

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980
DISTRICT II
P.O. Box Drawer DD, Artesia, NM 88211-0719
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-101
Revised February 10, 1999
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copie
Fee Lease - 5 Copie

☐ AMENDED REPORT

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

¹ Operator Name and Address CHEVRON USA INC 15 SMITH ROAD, MIDLAND, TX 79705		² OGRID Number 4323
		³ API Number 30-025-36739
⁴ Property Code 2615	⁵ Property Name EUNICE KING	⁶ Well No. 28

⁷ Surface Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
B	28	21-S	37-E		1250'	NORTH	1340'	EAST	LEA

⁸ Proposed Bottom Hole Location If Different From Surface

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
⁹ Proposed Pool 1 PENROSE SKELLY GRAYBURG					¹⁰ Proposed Pool 2				

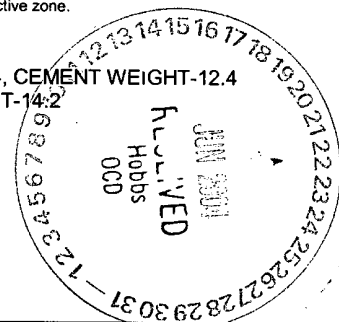
¹¹ Work Type Code N	¹² WellType Code O	¹³ Rotary or C.T. ROTARY	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3436'
¹⁶ Multiple No	¹⁷ Proposed Depth 4350'	¹⁸ Formation GRAYBURG	¹⁹ Contractor	²⁰ Spud Date 7/1/2004

²¹ Proposed Casing and Cement Program

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
11"	8 5/8"	24#	400'	150 SX	CIRCULATE
7 7/8"	5 1/2"	15.5#	3919'	820 SX	CIRCULATE
Permit Expires 1 Year From Approval Date Unless Drilling Underway					

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SURFACE CASING: 150 SX CLASS C W/2% CACL2 YIELD 1.34, CEMENT WEIGHT - 14.8
PRODUCTION CASING: LEAD IN WITH 550 SX CL H 35/65 POZ W/6% GEL, 5% SALT, & 1/4# CELL, YIELD 2.14, CEMENT WEIGHT-12.4
TAIL IN WITH 270 SX CLASS H 50/50 POZ WITH 2% GEL, 5% SALT, & 1/4# CELL, YIELD 1.35, CEMENT WEIGHT-14.2
MUD PROGRAM: 0-400' FRESH WATER, 8.4#, CIRC PITS OR RESERVE, VISC. 28
400'-3919' BRINE WATER, 10#, CIRC RESERVES, LIME PH9, VISC 29
STARCH/GEL IF NEEDED
BOP PROGRAM: 11" ANNULAR 24M PRESSURE RATING
7 7/8" EXHIBIT C 3M PRESSURE RATING
NON STANDARD LOCATION APPROVAL: ORDER NSL-5062 (SD)



²³ I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature *Denise Leake*

Printed Name Denise Leake

Title Regulatory Specialist

Date 6/11/2004

Telephone 915-687-7375

OIL CONSERVATION DIVISION

Approved By: *[Signature]*

Title: PETROLEUM ENGINEER

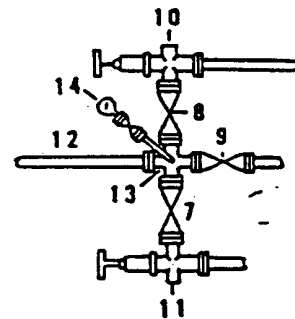
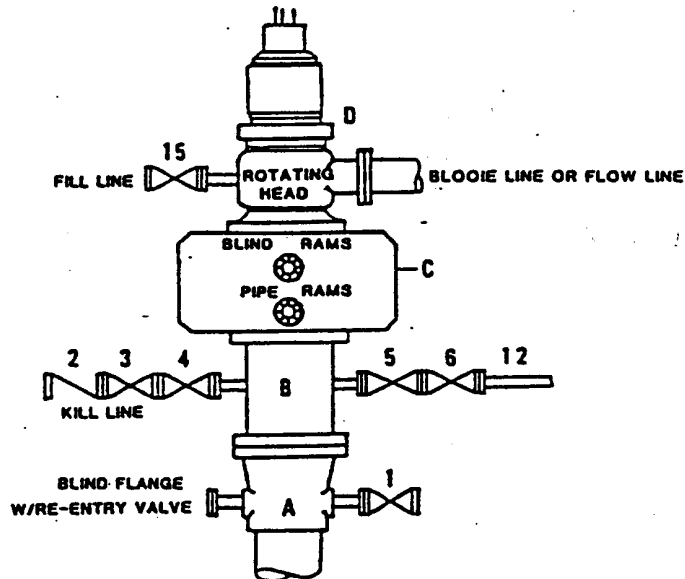
Approval Date: JUN 24 2004

Expiration Date:

Conditions of Approval:
Attached ☐

**DRILLING CONTROL
CONDITION II-B 3000 WP
FOR AIR DRILLING OR
WHERE NITROGEN OR AIR BLOWS ARE EXPECTED**

H₂S TRIM REQUIRED
YES _____ NO X



DRILLING CONTROL

MATERIAL LIST - CONDITION II - B

- A Texaco Wellhead
- B 3000# W.P. drilling spool with a 2" minimum flanged outlet for kill line and 3" minimum flanged outlet for choke line.
- C 3000# W.P. Dual ram type preventer, hydraulic operated with 1" steel, 3000# W.P. control lines (where sub-structure height is adequate, 2 - 3000# W.P. single ram type preventers may be utilized).
- D Rotating Head with fill up outlet and extended Choke Line.
- 1,3,4, 7,8, 2" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug valve.
- 2 2" minimum 3000# W.P. back pressure valve.
- 5,6,9 3" minimum 3000# W.P. flanged full opening steel gate valve, or Halliburton Lo Torc Plug valve.
- 12 3" minimum schedule 80, Grade "B", seamless line pipe.
- 13 2" minimum x 3" minimum 3000# W.P. flanged cross.
- 10,11 2" minimum 3000# W.P. adjustable choke bodies.
- 14 Cameron Mud Gauge or equivalent (location optional in choke line).
- 15 2" minimum 3000# W.P. flanged or threaded full opening steel gate valve, or Halliburton Lo Torc Plug valve.



TEXACO, INC.
MIDLAND DIVISION
MIDLAND, TEXAS



SCALE:	DATE	EST. NO.	DRG. NO.
DRAWN BY:			
CHECKED BY:			
APPROVED BY:			

EXHIBIT C

DISTRICT I
P. O. Box 1980, Hobbs, NM 88240

DISTRICT II
P. O. Drawer DD, Artesia, NM 88210

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

DISTRICT IV
P. O. Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised May 17, 2002
Instructions on back

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Submit to Appropriate District Office

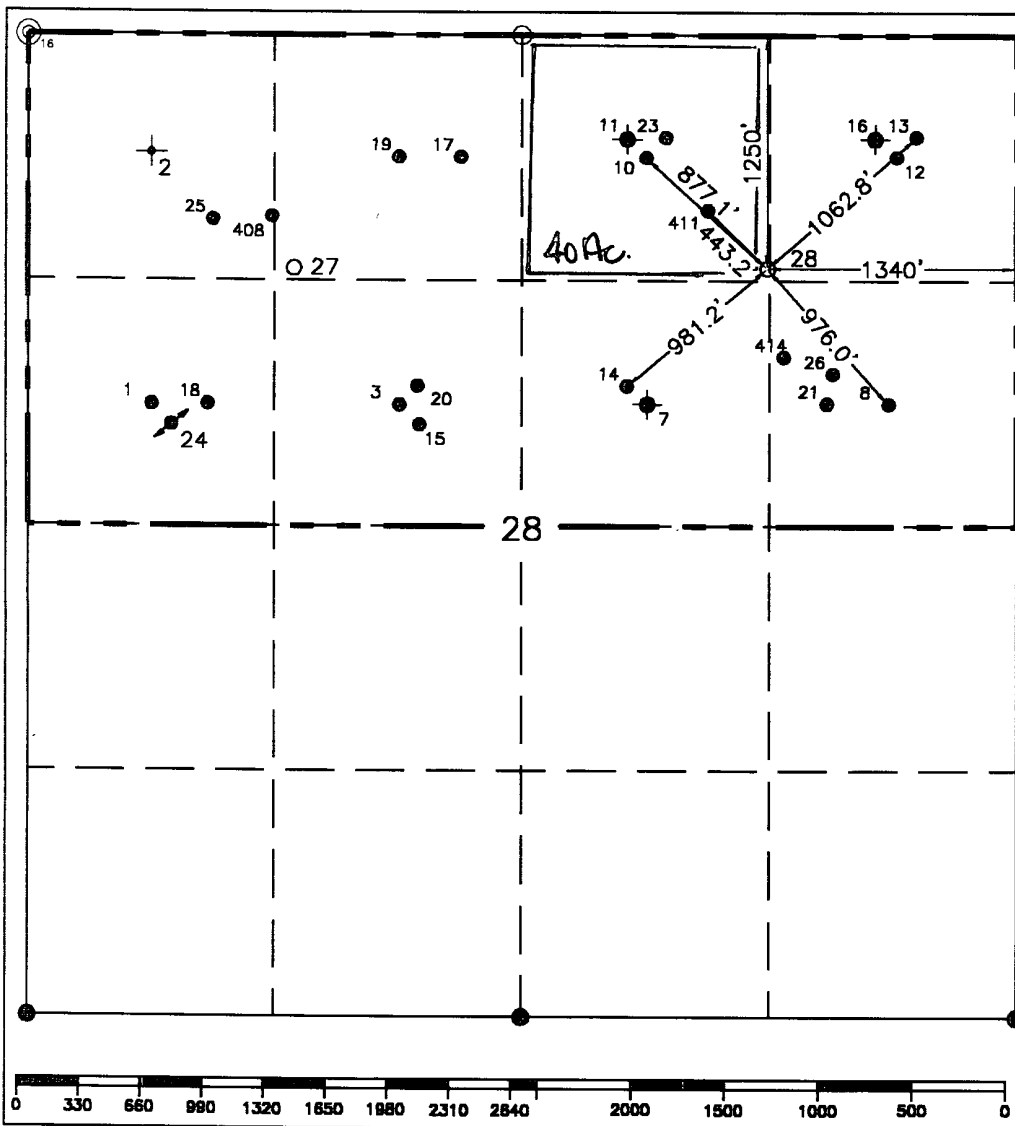
State Lease-4 copies
Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-36739		² Pool Code 50350		³ Pool Name Penrose Skelly (Grayburg)					
⁴ Property Code 2615		⁵ Property Name Eunice King			⁶ Well Number 28				
⁷ OGRID No. 4323		⁸ Operator Name CHEVRON USA, Inc.			⁹ Elevation 3436'				
¹⁰ Surface Location									
UL or lot no. B	Section 28	Township 21-S	Range 37-E	Lot Idn	Feet from the 1250'	North/South line North	Feet from the 1340'	East/West line East	⁷ County Lea
¹¹ Bottom Hole Location If Different From Surface									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	⁷ County
¹² Dedicated Acres 40		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No. NSL-5062			

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.



¹⁰ OPERATOR CERTIFICATION	
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.	
Signature	<i>Ted Tipton</i>
Printed Name	Ted Tipton
Position	Manager of Drilling Department
Company	Chevron USA, Inc.
Date	May 1, 2004
¹⁸ SURVEYOR CERTIFICATION	
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.	
Date Surveyed	April 22, 24, 26, & 27, 2004
Signature & Seal of Professional Surveyor	<i>John S. Piper</i>
Certificate No.	7254 John S. Piper
Sheet 1 of 1	

○ = Staked Location • = Producing Well = Injection Well ◊ = Water Supply Well ⊕ = Plugged & Abandon Well
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 530761.12 (1927= 530701.92)		Easting 902104.56 (1927= 860920.22)	
Latitude 32°27'13.300" (1927= 32°27'12.870")		Longitude 103°09'49.545" (1927= 103°09'47.854")	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983	0.9998911	Weathrly.cr5
Drawing File		Field Book	
Chevron-Eunice.Dwg		Lea #23, Pg.42	

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
March 12, 2004

For drilling and production facilities, submit to appropriate NMOCD District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☒ No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐ *Per DP*

Operator: CHEVRON U.S.A. INC. Telephone: 432-687-7375 e-mail address: LEAKEJD@CHEVRONTXACO.COM
Address: 15 SMITH ROAD, MIDLAND, TEXAS 79705
Facility or well name: EUNICE KING #28 API #: NEW U/L or Qtr/Qtr B_Sec 28 T_21-S_R_37-E
County: LEA Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☐ Indian ☐

API # 30-025-36739

Pit

Type: Drilling ☒ Production ☐ Disposal ☐
Workover ☐ Emergency ☐

Lined ☒ Unlined ☐

Liner type: Synthetic ☒ Thickness 20 mil Clay ☐ Volume
4106 bbl

Below-grade tank

Volume: _____ bbl Type of fluid: _____

Construction material: _____

Double-walled, with leak detection? Yes ☐ If not, explain why not.

Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)

Less than 50 feet

(20 points)

50 feet or more, but less than 100 feet

(10 points)

100 feet or more

(0 points)

Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)

Yes

(20 points)

No

(0 points)

Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)

Less than 200 feet

(20 points)

200 feet or more, but less than 1000 feet

(10 points)

1000 feet or more

(0 points)

Ranking Score (Total Points)

10

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location:

onsite ☐ offsite ☐ If offsite, name of facility _____. (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that the above-described pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Date: 6-17-2004

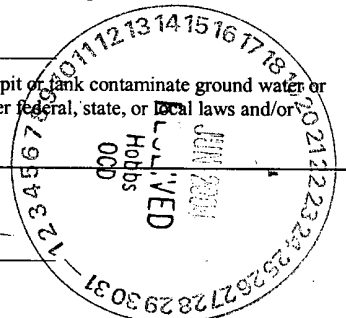
Printed Name/Title MIKE HOWELL PETROLEUM ENGINEER Signature Mike Howell

Your certification and NMOCD approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

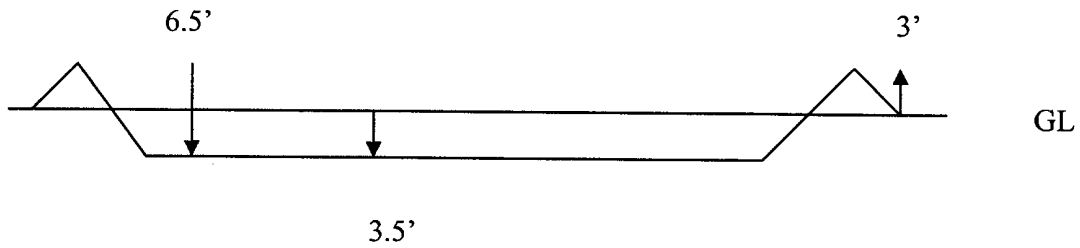
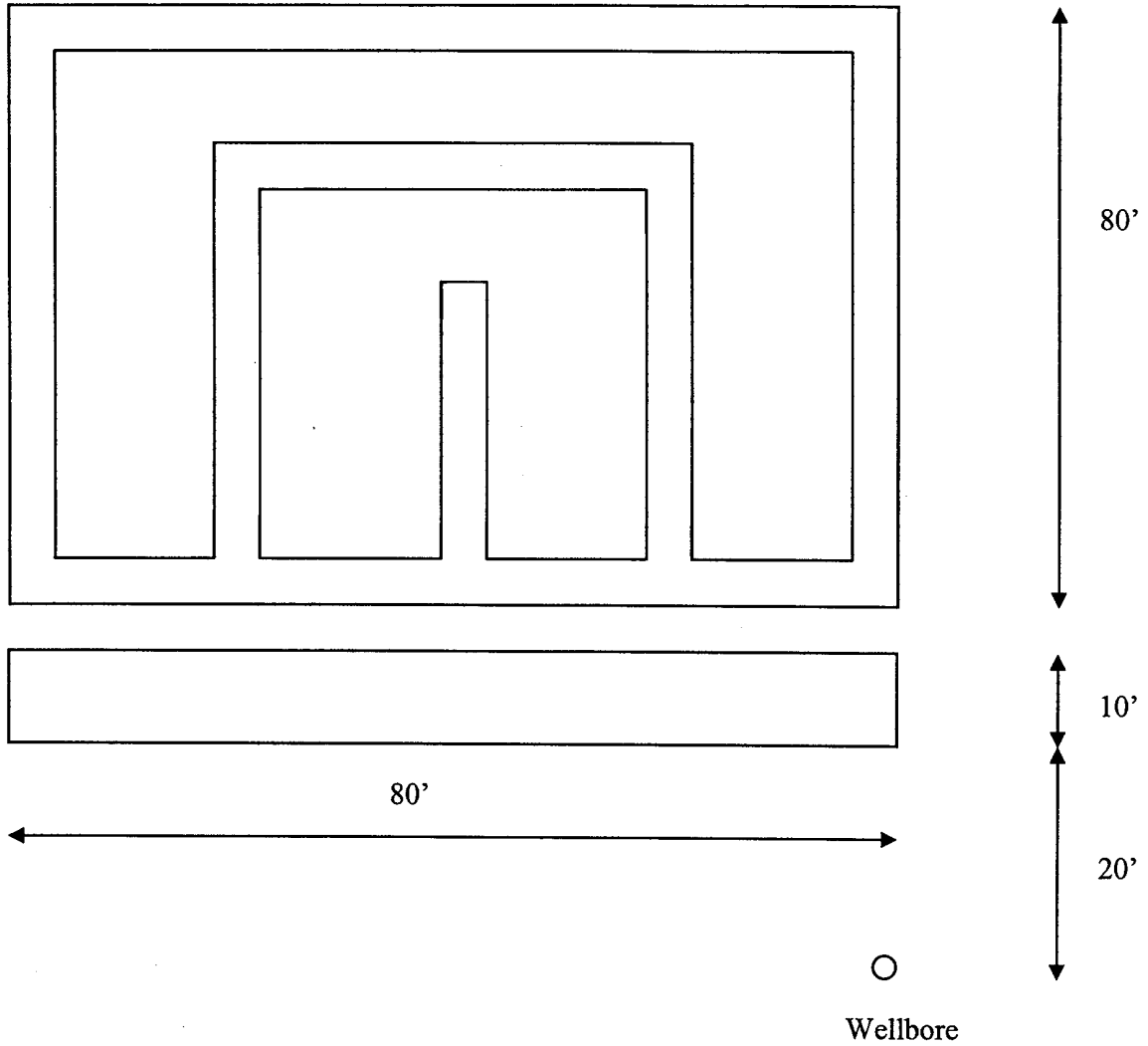
Date: 6/24/04

Printed Name/Title PETROLEUM ENGINEER Signature Paul J. Lang



CapStar #16 Pit Design

Ernie King # 28



June 17, 2004

ChevronTexaco

To whom it may concern,

I, Mike Howell, Petroleum Engineer for the ChevronTexaco, hereby certify that the pit design and construction for the Eunice King #28 is according to the guidelines for a standard pit.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mike Howell".

Mike Howell