

## 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 Copies

Fee Lease - 5 Copies

☐ AMENDED REPORT

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

<sup>1</sup> Operator Name and Address CHEVRON USA INC 15 SMITH ROAD, MIDLAND, TX 79705		<sup>2</sup> OGRID Number 4323
<sup>4</sup> Property Code 2669		<sup>3</sup> API Number 30-025-36741
<sup>5</sup> Property Name HARRY LEONARD (NCT-E)		<sup>6</sup> Well No. 7

<sup>7</sup> Surface Location

UI or lot no.	Section	Township	Range	Lot.Idn	Feet From The	North/South Line	Feet From The	East/West Line	County
H	16	21-S	37-E		1330'	NORTH	1070'	EAST	LEA

<sup>8</sup> 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
<sup>9</sup> Proposed Pool 1 PENROSE SKELLY GRAYBURG					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> WellType Code O	<sup>13</sup> Rotary or C.T. ROTARY	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3482'
<sup>16</sup> Multiple No	<sup>17</sup> Proposed Depth 4350'	<sup>18</sup> Formation GRAYBURG	<sup>19</sup> Contractor	<sup>20</sup> Spud Date 7/1/2004

<sup>21</sup> 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#	3993'	840 SX	CIRCULATE
Permit Expires 1 Year From Approval Date Unless Drilling Underway					

<sup>22</sup> 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% CACL<sub>2</sub> YIELD 1.34, CEMENT WEIGHT 14.8

PRODUCTION CASING: LEAD IN WITH 550 SX CLASS H 35/65 POZ WITH 6% GEL, 5% SALT, & 1/4# CELL, YIELD 2.14, CEMENT WEIGHT-12.4

TAIL IN WITH 290 SX CLASS H 50/50 POZ WITH 2% GEL, 5% SALT, & 1/4# CELL, YIELD 2.14, CEMENT WEIGHT-14.2

MUD PROGRAM: 0-400' FRESH WATER, 8.4 WEIGHT, CIRC PITS OR RESERVE, VISC. 28

400-3993' BRINE WATER, 10 WEIGHT, CIRC RESERVES, LIME PH9, VISC. 29

STARCH/GEL IF NEEDED

BOP PROGRAM: 11" ANNULAR 2M PRESSURE RATING

7 7/8" EXHIBIT C, 3M PRESSURE RATING

NON STANDARD LOCATION APPROVAL: ORDER NSL-5067 (SD)

<sup>23</sup> 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:

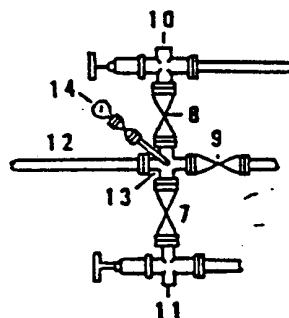
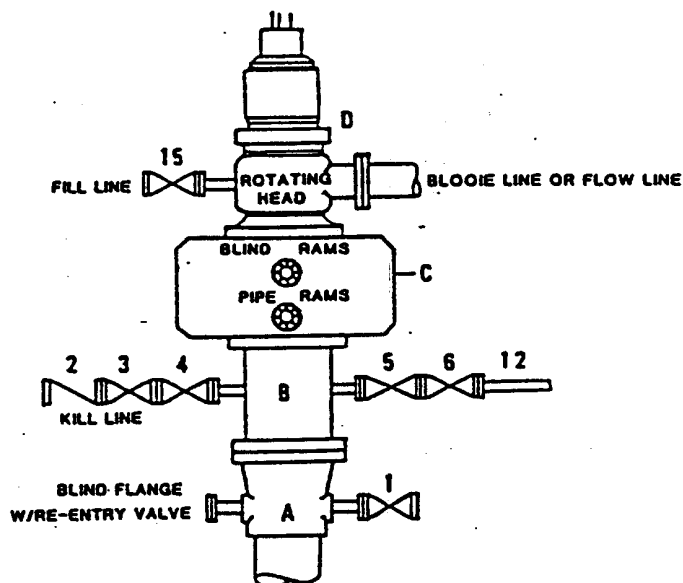
Approval Date:

Expiration Date:

Conditions of Approval:  
Attached ☒ 2 2004

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

H<sub>2</sub>S 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 Bloode Line.   |
| 1,3,4,<br>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.	DWG. 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

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

Form C-102  
Revised May 17, 2002

Instructions on back

Submit to Appropriate District Office

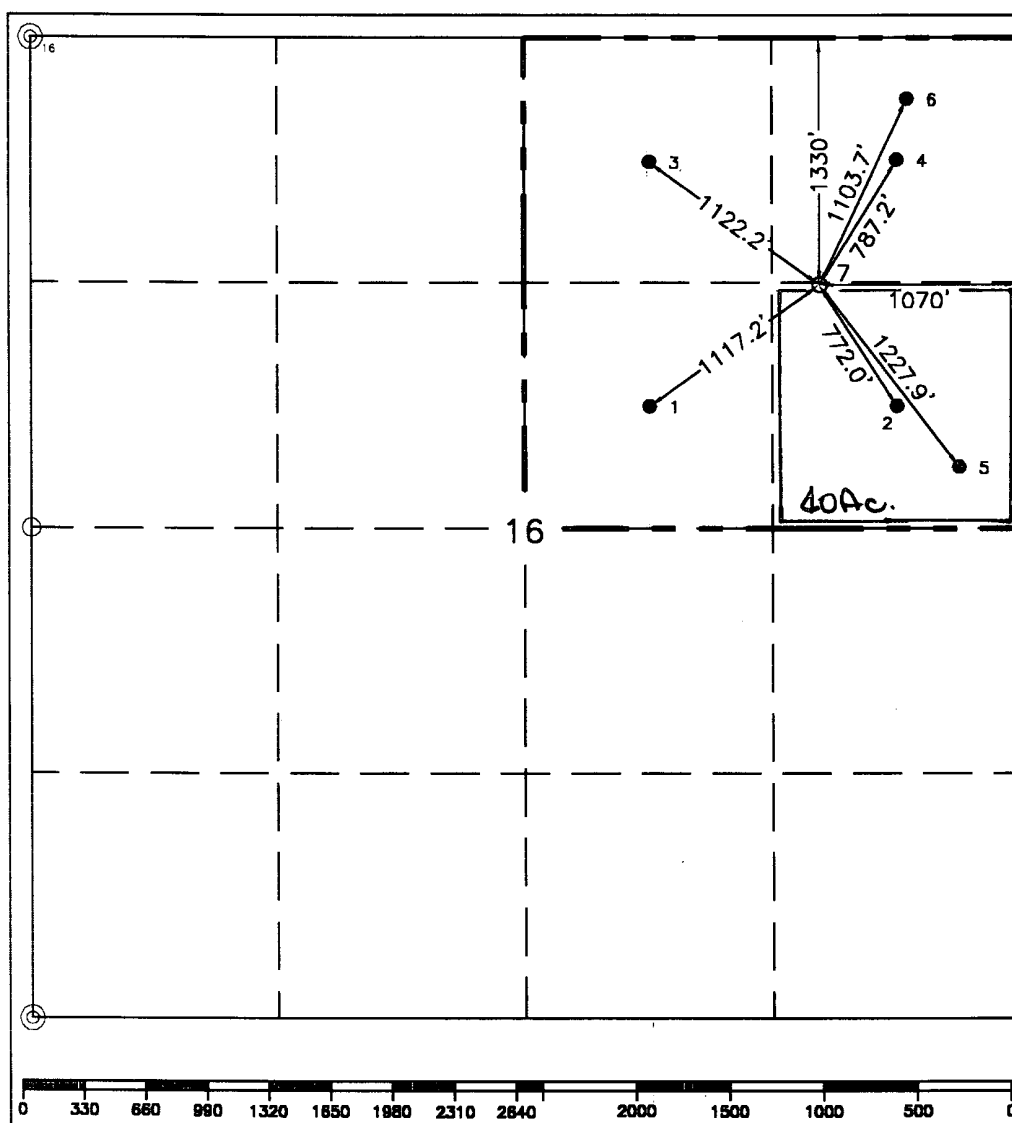
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Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number <b>30-025-36741</b>		<sup>2</sup> Pool Code <b>5035D</b>		<sup>3</sup> Pool Name <b>Penrose Skelly (Grayburg)</b>					
<sup>4</sup> Property Code <b>2669</b>		<sup>5</sup> Property Name <b>HARRY LEONARD (NCT-E)</b>			<sup>6</sup> Well Number <b>7</b>				
<sup>7</sup> GRID No. <b>43B</b>		<sup>8</sup> Operator Name <b>CHEVRON USA, Inc.</b>			<sup>9</sup> Elevation <b>3482'</b>				
<sup>10</sup> Surface Location									
UL or lot no. <b>H</b>	Section <b>16</b>	Township <b>21-S</b>	Range <b>37-E</b>	Lot Idn <b>1330'</b>	Feet from the <b>North</b>	North/South line <b>1070'</b>	East/West line <b>East</b>	<sup>7</sup> County <b>Lea</b>	
<sup>11</sup> 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	<sup>7</sup> County
<sup>12</sup> Dedicated Acres <b>40</b>		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No. <b>NSL-5067&lt;SD&gt;</b>			

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.



<sup>10</sup>OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

*Ted Tipton*

Printed Name

**Ted Tipton**

Position

**Manager of Drilling Department**

Company

**Chevron USA, Inc.**

Date

**May 1, 2004**

<sup>18</sup>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

*John S. Piper*

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 /4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 541248.59 (1927= 541189.23)		Easting 902252.26 (1927= 861068.20)	
Latitude 32°28'57.043" (1927= 32°28'56.615")		Longitude 103°09'46.480" (1927= 103°09'44.785")	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983	0.9998912	Weathrly.cr5
Drawing File		Field Book	
Chevron-Eunice.Dwg		Lea #23, Pg.44	

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@CHEVRONTTEXACO.COM  
Address: 15 SMITH ROAD, MIDLAND, TEXAS 79705  
Facility or well name: HARRY LEONARD NCT-E #7 API #: NEW\_U/L or Qtr/Qtr H\_Sec 16 T 21-S R 37-E  
County: LEA Latitude \_\_\_\_\_ Longitude \_\_\_\_\_ NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☐ Indian ☐

*API 30-025-36741*

**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 NMOCD-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.

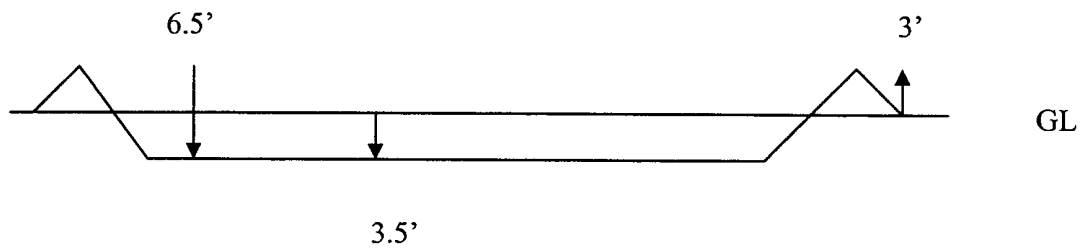
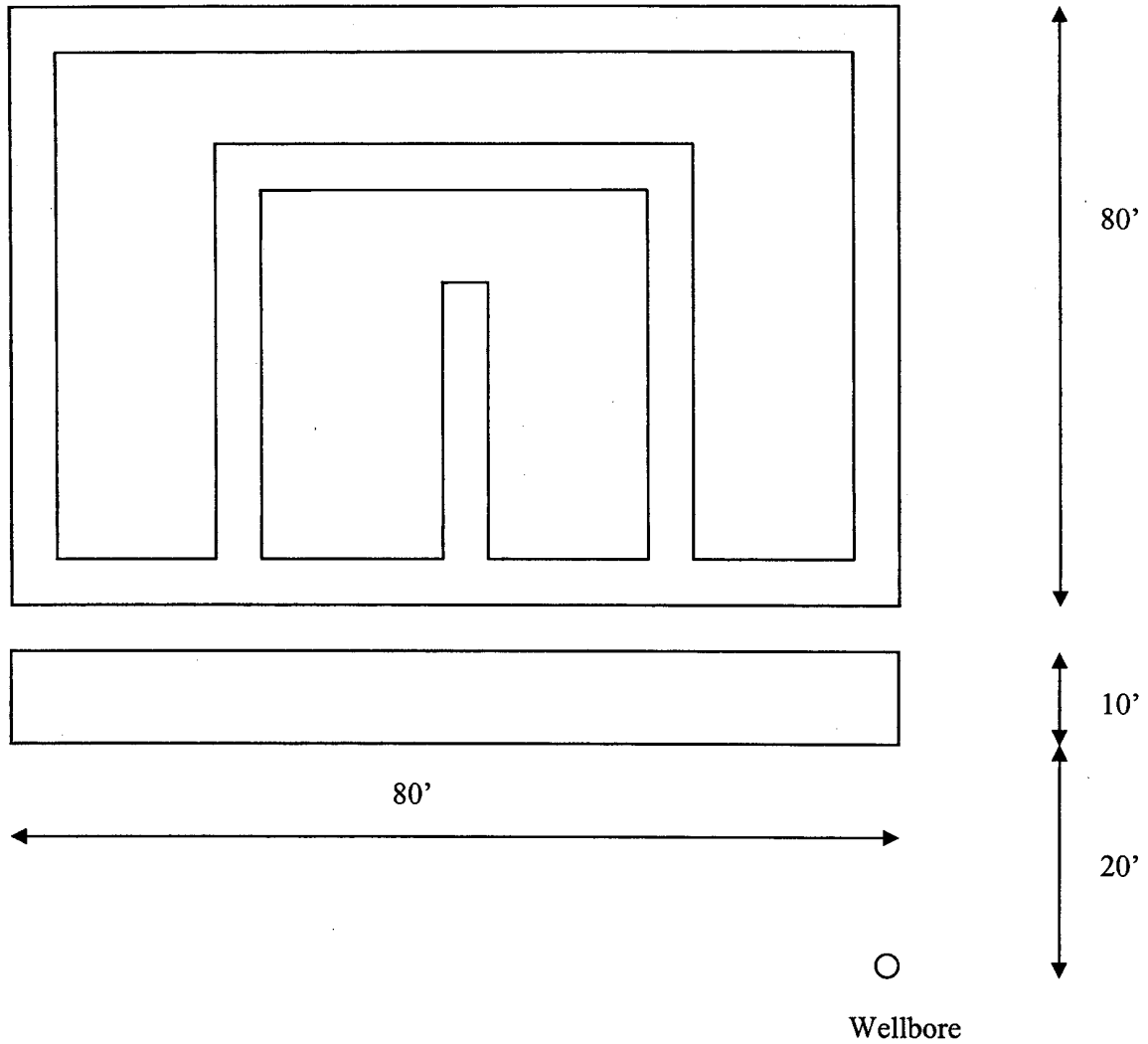
Approval:

Date: 6/24/04

Printed Name/Title PETROLEUM ENGINEER Signature *[Signature]* PETROLEUM ENGINEER

CapStar #16 Pit Design

Harry Leonard NCT-E #7



*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 Harry Leonard NCT-E #7 is according to the guidelines for a standard pit.*

*Sincerely,*

A handwritten signature in black ink, appearing to read "Mike Howell", with a stylized, flowing script.

*Mike Howell*