Submit to Appropriate
District Office
State Lease-6 copies
Fee Lease-5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

API NO. (assigned by OCD on New Wells) 30-025-31582

5. Indicate Type of Lease STATE [ ] FEE [X]

6. State Oil & Gas Lease No. N/A

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OF PLUG BACK

1a. Type of Work: DRILL [X] RE-ENTER [ ] DEEPEN [ ] PLUG BACK [ ]

b. Type of Well: OIL WELL [X] GAS WELL [ ] OTHER SINGLE ZONE [ ] MULTIPLE ZONE [ ]

7. Lease Name or Unit Agreement Name: ARROWHEAD GRAYBURG UNIT

2. Name of Operator: CHEVRON U.S.A. INC.

8. Well No. 213

3. Address of Operator: P.O. BOX 1150, MIDLAND, TX 79702 ATTN: P.R. MATTHEW

9. Pool name or Wildcat: ARROWHEAD/GB

4. Well Location
Unit Letter N : 370 Feet From The SOUTH Line an 1880 Feet From The WEST Line
Section 7 Township 22 SOUTH Range 37 EAST NMPM LEA County

10. Proposed depth	11. Formation	12. Rotary or C.T.
4500'	GRAYBURG	ROTARY

13. Elevation (Show DF,RT, GR, etc.)	14. Kind & Status Plug Bond	15. Drlg Contractor	16. Date Work will start
3428 GE	BLANKET	UNKNOWN	6-1-92

17 PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4"	8 5/8"	23	1150'	800	SURFACE
7 7/8"	5 1/2"	15.5	4500	900	SURFACE

MUD PROGRAM: 0'-1150' FRESH WATER SPUD MUD, 9.0 PPG.
1150'-4500' BRINE WATER AND AIR MIST SYSTEM, 10.0 PPG.

BOPE EQUIPMENT: 2000 PSI WORKING PRESSURE, SEE ATTACHMENT.
CHEVRON U.S.A. INC. CLASS II DRAWING.

IN ABOVE SPACE DESCRIBE PROPOSE IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

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

SIGNATURE P.R. Matthews TITLE TECHNICAL ASSISTANT DATE 4-14-92

TYPE OR PRINT NAME P.R. MATTHEWS TELEPHONE NO. (915)687-7812

APPROVED BY Orig. Signed by Paul Kautz Geologist TITLE _____ DATE _____ '92

CONDITIONS OF APPROVAL, IF ANY:

Permit Expires 6 Months From Approval Date Unless Drilling Underway.

Submit to Appropriate
District Office
State Lease – 4 copies
Fee Lease – 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

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

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator	Lease	Well No.
CHEVRON U.S.A. INC.	ARROWHEAD GRAYBURG UNIT	213

Unit Letter	Section	Township	Range	County
N	7	22 SOUTH	37 EAST NMPM	LEA

Actual Footage Location of Well:
370 feet from the SOUTH line and 1880 feet from the WEST line

Ground Level Elev.	Producing Formation	Pool	Dedicated Acreage:
3428.3'	GRAYBURG	ARROWHEAD Grayburg	40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.

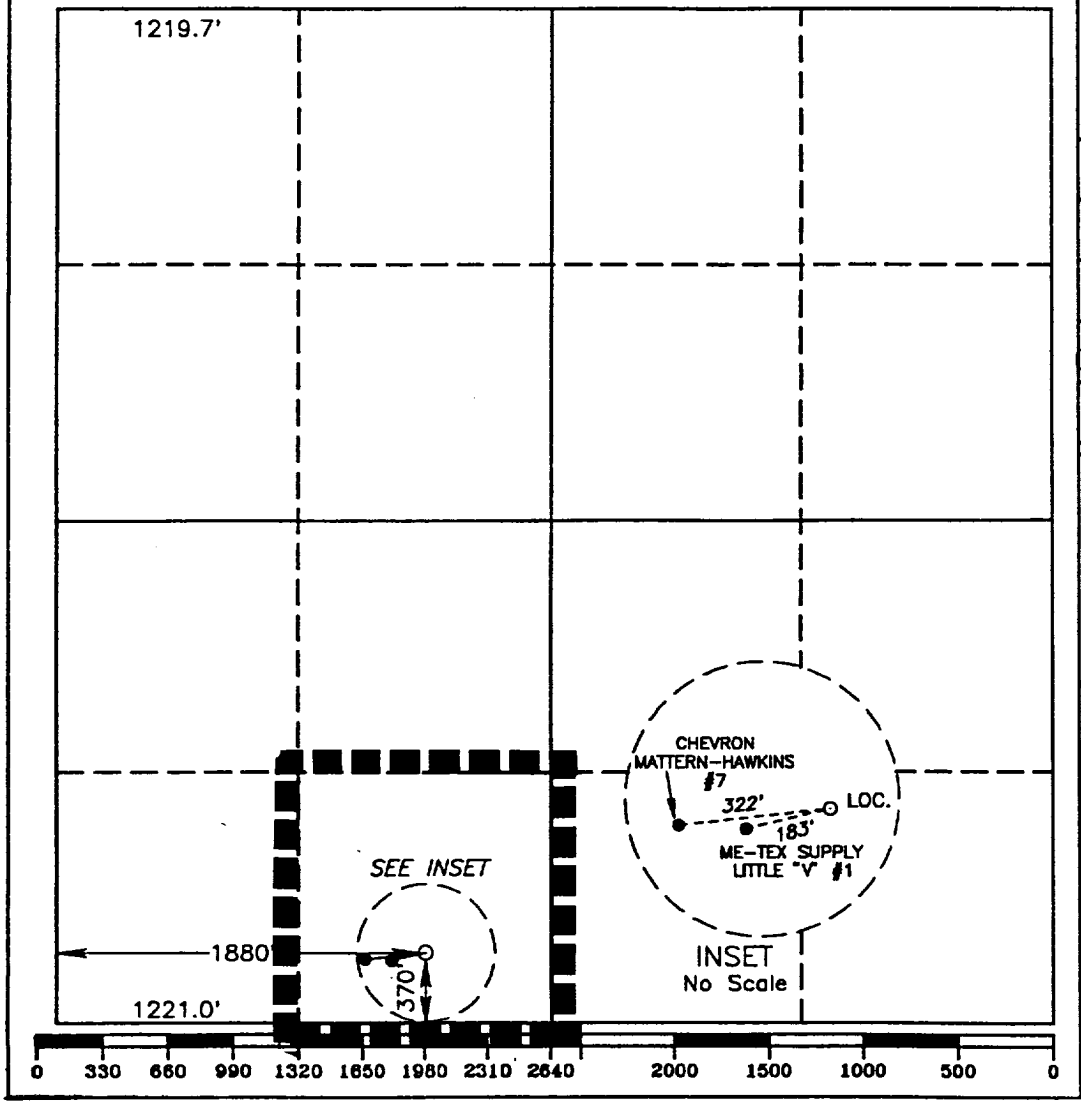
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).

3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?

☐ Yes ☐ No If answer is "yes" type of consolidation _____

If answer is "no" list of owners and tract descriptions which have actually been consolidated. (Use reverse side of this form necessary. _____

No allowable will be assigned to the well unit all interests have been consolidated (by communitization, unitization, forced-pooling, otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

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

Signature: P.R. Matthews

Printed Name: P.R. MATTHEWS

Position: TECHNICAL ASSISTANT

Company: CHEVRON U.S.A. PRODUCTION

Date: 4-15-92

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 supervison, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed: APRIL 8, 1992

Signature & Seal of Professional Surveyor

REGISTERED LAND SURVEYOR
No. 3239
RONALD J. EIDSON
NEW MEXICO

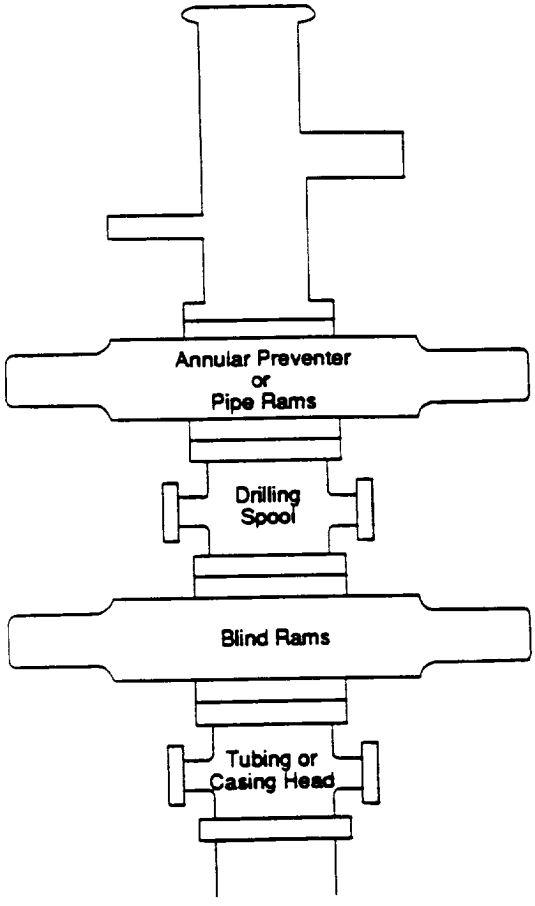
Ronald J. Eidson

Certificate No. JOHN W. WEST 676
RONALD J. EIDSON 3239
GARY L. JONES 7977

92-11-0510

D. CLASS II-B BLOWOUT PREVENTER STACK:

Figure 11J.3
Class II-B Blowout Preventer Stack



The Class II-B preventer stack is designed for drilling or workover operations. It is composed of a single hydraulically operated annular preventer on top, then a drilling spool, and a single blind ram preventer on bottom. In an alternate configuration, a single pipe ram preventer may be substituted for the annular preventer. The choke and kill lines are installed onto the drilling spool and must have a minimum internal diameter of 2". An emergency kill line may be installed on the wellhead. As the maximum anticipated surface pressure of this stack is less than 2000 psi, screwed connections may be used. All components must be of steel construction. The Class II-B blowout preventer stack is shown to the left in Figure 11J.3.

C. CLASS II CHOKE MANIFOLD

The Class II choke manifold is suitable for all Class II workovers and drilling operations. The Class II choke manifold is shown below in Figure 11J.7. Specific design features of the Class II choke manifold include:

1. The manifold is attached to the tubing/casing head when a Class II-A preventer stack is use. This hook-up is only recommended for Class II workover operations.

2. The manifold is attached to a drilling spool or top ram preventer side outlets when a Class II-B preventer stack is in use.

3. The minimun internal diameter is 2" (nominal) for outlets, flanges, valves and lines.

4. Includes two steel gate valves in the choke line at the wellhead/drilling spool outlet. The inside choke line valve may be remotely controlled (HCR).

5. Includes one manually adjustable choke which is installed on the side of the manifold cross. Steel isolation gate valves are installed between the choke and the cross, and downstream of the choke.

6. Includes one bleed line installed on the side of the manifold cross which is isolated by a steel gate valve.

7. Includes a pressure gauge suitable for drilling service which can display the casing pressure within view of the choke operator.

8. Screwed connections may be used in lieu of flanges or clamps.

Figure 11J.7 - Class II Manifold

NC = Normally Closed
NO = Normally Open