

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

Form C-101
May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address CHEVRON U.S.A. INC. 15 SMITH ROAD MIDLAND, TEXAS 79705		² OGRID Number 4323
		³ API Number 30 - 025-09995
³ Property Code 2678	⁵ Property Name MARK	⁶ Well No. 3
⁹ Proposed Pool 1 PENROSE SKELLY GRAYBURG		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no. G	Section 3	Township 22-S	Range 37-E	Lot Idn	Feet from the 1980'	North/South line NORTH	Feet from the 1980'	East/West line EAST	County LEA
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8 Proposed Bottom Hole Location If Different From Surface

UL or lot no. H	Section 3	Township 22-S	Range 37-E	Lot Idn	Feet from the 2310'	North/South line NORTH	Feet from the 330'	East/West line EAST	County LEA
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Additional Well Information

¹¹ Work Type Code P <i>Horizontal</i>	¹² Well Type Code OIL	¹³ Cable/Rotary	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3405' GL
¹⁶ Multiple NO	¹⁷ Proposed Depth 3821'	¹⁸ Formation GRAYBURG	¹⁹ Contractor	²⁰ Spud Date
Depth to Groundwater 50' OR MORE LESS THAN 100 FEET		Distance from nearest fresh water well 1000 FEET OR MORE		Distance from nearest surface water 1000 FEET OR MORE
Pit: Liner: Synthetic <input type="checkbox"/> 20 mils thick Clay <input type="checkbox"/> Closed-Loop System <input type="checkbox"/>		Pit Volume: 1965 bbls Drilling Method: Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>		

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
NO CHANGE					

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.

KICK OFF POINT - 3785'
TOP OF WINDOW - 3815'
BOTTOM OF WINDOW - 3829'
TARGET INTERVAL - 3815-3829'
LENGTH OF LATERAL - 1740'

*Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Horizontal*



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 the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: DENISE PINKERTON

Title: REGULATORY SPECIALIST

E-mail Address: LEAKEJD@CHEVRON.COM

Date: 3-02-2007

Phone: 432-687-7375

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date:

Conditions of Approval Attached ☐

Chris Williams

OCD DISTRICT SUPERVISOR/GENERAL MANAGER

MAR 14 2007

Expiration Date:

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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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-09995		² Pool Code 50350		³ Pool Name PENROSE SKELLY GRAYBURG	
⁴ Property Code 2678		⁵ Property Name MARK			⁶ Well Number 3
⁷ OGRID No. 4323		⁸ Operator Name CHEVRON U.S.A. INC.			⁹ Elevation 3405' GL

¹⁰ Surface Location

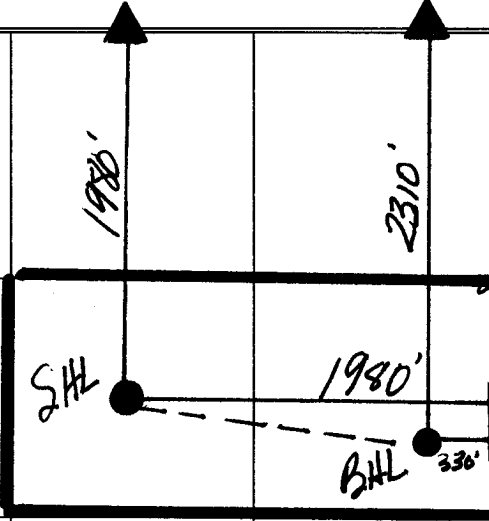
UL or lot no. G	Section 3	Township 22-S	Range 37-E	Lot Idn	Feet from the 1980'	North/South line NORTH	Feet from the 1980'	East/West line EAST	County LEA
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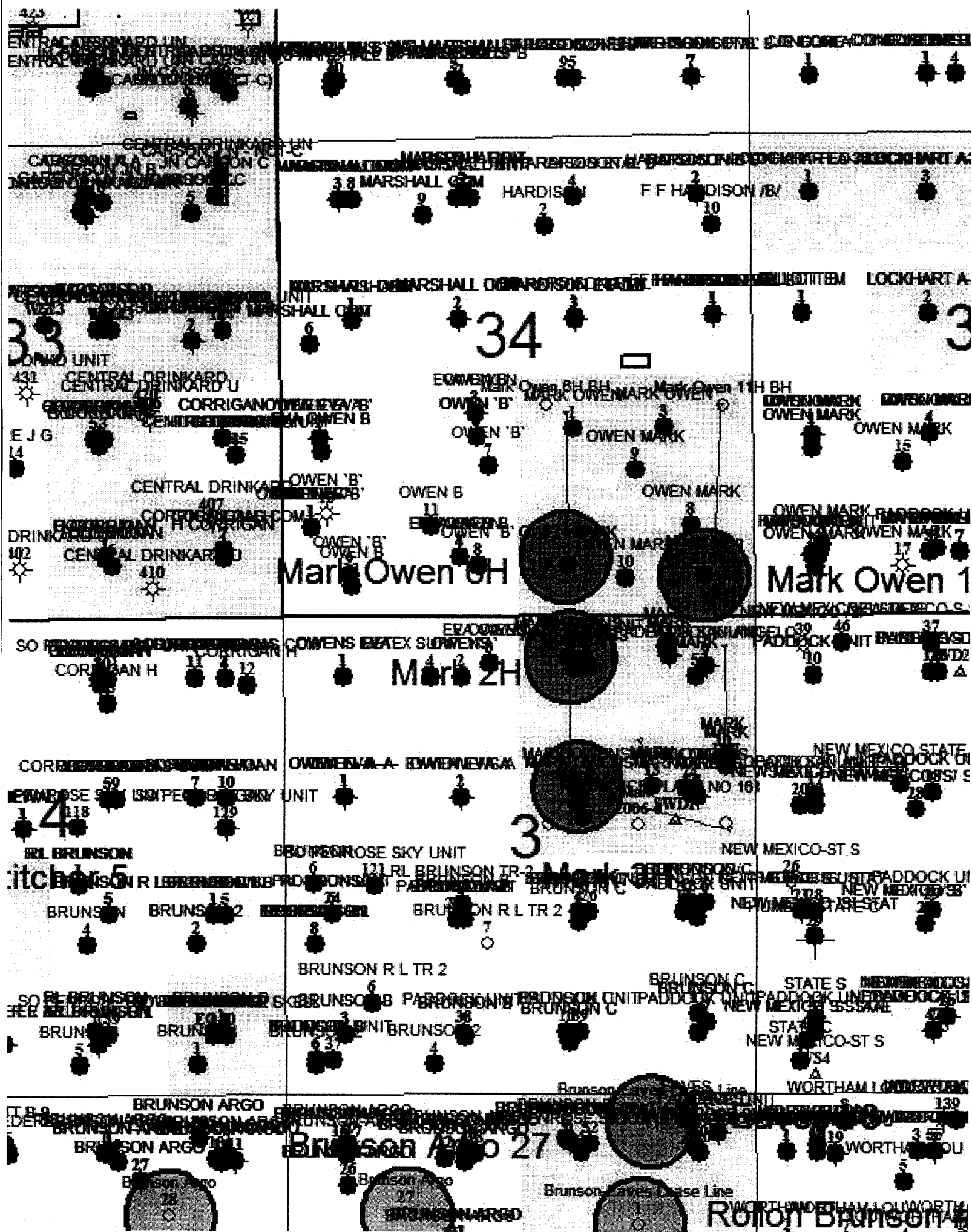
¹¹ Bottom Hole Location If Different From Surface

UL or lot no. H	Section 3	Township 22-S	Range 37-E	Lot Idn	Feet from the 2310'	North/South line NORTH	Feet from the 330'	East/West line EAST	County LEA
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¹² Dedicated Acres 80	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.

<div><p>16</p></div>	<p>17 OPERATOR CERTIFICATION</p> <p>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.</p> <p><i>Denise Pinkerton</i> 3-02-2007 Signature Date</p> <p>DENISE PINKERTON REGULATORY SPECIALIST Printed Name</p>
	<p>18 SURVEYOR CERTIFICATION</p> <p>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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>



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State of New Mexico
Energy Minerals and Natural Resources

Form C-144
June 1, 2004

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

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 ☐

Operator: CHEVRON U.S.A. INC. Telephone: 432-687-7375 e-mail address: LEAKEJD@CHEVRON.COM

Address 15 SMITH ROAD, MIDLAND, TEXAS 79705

Facility or well name: MARK #3 API #: 30-025-09995 U/L or Qtr/Qtr G Sec 3 T 22-S R37-E

County: LEA Latitude _____ Longitude _____ NAD: 1927 ☐ 1983 ☐

Surface Owner: Federal ☐ State ☐ Private ☒ Indian ☐

Pit

Type: Drilling Horizontal

Lined ☒

Liner type: Synthetic ☒ Thickness 20 mil

Pit Volume 1965 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 POINTS

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: (check the onsite box if you are burying in place) 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.

Additional Comments:

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: 3-02-2007

Printed Name/ DENISE PINKERTON

REGULATORY SPECIALIST

Signature

Denise Pinkerton

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:

Printed Name/Title CHRIS WILLIAMS / DIST. SUPERV.

Signature

Chris Williams

Date: 3/14/07

Key Rig #117 Pit Design

