernmost well are N-260', S-120', E-260', W-285'. The length to the east includes 25' spacing for next well on multi-well pad (six wells). Total disturbance area needed for construction of well pad will be 4.71 acres. o Topsoil placement is on the East where interim reclamation is planned to be completed upon completion of well and evaluation of best managements practices. Cut and fill: will be minimal. Construction methods: Pads would be constructed by clearing vegetation, salvaging and storing topsoil and leveling the drilling area cut-and-fill techniques where appropriate.

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Section 10 - Plans for Surface Reclamation

Type of disturbance: New Surface Disturbance

Multiple Well Pad Name: HH SO 17 20 FED 002

Multiple Well Pad Number: 1H 2H 3H 4H 5H 6H

Recontouring attachment:

HH_SO_10_15_FED_002_4H_reclamation_plat_20170928115753.pdf

HH_SO_17_20_FED_002_4H_cut_fill_20170928115754.pdf

HH_SO_17_20_FED_002_4H_SUP_20170928115755.pdf

Drainage/Erosion control construction: Proper erosion control methods will be used on the area to control erosion, runoff, and siltation of the surrounding area.

Drainage/Erosion control reclamation: The well pad, road, and surrounding area will be cleared of material, trash, and equipment. All surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads. All disturbed areas will be re-contoured to the contour existing prior to initial construction. The areas will be seeded with the proper BLM seed mixture (BLM #2), free of noxious weeds.

Wellpad long term disturbance (acres): 1.49

Wellpad short term disturbance (acres): 3.25

Access road long term disturbance (acres): 0.06

Access road short term disturbance (acres): 0.06

Pipeline long term disturbance (acres): 0.00039256198

Pipeline short term disturbance (acres): 0.00039256198

Other long term disturbance (acres): 0

Other short term disturbance (acres): 0

Total long term disturbance: 1.5503925

Total short term disturbance: 3.3103926

Disturbance Comments: All disturbed area, including roads, pipelines, pads, production facilities, and interim reclaimed areas will be re-contoured to the contour existing prior to initial construction or a contour that blends in distinguishably with the surrounding landscape.

Reconstruction method: All surfacing material will be removed and returned to the original mineral pit or recycled to repair or build roads and well pads. Reducing the pad size to approximately 1.49 acres from the proposed size of 3.25 acres. within 30 days of well completion, the well location and surrounding areas will be cleared of, and maintained free of all materials, trash, and equipment not required for production.

Topsoil redistribution: Topsoil that was spread over the interim reclamation areas will be stockpiled prior to re-contouring. The topsoil will be redistributed evenly over the entire disturbed site to ensure successful re vegetation.

Soil treatment: After all the disturbed areas have been properly prepared; the areas will be seeded with the proper BLM seed mixture, free of noxious weeds.

Existing Vegetation at the well pad: mesquite, grass, shrubs

Existing Vegetation at the well pad attachment:

Existing Vegetation Community at the road: mesquite, grass, shrubs

Existing Vegetation Community at the road attachment:

Existing Vegetation Community at the pipeline: mesquite, grass, shrubs

Existing Vegetation Community at the pipeline attachment:

Existing Vegetation Community at other disturbances: mesquite, grass, shrubs

Existing Vegetation Community at other disturbances attachment:

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Non native seed used? NO

Non native seed description:

Seedling transplant description:

Will seedlings be transplanted for this project? NO

Seedling transplant description attachment:

Will seed be harvested for use in site reclamation? NO

Seed harvest description:

Seed harvest description attachment:

Seed Management

Seed Table

Seed type:

Seed source:

Seed name:

Source name:

Source address:

Source phone:

Seed cultivar:

Seed use location:

PLS pounds per acre:

Proposed seeding season:

Seed Summary

Total pounds/Acre:

| Seed Type | Pounds/Acre |
|------------------|--------------------|
|------------------|--------------------|

Seed reclamation attachment:

Operator Contact/Responsible Official Contact Info

First Name: Kevin

Last Name: Dickerson

Phone:

Email: lfuh@chevron.com

Seedbed prep:

Seed BMP:

Seed method:

Existing invasive species? NO

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

Well Number: 4H

Existing invasive species treatment description:

Existing invasive species treatment attachment:

Weed treatment plan description: Treat with BLM seed mixture (BLM #2) free of noxious weeds.

Weed treatment plan attachment:

Monitoring plan description: The interim reclamation will be monitored periodically to ensure that vegetation has re-established.

Monitoring plan attachment:

Success standards: As per BLM requirements.

Pit closure description: None

Pit closure attachment:

Section 11 - Surface Ownership

Disturbance type: WELL PAD

Describe:

Surface Owner: BUREAU OF LAND MANAGEMENT

Other surface owner description:

BIA Local Office:

BOR Local Office:

COE Local Office:

DOD Local Office:

NPS Local Office:

State Local Office:

Military Local Office:

USFWS Local Office:

Other Local Office:

USFS Region:

USFS Forest/Grassland:

USFS Ranger District:

Section 12 - Other Information

Right of Way needed? YES

Use APD as ROW? YES

ROW Type(s): 287001 ROW – Water Facility, 288100 ROW – O&G Pipeline, Other

Operator Name: CHEVRON USA INCORPORATED

Well Name: HH SO 17 20 FED 002

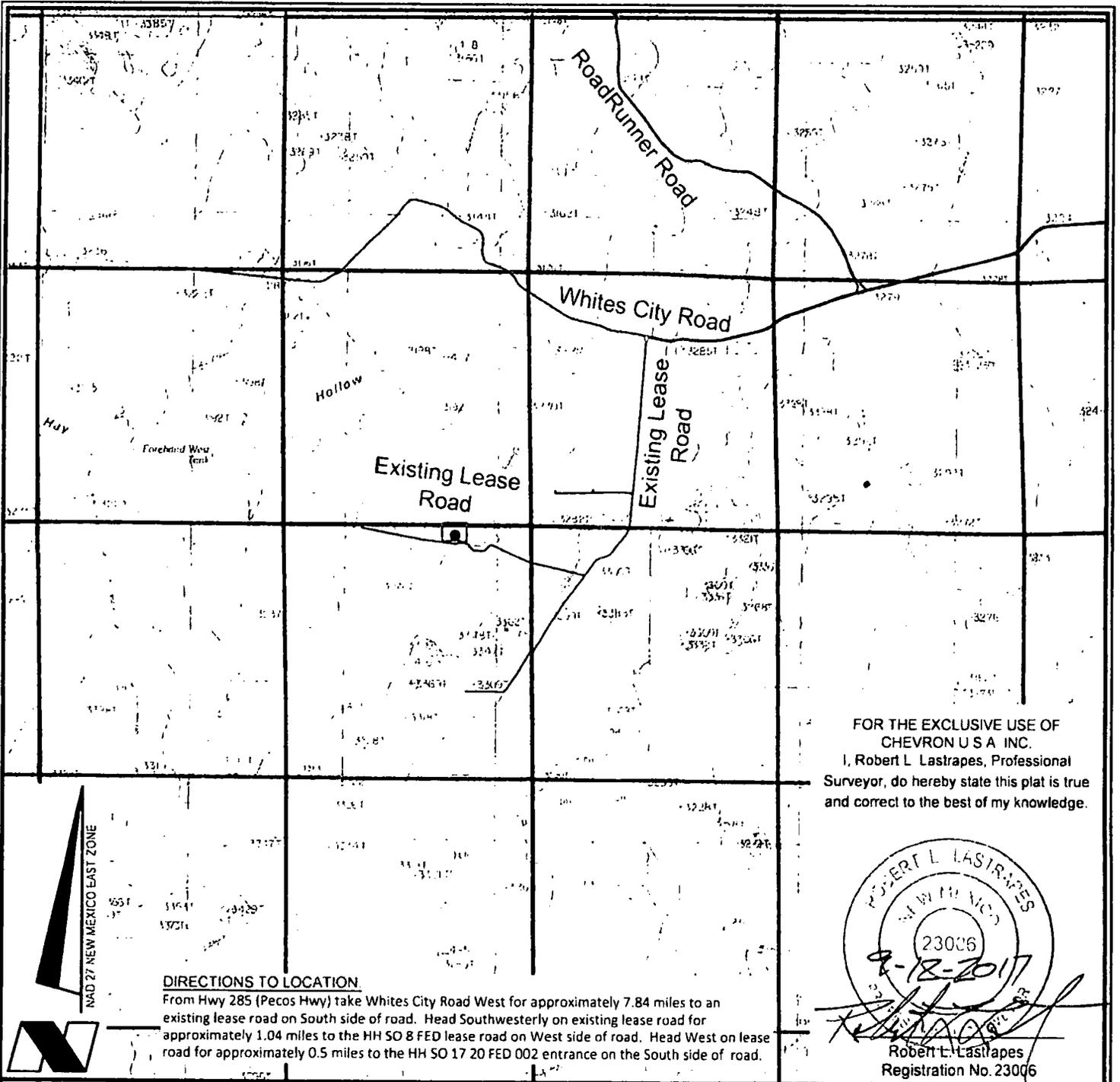
Well Number: 4H

ROW Applications

SUPO Additional Information: o Recycle containment pond design feature - four permanent recycle containment ponds will be required - permanent buried pipelines will be installed to transport water - all wells covered by the MDP will require hydraulic fracturing - the ponds will be designed as "multiwell fluid management pits o Berms - berms shall be sloped at 3:1 - berm top will have at least 12' of working area - berm height, thickness, and depth will be determined based on-site specific information o Liners - ponds shall be double lined and have a method of leak detection - an 8 oz geotextile fabric shall be used to line the soil prior to installation - primary liner should be 60-mil smooth - minimum 200-mil geonet shall be installed between primary and secondary liner o Fencing - ponds shall have eight game fencing installed - the fence bottom shall be keyed-in around the perimeter of the pond site o Wildlife Protection
Use a previously conducted onsite? YES

Previous Onsite information: On-site performed by BLM NRS: Paul Murphy 08/18/2017.

Other SUPO Attachment



FOR THE EXCLUSIVE USE OF
 CHEVRON U.S.A. INC.
 I, Robert L. Lastrapes, Professional
 Surveyor, do hereby state this plat is true
 and correct to the best of my knowledge.

ROBERT L. LASTRAPES
 NEW MEXICO
 23006
 8-18-2017
 Robert L. Lastrapes
 Registration No. 23006



NAD 27 NEW MEXICO EAST ZONE

DIRECTIONS TO LOCATION
 From Hwy 285 (Pecos Hwy) take Whites City Road West for approximately 7.84 miles to an existing lease road on South side of road. Head Southwesterly on existing lease road for approximately 1.04 miles to the HH SO 8 FED lease road on West side of road. Head West on lease road for approximately 0.5 miles to the HH SO 17 20 FED 002 entrance on the South side of road.

ROAD PLAT

SCALE: 1" = 3000'
 3000' 0 1500' 3000'

LEGEND

- Proposed Well
- Proposed Access Road
- Proposed Drillsite
- Existing Road
- Section Line
- Proposed Frac Pond

CHEVRON U.S.A. INC.
 HH SO 17 20 FED 002 NO. 4H WELL
 LOCATED 212' FNL AND 1,650' FEL
 SECTION 17, T26S-R27E
 EDDY COUNTY, NEW MEXICO



CH Fenstermaker & Associates, L.L.C.
 135 Regency Sq Lafayette, LA 70508
 Ph 337-237-2200 Fax 337-232-3299
 www.fenstermaker.com

| | | | |
|---|-----|-----------|-------------|
| DRAWN BY: AMT | | REVISIONS | |
| PROJ. MGR.: GDG | No. | DATE: | REVISED BY: |
| DATE: AUGUST 10, 2017 | No. | DATE: | REVISED BY: |
| FILENAME: T:\2017\2176072\DWG\HH SO 17 20 FED 002 4H RoadPlat.dwg | | | |

R 27 E

Sec. 8

Bureau of Land Management
(Pad- ±0.59 Acres)

| | | | |
|---|---|---|---|
| NW PAD CORNER 1 | NW PAD CORNER 2 | NE PAD CORNER | HH SO 17 20 FED 002 NO. 1H WELL |
| X= 538,372 NAD 27 Y= 381,821 ELEVATION +3232' NAVD 88 | X= 538,402 NAD 27 Y= 381,851 ELEVATION +3232' NAVD 88 | X= 538,917 NAD 27 Y= 381,850 ELEVATION +3237' NAVD 88 | X= 538,581 NAD 27 Y= 381,591 LAT. 32.049047 LONG. 104.208809 |
| | SW PAD CORNER | SE PAD CORNER | X= 579,765 NAD83 Y= 381,648 LAT 32.049169 LONG. 104.209303 |
| | X= 538,371 NAD 27 Y= 381,471 ELEVATION +3245' NAVD 88 | X= 538,916 NAD 27 Y= 381,470 ELEVATION +3252' NAVD 88 | ELEVATION +3247' NAVD 88 |

T
26
S

PROPOSED PAD
±4.74 Acres

HH SO 17 20 FED 002
No. 1H Well
212' FNL
1725' FEL

Edge of As-Staked 80' ROW

As-Staked Lease Road

Edge of As-Staked 80' ROW

CENTERLINE
PROPOSED
ACCESS ROAD
24' x ±19.29'
±1.17 Rods
±0.01 Acres

Sec. 17

Bureau of Land Management
(Pad- ±4.15 Acres)

N 87° 53' 57" W 1,388.00"

Existing
Archaeological
Area

Point of
Commencement/Fnd.
2" Iron Pipe @
NE Corner of
Section 17

LEGEND

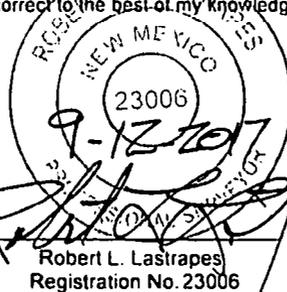
| | |
|--|------------------------|
| | As-Staked ROW |
| | Lease Road |
| | Section Line |
| | Centerline Access Road |
| | Fnd. Monument |
| | Archaeological Find |

Scale: 1" = 200'

200' 0 100' 200'

FOR THE EXCLUSIVE USE OF
CHEVRON U.S.A. INC.

I, Robert L. Lastrapes, Professional
Surveyor, do hereby state this plat is true
and correct to the best of my knowledge.



Robert L. Lastrapes
Registration No. 23006

WELL PAD PLAT

Page 1 of 2

CHEVRON U.S.A. INC.
PROPOSED PAD
HH SO 17 20 FED 002 NO. 1H WELL
SECTIONS 8 & 17, T26S-R27E
EDDY COUNTY, NEW MEXICO

| | | | |
|--|-----------|-------|-------------|
| DRAWN BY: AMT | REVISIONS | | |
| PROJ. MGR.: GDG | No. | DATE: | REVISED BY: |
| DATE: 08/10/2017 | No. | DATE: | REVISED BY: |
| FILENAME: T:\2017\2176072\DWG\HH SO 17 20 FED 002 1H Well\Plat.dwg | | | |



C. H. Fenstermaker & Associates, L.L.C.
135 Regency Sq. Lafayette, LA 70508
Ph. 337-237-2200 Fax. 337-232-3299
www.fenstermaker.com

DISCLAIMER: At this time, C. H. Fenstermaker & Associates, L.L.C. 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.

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.

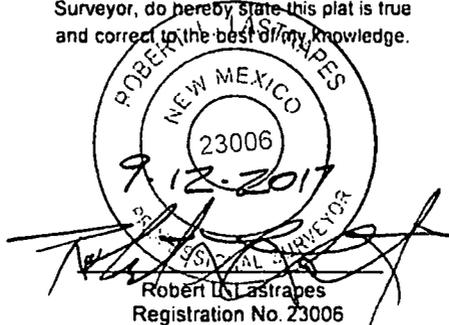
NOTE:

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 - www.nmonecall.org.

| PROPOSED PAD | | |
|--------------|-----------------|----------|
| COURSE | BEARING | DISTANCE |
| 1 | S 00° 07' 17" W | 380.00' |
| 2 | N 89° 52' 43" W | 545.00' |
| 3 | N 00° 07' 17" E | 349.84' |
| 4 | N 45° 19' 26" E | 42.80' |
| 5 | S 89° 52' 43" E | 514.63' |

| CENTERLINE PROPOSED ACCESS ROAD | | |
|---------------------------------|---------|----------|
| COURSE | BEARING | DISTANCE |
| 6 | SOUTH | 19.29' |

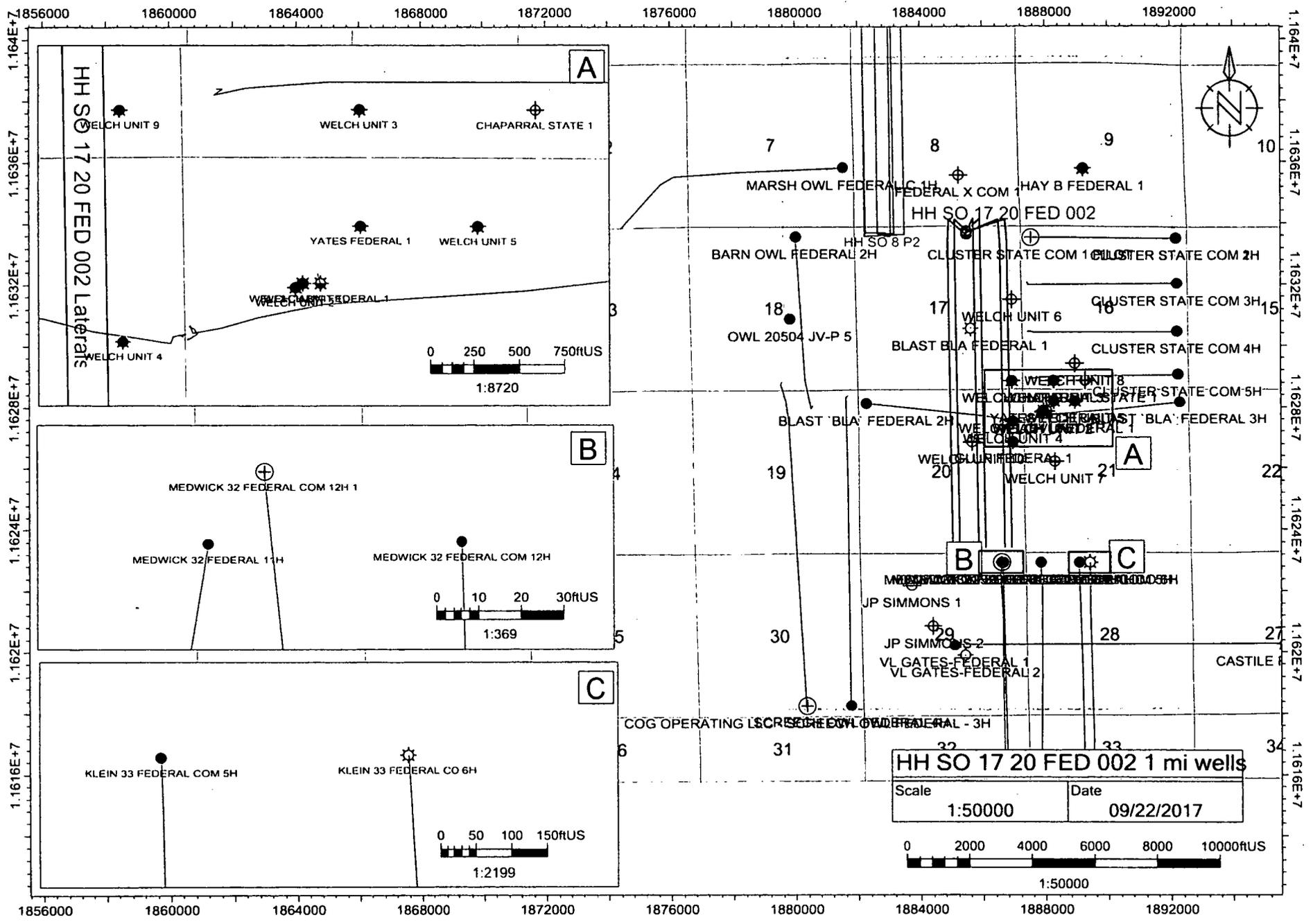
FOR THE EXCLUSIVE USE OF
CHEVRON U.S.A. INC.
I, Robert L. Lastrapes, Professional
Surveyor, do hereby state this plat is true
and correct to the best of my knowledge.



| WELL PAD PLAT | | Page 2 of 2 | |
|--|-----|-------------|-------------|
| CHEVRON U.S.A. INC. PROPOSED PAD HH SO 17 20 FED 002 NO. 1H WELL SECTIONS 8 & 17, T26S-R27E EDDY COUNTY, NEW MEXICO | | | |
| DRAWN BY: AMT | | REVISIONS | |
| PROJ. MGR.: GDG | No. | DATE: | REVISED BY: |
| DATE: 08/10/2017 | No. | DATE: | REVISED BY: |
| FILENAME: T:\2017\2176072\DWG\HH SO 17 20 FED 002 1H WellPlat.dwg | | | |



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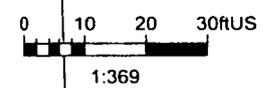
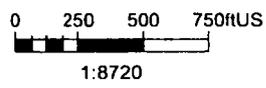
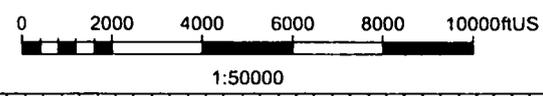


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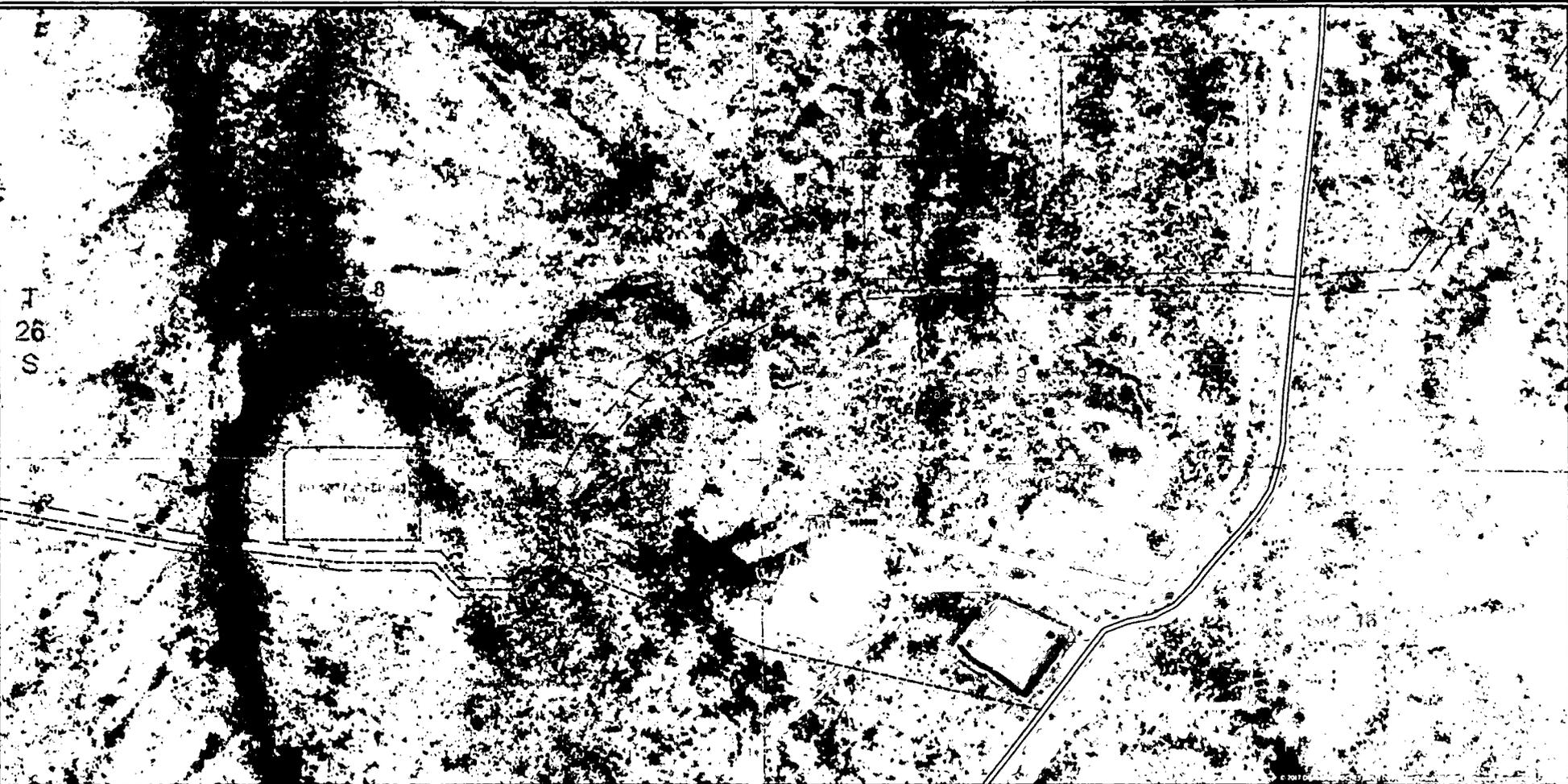
B

C

HH SO 17 20 FED 002 1 mi wells
 Scale 1:50000 Date 09/22/2017



| Well Name | HH SO 17 20 FED 002 1H | | | HH SO 17 20 FED 002 2H | | | HH SO 17 20 FED 002 3H | | | HH SO 17 20 FED 002 4H | | | HH SO 17 20 FED 002 5H | | | HH SO 17 20 FED 002 6H | | |
|---------------------------------|------------------------|----------|-----------|------------------------|----------|-----------|------------------------|----------|-----------|------------------------|----------|-----------|------------------------|----------|-----------|------------------------|----------|-----------|
| | Distance | Azimuth | Direction |
| FEDERAL X COM 1 | 1835 | 97.58656 | E | 1860.21 | 97.58656 | E | 1835.426 | 97.58656 | E |
| CLUSTER STATE COM 2H | 1916 | 353.5263 | NNW | 1913.39 | 353.5263 | NNW | 1916.047 | 353.5263 | NNW |
| CLUSTER STATE COM 1 PILOT | 2054 | 353.9931 | NNW | 2052.025 | 353.9931 | NNW | 2054.491 | 353.9931 | NNW |
| CLUSTER STATE COM 1H | 2054 | 353.9931 | NNW | 2052.025 | 353.9931 | NNW | 2054.491 | 353.9931 | NNW |
| CLUSTER STATE COM 3H | 2564 | 319.1372 | NW | 2548.115 | 319.1372 | NW | 2564.401 | 319.1372 | NW |
| HH SO 8 P2 21H PROP | 2629 | 181.4599 | S | 2628.555 | 181.4599 | S | 2629.073 | 181.4599 | S |
| HH SO 8 P2 22H PROP | 2629 | 182.0067 | S | 2628.576 | 182.0067 | S | 2629.332 | 182.0067 | S |
| HH SO 8 P2 5H PROP | 2630 | 182.5536 | S | 2628.846 | 182.5536 | S | 2629.841 | 182.5536 | S |
| HH SO 8 P2 6H PROP | 2631 | 183.1 | S | 2629.356 | 183.1 | S | 2630.589 | 183.1 | S |
| HH SO 8 P2 13H PROP | 2632 | 183.638 | S | 2630.085 | 183.638 | S | 2631.553 | 183.638 | S |
| HH SO 8 P2 14H PROP | 2633 | 184.1831 | S | 2631.379 | 184.1831 | S | 2633.085 | 184.1831 | S |
| WELCH UNIT 6 | 2677 | 302.5823 | NW | 2656.394 | 302.5823 | NW | 2677.425 | 302.5823 | NW |
| BLAST BLA FEDERAL 1 | 3199 | 272.2561 | W | 3174.249 | 272.2561 | W | 3199.23 | 272.2561 | W |
| CLUSTER STATE COM 4H | 3824 | 300.5738 | NW | 3802.616 | 300.5738 | NW | 3824.119 | 300.5738 | NW |
| HAY B FEDERAL 1 | 4239 | 28.79021 | NE | 4250.683 | 28.79021 | NE | 4238.586 | 28.79021 | NE |
| WELCH UNIT 9 | 5118 | 286.517 | WNW | 5094.435 | 286.517 | WNW | 5118.399 | 286.517 | WNW |
| CLUSTER STATE COM 5H | 5183 | 292.5444 | NW | 5159.876 | 292.5444 | NW | 5182.957 | 292.5444 | NW |
| WELCH UNIT 8 | 5534 | 308.3519 | NW | 5514.307 | 308.3519 | NW | 5533.891 | 308.3519 | NW |
| WELCH UNIT 3 | 5635 | 299.4998 | NW | 5613.538 | 299.4998 | NW | 5635.283 | 299.4998 | NW |
| CHAPARRAL STATE 1 | 6187 | 307.5007 | NW | 6166.986 | 307.5007 | NW | 6186.801 | 307.5007 | NW |
| YATES FEDERAL 1 | 6223 | 296.5622 | NW | 6201.096 | 296.5622 | NW | 6223.447 | 296.5622 | NW |
| OWL 20504 JV-P 5 | 6355 | 207.0447 | SW | 6343.648 | 207.0447 | SW | 6354.976 | 207.0447 | SW |
| WELCH 'ABV' FEDERAL 1 | 6371 | 293.5291 | NW | 6347.86 | 293.5291 | NW | 6370.774 | 293.5291 | NW |
| WELCH UNIT 1 | 6388 | 292.6211 | NW | 6364.624 | 292.6211 | NW | 6387.693 | 292.6211 | NW |
| WELCH UNIT 2 | 6393 | 292.2132 | NW | 6369.72 | 292.2132 | NW | 6392.857 | 292.2132 | NW |
| WELCH UNIT 4 | 6399 | 283.2915 | WNW | 6374.312 | 283.2915 | WNW | 6398.64 | 283.2915 | WNW |
| BLAST 'BLA' FEDERAL 2H | 6453 | 286.22 | WNW | 6428.533 | 286.22 | WNW | 6452.534 | 286.22 | WNW |
| BLAST 'BLA' FEDERAL 3H | 6471 | 286.4312 | WNW | 6446.687 | 286.4312 | WNW | 6470.662 | 286.4312 | WNW |
| WELCH UNIT 5 | 6547 | 301.7254 | NW | 6525.977 | 301.7254 | NW | 6547.228 | 301.7254 | NW |
| SCREECH OWL FEDERAL 4H | 6598 | 234.7143 | SW | 6577.367 | 234.7143 | SW | 6597.758 | 234.7143 | SW |
| WELCH UNIT 10 | 6912 | 271.3211 | W | 6886.524 | 271.3211 | W | 6911.517 | 271.3211 | W |
| GULF FEDERAL 1 | 7043 | 282.1232 | WNW | 7018.06 | 282.1232 | WNW | 7042.501 | 282.1232 | WNW |
| BARN OWL FEDERAL 2H | 7548 | 229.2449 | SW | 7528.646 | 229.2449 | SW | 7547.566 | 229.2449 | SW |
| COG OPERATING LLC - SCREECH OWL | 7729 | 219.8213 | SW | 7713.483 | 219.8213 | SW | 7729.469 | 219.8213 | SW |
| WELCH UNIT 7 | 8050 | 290.4066 | WNW | 8026.579 | 290.4066 | WNW | 8050.005 | 290.4066 | WNW |
| MARSH OWL FEDERAL C 1H | 11071 | 179.7187 | S | 11071.24 | 179.7187 | S | 11071.09 | 179.7187 | S |
| JP SIMMONS 1 | 11726 | 261.2674 | WSW | 11701.07 | 261.2674 | WSW | 11725.78 | 261.2674 | WSW |
| JP SIMMONS 2 | 12948 | 265.1479 | W | 12922.87 | 265.1479 | W | 12947.78 | 265.1479 | W |
| CASTILE FEDERAL 1 | 13522 | 268.1749 | W | 13496.66 | 268.1749 | W | 13521.65 | 268.1749 | W |
| VL GATES-FEDERAL 1 | 13542 | 268.2965 | W | 13517.4 | 268.2965 | W | 13542.39 | 268.2965 | W |
| VL GATES-FEDERAL 2 | 13861 | 269.7163 | W | 13836.44 | 269.7163 | W | 13861.44 | 269.7163 | W |
| MEDWICK 32 FEDERAL 11H | 17761 | 274.002 | W | 17735.96 | 274.002 | W | 17760.9 | 274.002 | W |
| MEDWICK 32 FEDERAL COM 12H | 17763 | 274.1318 | W | 17738.52 | 274.1318 | W | 17763.46 | 274.1318 | W |
| MEDWICK 32 FEDERAL COM 12H 1 | 17763 | 274.1318 | W | 17738.52 | 274.1318 | W | 17763.46 | 274.1318 | W |
| KLEIN 33 FEDERAL COM 1H | 17842 | 278.9209 | WNW | 17817.46 | 278.9209 | WNW | 17842.15 | 278.9209 | WNW |
| KLEIN 33 FEDERAL COM 5H | 18137 | 282.6337 | WNW | 18112.15 | 282.6337 | WNW | 18136.55 | 282.6337 | WNW |
| KLEIN 33 FEDERAL CO 6H | 18145 | 282.7581 | WNW | 18120.73 | 282.7581 | WNW | 18145.11 | 282.7581 | WNW |



Not to be used for construction, bidding, recordation, conveyance, sales, or engineering design.

PRELIMINARY

Scale: 1" = 400'

| LEGEND | |
|--------|---------------------|
| | Section Line |
| | Centerline Access |
| | Proposed Pad |
| | Existing ROW |
| | Existing Road |
| | Existing Facilities |

DETAIL

CHEVRON U.S.A. INC.
 PROJECT DETAIL
 HH SO 17 20 FED 002 PAD
 SECTIONS 17 AND 8, T26S-27E
 EDDY COUNTY, NEW MEXICO

C. H. Fenstermaker & Associates, L.L.C.
 135 Regency Sq. Lafayette, LA 70508
 Ph: 337-237-2700 Fax: 337-237-3799
 www.fenstermaker.com

| REVISIONS | | | | |
|---|---|-----|-------|--------------|
| DRAWN BY: | # | BY: | DATE: | DESCRIPTION: |
| PROJ. MGR : GDG | | | | |
| DATE: 9/15/2017 | | | | |
| FILENAME: T:\011\21760\2UWGH\HH SO 17 20 FED 002 DETAIL.dwg | | | | |

R 27 E

Sec. 8

Bureau of Land Management
(Pad- ±0.59 Acres)

| | | | |
|---------------------------------|---------------------------------|---------------------------------|------------------------------------|
| NW PAD CORNER 1 | NW PAD CORNER 2 | NE PAD CORNER | HH SO 17 20 FED 002 NO. 4H WELL |
| X= 538,372 NAD 27 Y= 381,821 | X= 538,402 NAD 27 Y= 381,851 | X= 538,917 NAD 27 Y= 381,850 | X= 538,656 NAD 27 Y= 381,591 |
| ELEVATION +3232' NAVD 88 | ELEVATION +3232' NAVD 88 | ELEVATION +3237' NAVD 88 | LAT. 32.049046 LONG. 104.208567 |
| | SW PAD CORNER | SE PAD CORNER | X= 579,840 NAD83 Y= 381,648 |
| | X= 538,371 NAD 27 Y= 381.471 | X= 538,916 NAD 27 Y= 381.470 | LAT. 32.049168 LONG. 104.209050 |
| | ELEVATION +3245' NAVD 88 | ELEVATION +3252' NAVD 88 | ELEVATION +3248' NAVD 88 |

Point of
Commencement/VFnd.
2" Iron Pipe @
NE Corner of
Section 17

T
26
S

PROPOSED PAD
±4.74 Acres

HH SO 17 20 FED 002
No. 4H Well
212' FNL
1650' FEL

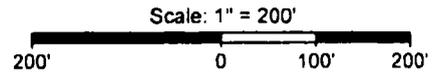
Existing
Archaeological
Area

CENTERLINE
PROPOSED
ACCESS ROAD
24' x ±19.29'
±1.17 Rods
±0.01 Acres

Sec. 17

Bureau of Land Management
(Pad- ±4.15 Acres)

| LEGEND | |
|--------|------------------------|
| | As-Staked ROW |
| | Lease Road |
| | Section Line |
| | Centerline Access Road |
| | Fnd. Monument |
| | Archaeological Find |



FOR THE EXCLUSIVE USE OF
CHEVRON U.S.A. INC.
I, Robert L. Lastrapes, Professional
Surveyor, do hereby state this plat is true
and correct to the best of my knowledge.

ROBERT L. LASTRAPES
NEW MEXICO
23006
9-12-2017
Robert L. Lastrapes
Registration No. 23006

WELL PAD PLAT

Page 1 of 2

CHEVRON U.S.A. INC.
PROPOSED PAD
HH SO 17 20 FED 002 NO. 4H WELL
SECTIONS 8 & 17, T26S-R27E
EDDY COUNTY, NEW MEXICO

| DRAWN BY: AMT | REVISIONS | | |
|---|-----------|-------|-------------|
| PROJ. MGR.: GDG | No. | DATE: | REVISED BY: |
| DATE: 08/10/2017 | No. | DATE: | REVISED BY: |
| FILENAME: T:\2017\2176072\DWG\HH SO 17 20 FED 002 4H WellPlat.dwg | | | |



C. H. Fenstermaker & Associates, L.L.C.
135 Regency Sq. Lafayette, LA 70508
Ph. 337-237-2200 Fax 337-232-3299
www.fenstermaker.com

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NOTE:

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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 - www.nmonecall.org.

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and correct to the best of my knowledge.

Robert L. Lastrapes
Registration No. 23006

| PROPOSED PAD | | |
|--------------|-----------------|----------|
| COURSE | BEARING | DISTANCE |
| 1 | S 00° 07' 17" W | 380.00' |
| 2 | N 89° 52' 43" W | 545.00' |
| 3 | N 00° 07' 17" E | 349.84' |
| 4 | N 45° 19' 26" E | 42.80' |
| 5 | S 89° 52' 43" E | 514.63' |

| CENTERLINE PROPOSED ACCESS ROAD | | |
|---------------------------------|---------|----------|
| COURSE | BEARING | DISTANCE |
| 6 | SOUTH | 19.29' |

WELL PAD PLAT

Page 2 of 2

CHEVRON U.S.A. INC.
PROPOSED PAD
HH SO 17 20 FED 002 NO. 4H WELL
SECTIONS 8 & 17, T26S-R27E
EDDY COUNTY, NEW MEXICO

DRAWN BY: AMT

REVISIONS

PROJ. MGR.: GDG

No.

DATE:

REVISED BY:

DATE: 08/10/2017

No.

DATE:

REVISED BY:

FILENAME: T:\2017\2176072\DWG\HH SO 17 20 FED 002 4H WellPlat.dwg



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Sec. 8

R 27 E

Bureau of Land Management
(Pad- ±0.59 Acres)

| | | | |
|--|--|--|---|
| NW PAD CORNER 1 X= 538,372 NAD 27 Y= 381,821 ELEVATION +3232' NAVD 88 | NW PAD CORNER 2 X= 538,402 NAD 27 Y= 381,851 ELEVATION +3232' NAVD 88 | NE PAD CORNER X= 538,917 NAD 27 Y= 381,850 ELEVATION +3237' NAVD 88 | HH SO 17 20 FED 002 NO. 1H WELL X= 538,581 NAD 27 Y= 381,591 LAT. 32.049047 LONG. 104.208809 |
| | SW PAD CORNER X= 538,371 NAD 27 Y= 381,471 ELEVATION +3245' NAVD 88 | SE PAD CORNER X= 538,916 NAD 27 Y= 381,470 ELEVATION +3252' NAVD 88 | HH SO 17 20 FED 002 NO. 6H WELL X= 579,765 NAD83 Y= 381,648 LAT. 32.049169 LONG. 104.209303 |
| | | | ELEVATION +3247' NAVD 88 |

HH SO 17 20 FED 002
No. 6H Well

HH SO 17 20 FED 002
No. 5H Well

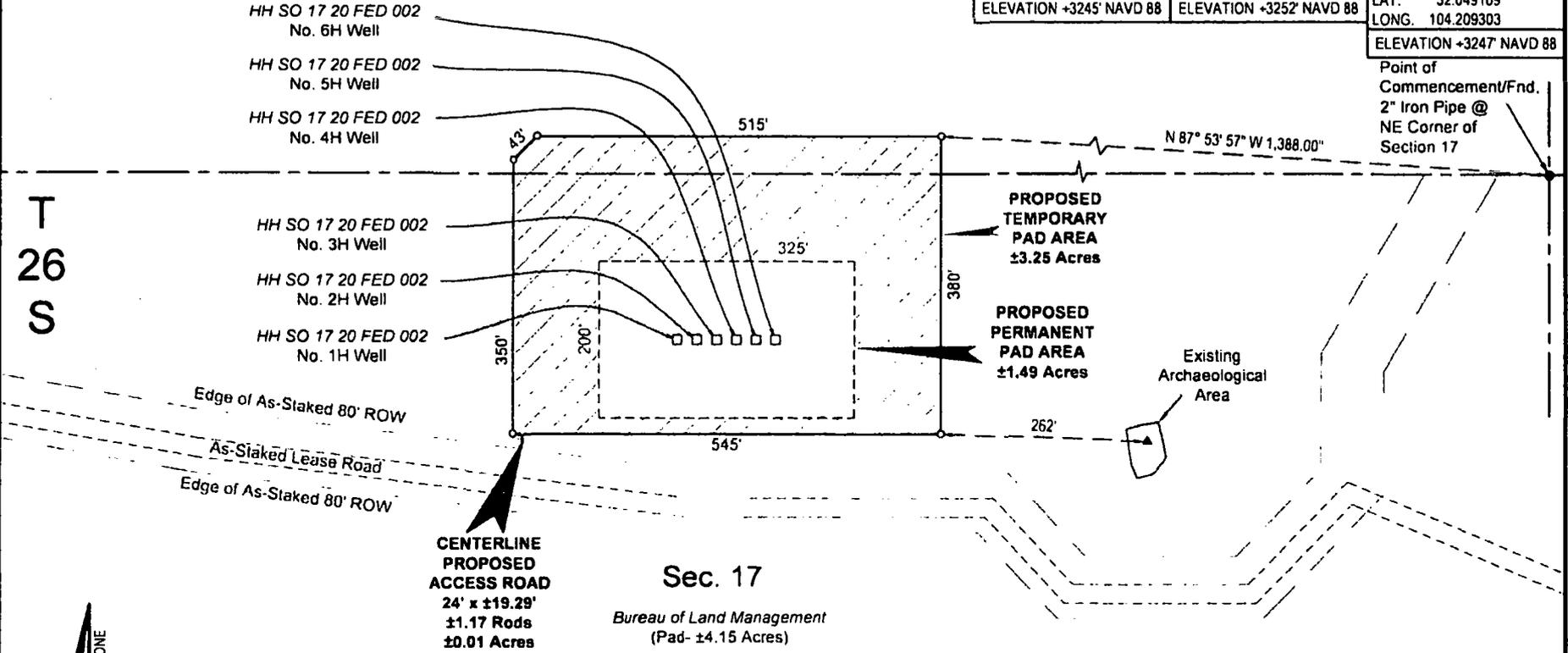
HH SO 17 20 FED 002
No. 4H Well

HH SO 17 20 FED 002
No. 3H Well

HH SO 17 20 FED 002
No. 2H Well

HH SO 17 20 FED 002
No. 1H Well

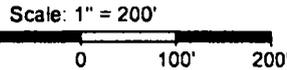
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26
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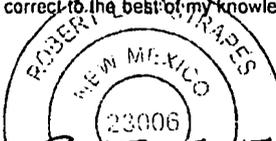
**CENTERLINE
PROPOSED
ACCESS ROAD**
24' x ±19.29'
±1.17 Rods
±0.01 Acres

Sec. 17
Bureau of Land Management
(Pad- ±4.15 Acres)

| LEGEND | |
|--------|------------------------|
| | As-Staked ROW |
| | Lease Road |
| | Section Line |
| | Centerline Access Road |
| | Fnd. Monument |
| | Archaeological Find |



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Surveyor, do hereby state this plat is true
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9-12-2017
Robert L. Lastrapes
Robert L. Lastrapes
Registration No. 23006

| | | | |
|---|-----|-------------|-------------|
| WELL PLAT | | Page 1 of 2 | |
| CHEVRON U.S.A. INC. INTERIM RECLAMATION HH SO 17 20 FED 002 NO. 1H-6H WELLS SECTIONS 8 & 17, T26S-R27E EDDY COUNTY, NEW MEXICO | | | |
| DRAWN BY: DMB | | REVISIONS | |
| PROJ. MGR.: GDG | No. | DATE: | REVISED BY: |
| DATE: 08/22/2017 | No. | DATE: | REVISED BY: |
| FILENAME: T:\2017\2176072\DWG\HH SO 17 20 FED 002 RECLAMATION.dwg | | | |

C. H. Fenstermaker & Associates, L.L.C.
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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 - www.nmonecall.org.

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I, Robert L. Lastrapes, Professional
Surveyor, do hereby state this plat is true
and correct to the best of my knowledge.

ROBERT L. LASTRAPES
NEW MEXICO
23006
9-17-2017
Robert L. Lastrapes
Registration No. 23006

WELL PLAT

Page 2 of 2

CHEVRON U.S.A. INC.
INTERIM RECLAMATION
HH SO 17 20 FED 002 NO. 1H-6H WELLS
SECTIONS 8 & 17, T26S-R27E
EDDY COUNTY, NEW MEXICO

| DRAWN BY: DMB | | REVISIONS | |
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| PROJ. MGR.: GDG | No. | DATE: | REVISED BY: |
| DATE: 08/22/2017 | No. | DATE: | REVISED BY: |
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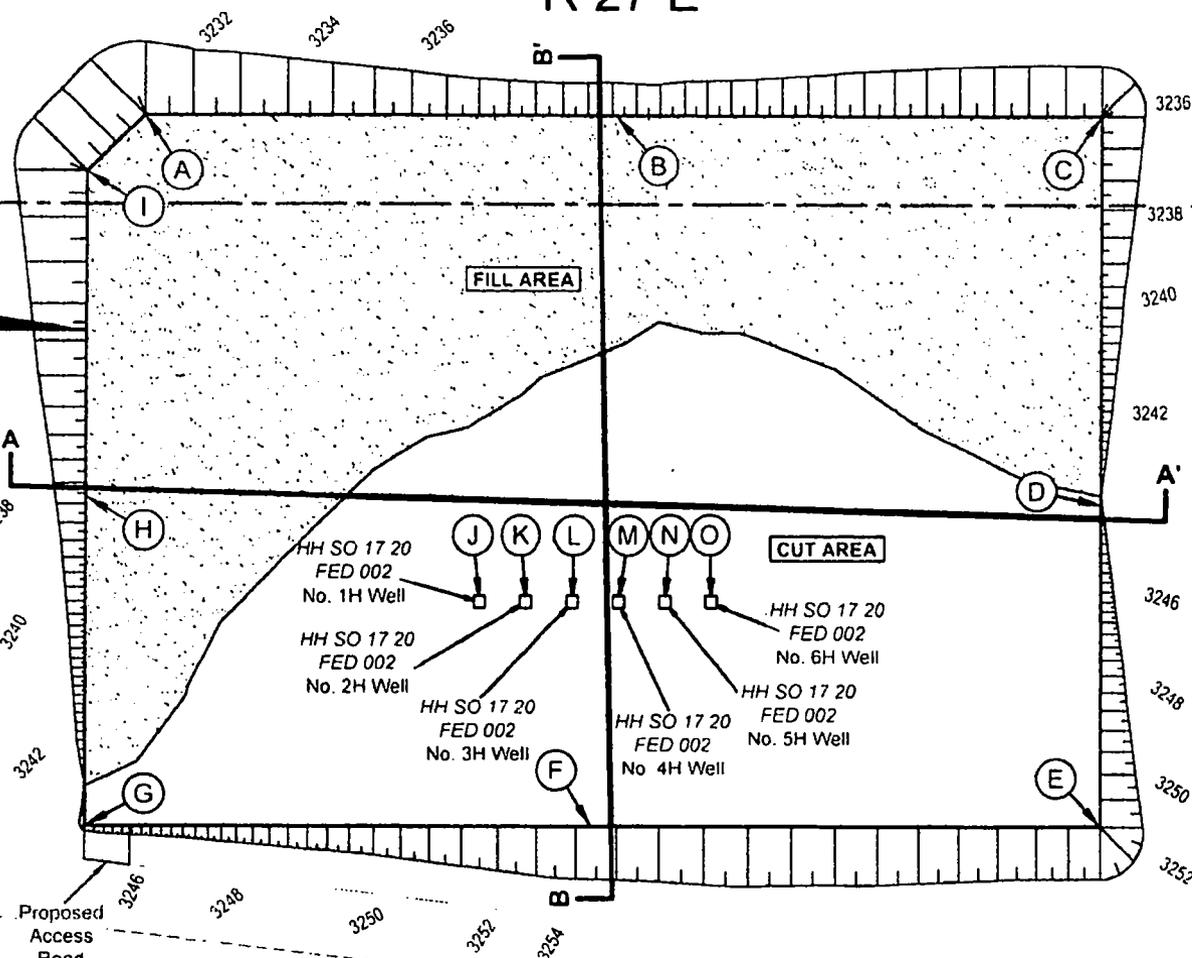


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R 27 E

Sec. 8
Bureau of Land Management

T
26
S



PAD DESIGN TABLE

| PT | NATURAL GROUND ELEV | DESIGN ELEV | CUT / FILL |
|----|---------------------|-------------|------------|
| A | 3232 34 | 3243.91 | 11 57 |
| B | 3238 94 | 3243.91 | 4 97 |
| C | 3236 45 | 3243.91 | 7 46 |
| D | 3244 14 | 3243.91 | -0.23 |
| E | 3252 17 | 3243.91 | -8 26 |
| F | 3252 39 | 3243.91 | -8 48 |
| G | 3244 99 | 3243.91 | -1 08 |
| H | 3239 21 | 3243.91 | 4 70 |
| I | 3232 27 | 3243 91 | 11 64 |
| J | 3247 17 | 3243 91 | -3.26 |
| K | 3247 62 | 3243.91 | -3 71 |
| L | 3248 12 | 3243.91 | -4 21 |
| M | 3248 59 | 3243.91 | -4 68 |
| N | 3249 06 | 3243 91 | -5 15 |
| O | 3249 55 | 3243.91 | -5 64 |

FOR THE EXCLUSIVE USE OF
CHEVRON U.S.A. INC
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Surveyor, do hereby state this plat is true
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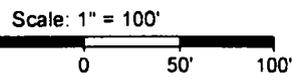


Robert L. Lastrapes
Robert L. Lastrapes
Registration No. 23005

NAD 27 NEW MEXICO EAST ZONE

Proposed Access Road

Sec. 17
Bureau of Land Management



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Ph 337-237-2200 Fax 337-232-3299
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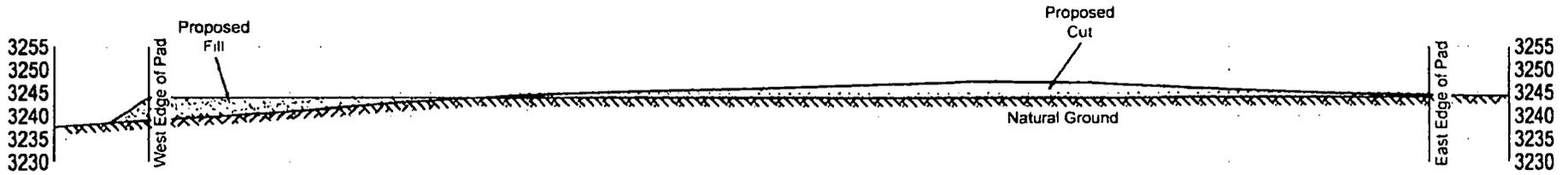
CUT VOLUME = 17,895 18 Cu Yd
FILL VOLUME = 17,895 18 Cu Yd
NET VOLUME = 0 00 Cu Yd

CUT & FILL PLAT PAGE 1 OF 3

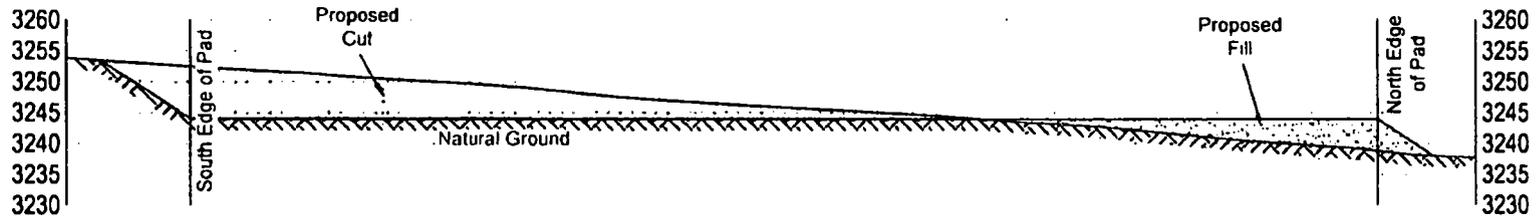
CHEVRON U.S.A. INC.
PROPOSED PAD
HH SO 17 20 FED 002 NOS. 1H-6H WELLS
SECTIONS 8 & 17, T26S-R27E
EDDY COUNTY, NEW MEXICO

| DRAWN BY: BOR | | REVISIONS | |
|---|-----|-----------|-------------|
| PROJ MGR.: GDG | No. | DATE: | REVISED BY: |
| DATE: AUGUST 10, 2017 | No. | DATE: | REVISED BY: |
| FILENAME: T:\2017\2176072\DWG\HH SO 17 20 FED 002_CutFill.dwg | | | |

CROSS SECTION A-A'



CROSS SECTION B-B'



FOR THE EXCLUSIVE USE OF
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I, Robert L. Lastrapes, Professional
Surveyor, do hereby state this plat is true and
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Robert L. Lastrapes
Registration No. 23006



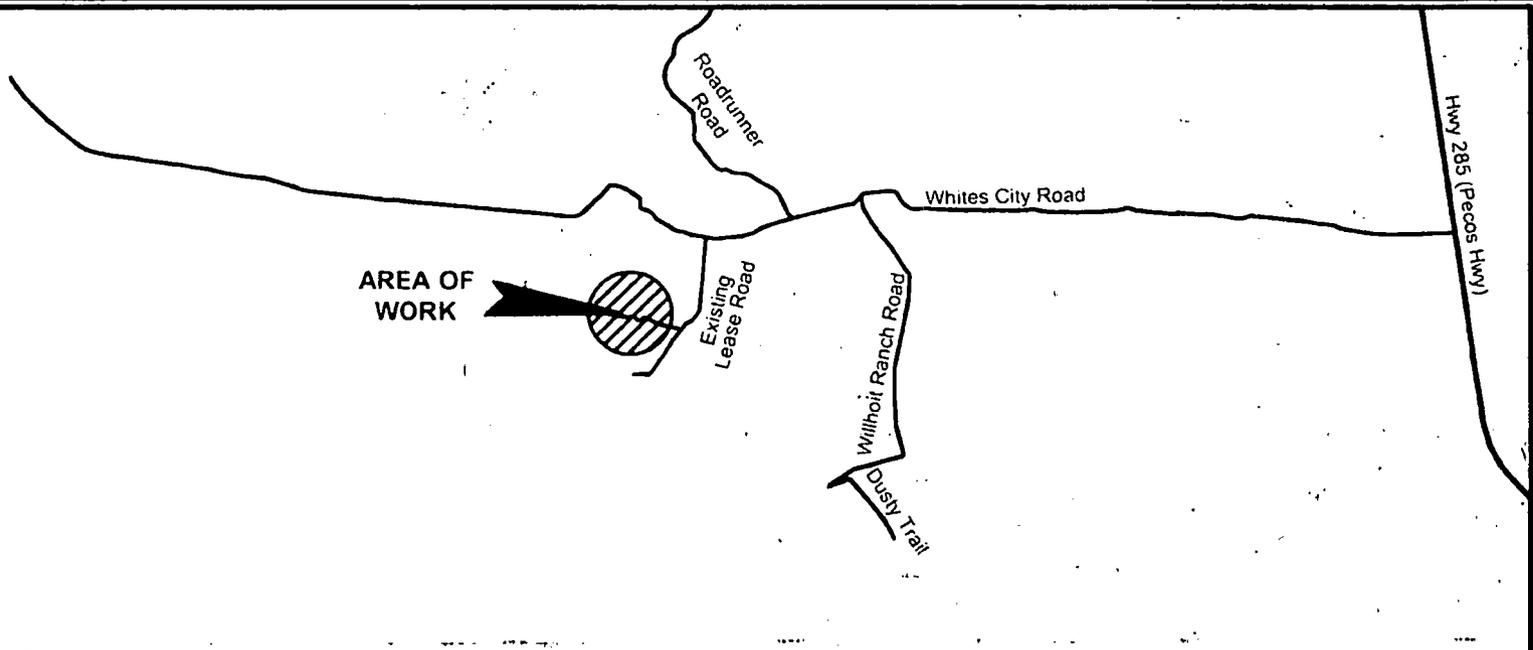
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CUT & FILL PLAT

PAGE 2 OF 3

CHEVRON U.S.A. INC.
PROPOSED PAD
HH SO 17 20 FED 002 NOS. 1H-6H WELLS
SECTIONS 8 & 17, T26S-R27E
EDDY COUNTY, NEW MEXICO

| DRAWN BY: BOR | | REVISIONS | |
|---|-----|-----------|-------------|
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| DATE: AUGUST 10, 2017 | No. | DATE: | REVISED BY: |
| FILENAME: T:\2017\2176072\DWG\HH SO 17 20 FED 002_CutFill.dwg | | | |



NAD 27 NEW MEXICO EAST ZONE

VICINITY MAP

10,000' 0 5,000' 10,000'

Scale: 1"=10,000'

NOTE:
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2 The design pad elevation recommendation is based solely on a cut and fill (1:1 ratio) balance of the pad and does not include material required for the access roads. A detailed soil test and slope stability analysis shall be performed prior to construction to ensure proper compaction and working performance of the pad under the anticipated loadings. This material balance sheet does not constitute a foundation design and C H Fenstermaker & Associates, L.L.C. makes no warranty to the structural integrity of the site layout as shown. Fenstermaker also makes no recommendation or warranty about the layout relative to flood hazards, erosion control, or soil stability issues. Elevations refer to the North American Vertical Datum of 1988

3 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

FOR THE EXCLUSIVE USE OF
 CHEVRON U.S.A. INC.
 I, Robert L. Lastrapes, Professional
 Surveyor, do hereby state this plat is true
 and correct to the best of my knowledge.

Professional Seal: ROBERT L. LASTRAPES, NEW MEXICO, 23006, dated 9-12-2017, signed by Robert L. Lastrapes, Registration No 23006.

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| | | | |
|---|-----|-------------|-------------|
| CUT & FILL PLAT | | PAGE 3 OF 3 | |
| CHEVRON U.S.A. INC. PROPOSED PAD HH SO 17 20 FED 002 NOS. 1H-6H WELLS SECTIONS 8 & 17, T26S-R27E EDDY COUNTY, NEW MEXICO | | | |
| DRAWN BY: BOR | | REVISIONS | |
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APD Surface Use Plan of Operations

This Surface Use Plan of Operations has been designed to be reviewed in conjunction with Hayhurst Development Area (HDA) Master Development Plan

HDA Master Development Plan Reference Table

The contents referenced below apply to all HDA APD's

| | |
|----------------------------|-------------------|
| Existing Roads | MDP SUPO Page 1 |
| Construction Materials | MDP SUPO Page 6 |
| Methods for Handling Waste | MDP SUPO Page 6 |
| Reclamation Objectives | MDP SUPO Page 6-8 |
| Final Surface Reclamation | MDP SUPO Page 6-8 |

Driving Directions

- Driving Directions – From Malaga, New Mexico. The location is approximately 11.5 miles from the nearest town, which is Malaga, New Mexico. From Malaga, proceed South on Highway 285 approximately 11.5 miles and turn right (West) onto White City Rd and go approximately 7.5 miles on White City Road until the road reaches an intersection with a permanent sign reading “Chevron Access”. Turn left onto this and travel 1 mile, then right and travel for another .5 miles to the well location.

New or Reconstructed Access Roads – (MDP SUPO Pg. 1)

- There will be 107' of new road construction for this proposal.
- Ditches: See MDP; Per BLM Gold Book
- Culverts: See MDP; Per BLM Gold Book
- Road Cuts: See MDP; Per BLM Gold Book

Location of Existing Wells

- 1-Mile radius map submitted

CHEVRON U.S.A. Inc
HH SO 17 20 FED 002 4H
NMNM 100549
SECTION 17, T26S-R27E
SHL 212' FNL & 1650' FEL

SECTION 17, T26S, R27E
BHL 280' FSL & 2430' FEL

Location of Existing and/or Proposed Production Facilities (MDP SUP Pg. 2)

- Facilities: Existing production facilities are located in the SW corner of Sec. 9, T26S-R27E where oil and gas sales will take place. (Detail Submitted)
 - The facilities and frac pond are in Sec. 9, T26S-R27E
 - Gas purchaser pipeline is in place at the tank battery.
- Pipelines: See Detail
 - Pipelines Include (to be run in existing 80' ROW):
 - 4,943' of Flowlines carrying production (buried)
 - 107' Temporary Water Line (Drilling and Completions)
 - 107' Gas Lift Line carrying pressurized gas (buried)
 - This line to connect to riser in ROW
 - A ROW will be applied for through the State and BLM.
 - All construction activity will be confined to the approved ROW.
 - Pipeline will run parallel to the road and will stay within approved ROW.

Location and Types of Water Supply (MDP SUPO Pg. 5)

- Pond in SE4/SW4; Section 2, T26S-R27E will be where fresh water is stored.
- Fresh water will be obtained from a private water source.
- A temporary surface laid lay-flat line will be utilized for drilling and completions

Construction Materials (MDP SUPO Pg. 6)

- CALICHE WILL BE SOURCED FROM A CHEVRON OPERATED NMSLO PIT IN S2 NW4 SECTION 16 T26S R27E
- AN ALTERNATE PRIVATE PIT IN SECTION 13 T24S R27E, EDDY COUNTY NM.
-

Well Site Layout

- Well Plat
 - Exterior well pad dimensions are 545' x 380'
 - Interior well pad dimensions from point of entry (well head) of the well are N-260', S-120', E-260', W-285'. Total disturbance area needed for construction of well pad will be approximately 4.71 acres
 - Topsoil placement is on the East where interim reclamation is planned to be completed upon completion of well and evaluation of best management practices.
 - Cut and fill: will be minimal.
- Rig Layout submitted

CHEVRON U.S.A. Inc
HH SO 17 20 FED 002 4H
NMNM 100549
SECTION 17, T26S-R27E
SHL 212' FNL & 1650' FEL

SECTION 17, T26S, R27E
BHL 280' FSL & 2430' FEL

Plans for Surface Reclamation (MDP SUPA Pg. 8)

Interim Reclamation Procedures

- Reclaimed pad size: 200' x 325'
- See Exhibit for reclaimed pad layout, topsoil location & erosion control features

Surface Ownership

- BLM Surface
 - Surface Tenant – Phillip Stell
- **Nearest Post Office:** Malaga Post Office; 11.4 Miles north

Other Information

- On-site performed by BLM NRS: Paul Murphy 08/18/2017
- Cultural report attached: **Yes** Participating Agreement attached: N/A

Chevron Representatives

Primary point of contact:
Kevin Dickerson
Kevin.dickerson@chevron.com
M- 432-250-4489

CHEVRON U.S.A. Inc
HH SO 17 20 FED 002 4H
NMNM 100549
SECTION 17, T26S-R27E
SHL 212' FNL & 1650' FEL

SECTION 17, T26S, R27E
BHL 280' FSL & 2430' FEL

Chevron Functional Contacts

| | |
|---|---|
| <p>Project Manager Name: Justin Freeman Address: 1400 Smith Street Houston, TX 77002 Phone: (713) 372-2159 Email: FreemJ@chevron.com</p> | <p>Drilling Engineer Name: Roderick Milligan Address: 1400 Smith Street Houston, TX 77002 Phone: (281) 413-9794 Email: RoderickMilligan@chevron.com</p> |
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U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Section 1 - General

Would you like to address long-term produced water disposal? NO

Section 2 - Lined Pits

Would you like to utilize Lined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Lined pit PWD on or off channel:

Lined pit PWD discharge volume (bbl/day):

Lined pit specifications:

Pit liner description:

Pit liner manufacturers information:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Lined pit precipitated solids disposal schedule:

Lined pit precipitated solids disposal schedule attachment:

Lined pit reclamation description:

Lined pit reclamation attachment:

Leak detection system description:

Leak detection system attachment:

Lined pit Monitor description:

Lined pit Monitor attachment:

Lined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Lined pit bond number:

Lined pit bond amount:

Additional bond information attachment:

Section 3 - Unlined Pits

Would you like to utilize Unlined Pit PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Unlined pit PWD on or off channel:

Unlined pit PWD discharge volume (bbl/day):

Unlined pit specifications:

Precipitated solids disposal:

Describe precipitated solids disposal:

Precipitated solids disposal permit:

Unlined pit precipitated solids disposal schedule:

Unlined pit precipitated solids disposal schedule attachment:

Unlined pit reclamation description:

Unlined pit reclamation attachment:

Unlined pit Monitor description:

Unlined pit Monitor attachment:

Do you propose to put the produced water to beneficial use?

Beneficial use user confirmation:

Estimated depth of the shallowest aquifer (feet):

Does the produced water have an annual average Total Dissolved Solids (TDS) concentration equal to or less than that of the existing water to be protected?

TDS lab results:

Geologic and hydrologic evidence:

State authorization:

Unlined Produced Water Pit Estimated percolation:

Unlined pit: do you have a reclamation bond for the pit?

Is the reclamation bond a rider under the BLM bond?

Unlined pit bond number:

Unlined pit bond amount:

Additional bond information attachment:

Section 4 - Injection

Would you like to utilize Injection PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Injection PWD discharge volume (bbl/day):

Injection well mineral owner:

Injection well type:

Injection well number:

Injection well name:

Assigned injection well API number?

Injection well API number:

Injection well new surface disturbance (acres):

Minerals protection information:

Mineral protection attachment:

Underground Injection Control (UIC) Permit?

UIC Permit attachment:

Section 5 - Surface Discharge

Would you like to utilize Surface Discharge PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Surface discharge PWD discharge volume (bbl/day):

Surface Discharge NPDES Permit?

Surface Discharge NPDES Permit attachment:

Surface Discharge site facilities information:

Surface discharge site facilities map:

Section 6 - Other

Would you like to utilize Other PWD options? NO

Produced Water Disposal (PWD) Location:

PWD surface owner:

PWD disturbance (acres):

Other PWD discharge volume (bbl/day):

Other PWD type description:

Other PWD type attachment:

Have other regulatory requirements been met?

Other regulatory requirements attachment:



U.S. Department of the Interior
BUREAU OF LAND MANAGEMENT

Bond Info Data Report

07/09/2018

Bond Information

Federal/Indian APD: FED

BLM Bond number: CA0329

BIA Bond number:

Do you have a reclamation bond? NO

Is the reclamation bond a rider under the BLM bond?

Is the reclamation bond BLM or Forest Service?

BLM reclamation bond number:

Forest Service reclamation bond number:

Forest Service reclamation bond attachment:

Reclamation bond number:

Reclamation bond amount:

Reclamation bond rider amount:

Additional reclamation bond information attachment: