

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720

District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico

Form C-101
Revised November 14, 2012

HOBBS OCD
JAN 16 2013
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Energy Minerals and Natural Resources

Oil Conservation Division

AMENDED REPORT

1220 South St. Francis Dr.

Santa Fe, NM 87505

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

¹ Operator Name and Address Chevron USA, Inc. 15 Smith Road Midland, TX 79705		² OGRID Number 4323
⁴ Property Code 39645		³ API Number 30-025-40922
³ Property Name PADUCA BREAKS 32 26 32 STATE		⁵ Well No. 1H

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
A	32	26S	32E		400'	N	182'	E	LEA

8. Proposed Bottom Hole Location

UL - Lot	Section	Township	Range	Lot Idn	Feet from	N/S Line	Feet From	E/W Line	County
D	32	26S	32E		400'	N	350'	W	LEA

9. Pool Information

⁹ Pool Name JENNINGS; BONE SPRING UPPER SHALE	¹⁰ Pool Code 97838
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Additional Well Information

¹¹ Work Type N	¹² Well Type O	¹³ Cable/Rotary R	¹⁴ Lease Type S	¹⁵ Ground Level Elevation 3101'
¹⁶ Multiple N	¹⁷ Proposed Depth 13,394'	¹⁸ Formation Bone Spring	¹⁹ Contractor TBD	²⁰ Spud Date
Depth to Ground water 260'-405'		Distance from nearest fresh water well > 1 Mile		Distance to nearest surface water > 12 miles

21. Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surface	17 1/2"	13 3/8"	48#	900'	1289	0'
Intermediate	11"	8 5/8"	32#	4200'	1803	0'
Production	7 7/8"	5 1/2"	17#	13,394'	1820	0'

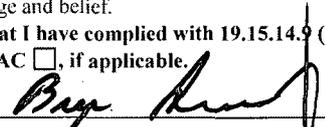
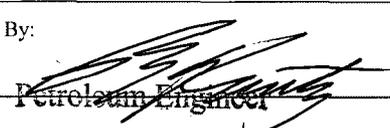
Casing/Cement Program: Additional Comments

Please see attached for C-102 Land Plat, W.B. Diagram, Directional Planning Report, NMOCD's C-144 (CLEZ) Pit Permit. There are no known high levels of H₂S in this area. Monitoring of H₂S and well readiness will be utilized in the drilling of this well.

22. Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Double Ram	5000	5000	

**Permit Expires 2 Years From Approval
Date Unless Drilling Underway**

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that I have complied with 19.15.14.9 (A) NMAC <input type="checkbox"/> and/or 19.15.14.9 (B) NMAC <input type="checkbox"/>, if applicable. Signature:  Printed name: Bryan Arrant-Agent for Chevron USA, Inc. Title: Regulatory Specialist II E-mail Address: bryan.arrant@chk.com Date: 01/15/2013	OIL CONSERVATION DIVISION Approved By:  Title: Petroleum Engineer Approved Date: JAN 17 2013 Expiration Date: JAN 13 2015
	Conditions of Approval Attached

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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

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30025-40922		² Pool Code (97838)		³ Pool Name JENNINGS; BONE SPRING UPPER SHALE	
⁴ Property Code 39645		⁵ Property Name PADUCA BREAKS WEST 32 26 32 STATE			⁶ Well Number 1H
⁷ OGRID No. 4323		⁸ Operator Name CHEVRON U.S.A. INC.			⁹ Elevation 3101'

Surface Location

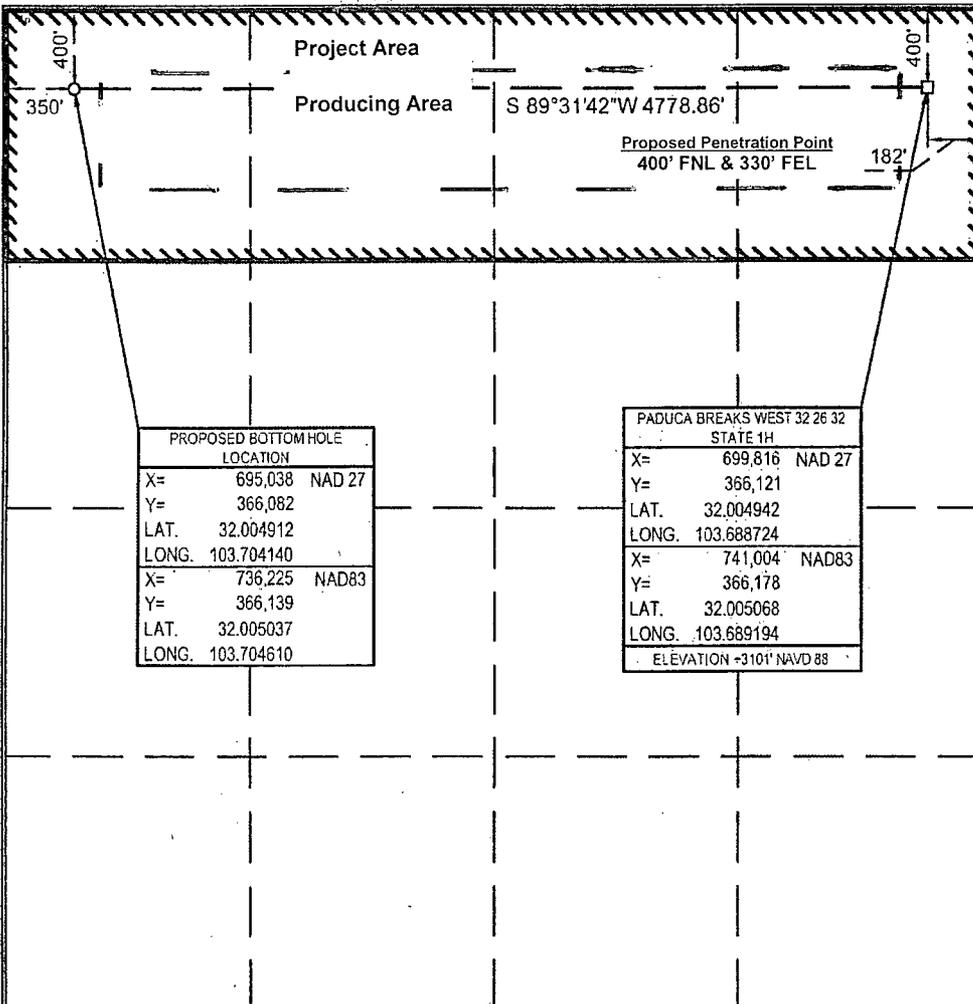
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	32	26S	32E, N.M.P.M.		400'	NORTH	182'	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
D	32	26S	32E, N.M.P.M.		400'	NORTH	350'	WEST	LEA

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Bryan Arrant 01/14/2013

Signature: *Bryan Arrant* Date: 01/14/2013
Bryan Arrant (Agent for Chevron)

Printed Name: **bryan.arrant@chk.com**

E-mail Address

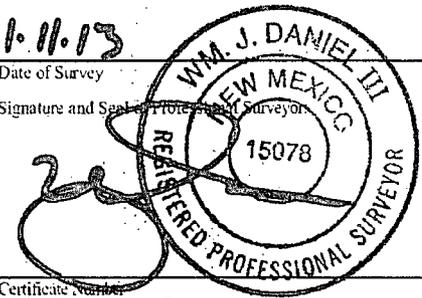
SURVEYOR CERTIFICATION

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 belief.

1.11.13

Date of Survey

Signature and Seal of Registered Professional Surveyor



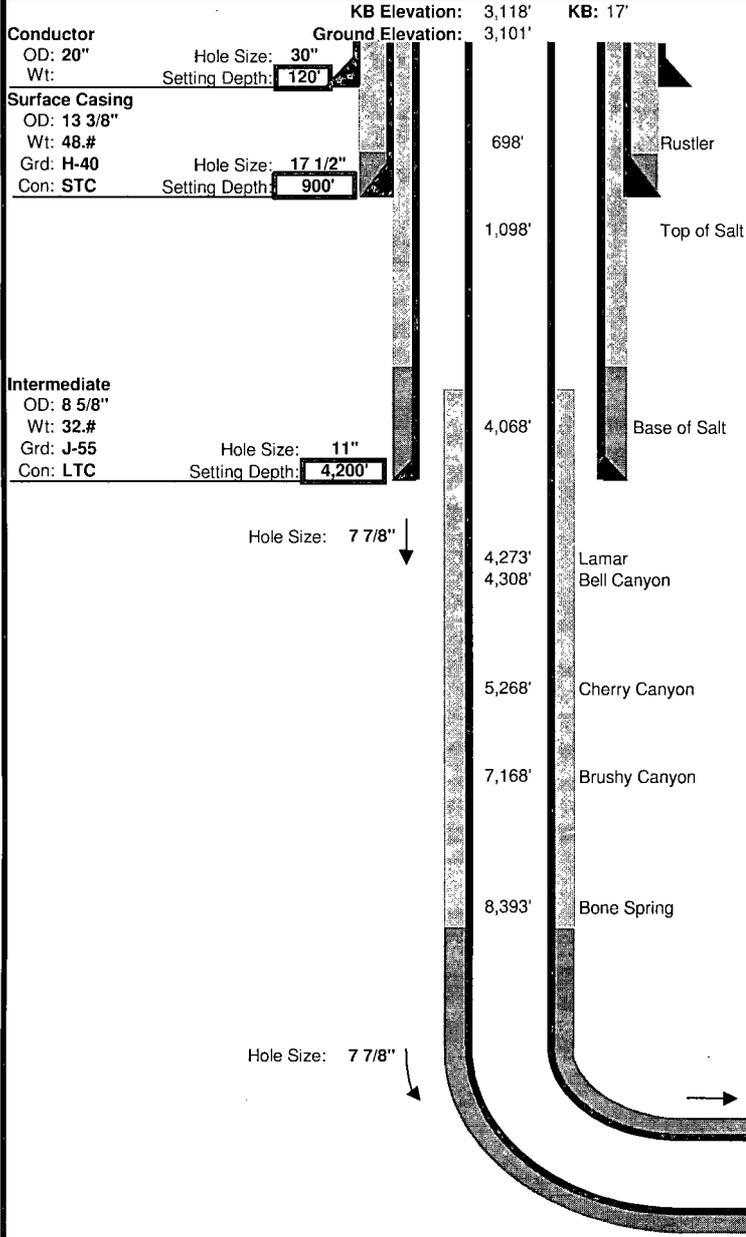
Certificate Number: **#15078**



Drilling Engineer: Dan Melcher
 Superintendent: Daniel Gipson
 Geologist: Corey Dimond

Well Name: Paduca Breaks West 32-26-32 State 1H
 Target: Upper Avalon
 County, State: Lea, NM
 Surface Location: 400' FNL 182' FEL, Section 32, Township 26 S, Range 32 E
 BH Location: 400' FNL 350' FWL, Section 32, Township 26 S, Range 32 E
 SHL Latitude: 32.004942 SHL North: 366121
 SHL Longitude: -103.688724 SHL East: 699816
 BHL Latitude: 32.004912 BHL North: 366082
 BHL Longitude: -103.70414 BHL East: 695038
 Coordinates: NAD 27 Coordinates: NMSPCE

Drilling Rig: Trinidad 110
 Directional: Phoenix
 Drilling Mud: Nova
 Cement: Schlumberger
 Wellhead: Sunbelt
 Property Number: 0
 AFE Number: 0



Wellhead Equipment	
A Section	13-3/8" x 13-5/8" 5K SOW
B Section	13-5/8" 5K x 11" 5K
C Section	11" 5K X 7-1/16" 10K w/10k gate valve
D Section	N/A
Required BOP Stack	13-5/8" 5K- Double, Annular, Rot Head w/orbit valve

Mud				
Depth	Type	Weight	F. Vis	FL
0' - 900'	Spud Mud	8.4 - 8.7	32 - 34	NC - NC
900' - 4,200'	Brine	9.5 - 10.1	28 - 29	NC - NC
4,200' - 8,342'	FW/Cut Brine	8.3 - 9.5	28 - 29	NC - NC
8,342' - 9,102'	Cut Brine	8.3 - 9.5	32 - 36	15 - 25
9,102' - 13,394'	FW/Cut Brine	8.3 - 9.5	28 - 29	NC - NC

Cement							
Slurry	Top	Btm	Wt	Yld	%Exc	Bbl	Sx
Surface	Lead	0'	800'	13.7	1.65	250	1076
	Tail	800'	900'	14.8	1.33	250	213
Intermediate	Lead	0'	3,700'	12.0	1.99	250	1467
	Tail	3,700'	4,200'	14.2	1.37	250	336
Production	Lead	3,700'	8,342'	12.4	2.19	75	614
	Tail	8,342'	13,394'	14.5	1.28	75	1206

LOGS	Type	Logs	Interval	Vendor
	OH	Triple Combo	Base of Curve to Int Csg	TBD
	Mud Log	2 man mudlogging	Int Csg to EOC	Nomac
	LWD	MWD Gamma	Curve and Lateral	Phoenix

Directional Plan						
Target Line:	8830' @ 0° VS w/91.2 deg inclination					
Target Window:	20' above, 20' below, 50' left, 50' right					
	MD	INC	AZM	TVD	VS	DLS
KOP	8,342'	0.00	0.00	8,342'	0'	0.00
EOB	9,102'	91.20	269.53	8,820'	488'	12.00
TD	13,394'	91.20	269.53	8,730'	4,778'	0.00
Hardlines:	Lateral- 330' from parallel lease lines. Vertical- Actual Lease Lines					
Notes:	Please note SHL and BHL distance from lease lines					