

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		6. If Indian, Allottee or Tribe Name	
1b. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		7. Unit or CA Agreement Name and No.	
2. Name of Operator CHEVRON U.S.A. INC.		8. Lease Name and Well No. C.C. FRISTOE "B" FED NCT-2 #30	
3a. Address 15 SMITH ROAD, MIDLAND, TX 79705		9. API Well No. 30-025-35992	
3b. Phone No. (include area code) 915 687-7375		10. Field and Pool, or Exploratory GRAYBURG, SAN ANDRES	
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface UNIT LETTER H, 2012' FNL, & 566.2' FEL At proposed prod. zone SAME		11. Sec., T., R., M., or Blk. and Survey or Area SEC 35, T-24-S, R-37-E	
14. Distance in miles and direction from nearest town or post office* 5.8 MILES NE OF JAL, NM		12. County or Parish LEA	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 566.2'		13. State NM	
16. No. of Acres in lease 400		17. Spacing Unit dedicated to this well 40	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 100.1'		20. BLM/BIA Bond No. on file CO-0058	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3161' GL		22. Approximate date work will start* 10-01-02	
		23. Estimated duration 6 DAYS TO DRILL	

Capitan Controlled Water Basin

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>J. Denise Leake</i>	Name (Printed/Typed) J. DENISE LEAKE	Date 7-24-02
---	---	-----------------

Title

REGULATORY SPECIALIST

Approved by (Signature) <i>/s/ Mary J. Rugwell</i>	Name (Printed/Typed) <i>/s/ Mary J. Rugwell</i>	Date AUG 30 2002
Title <i>for Field Manager</i>	Office <i>Carlsbad Field Office</i>	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on Reverse)

Subject to  
General Requirements and  
Special Specifications  
Attached

OPER. OGRID NO. 4323  
PROPERTY NO. 29917  
POOL CODE 37240  
EFF. DATE 9-4-02  
API NO. 30-025-35992

*K*  
*MP*



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 February 10, 1994

Instructions on back

Submit to Appropriate District Office

State Lease-4 copies  
Fee Lease-3 copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

<sup>1</sup> API Number 30-025-35992		<sup>2</sup> Pool Code 37240		<sup>3</sup> Well Name Langlie Mattox, TR-6 Grayburg, San Andres					
<sup>4</sup> Property Code 29917		<sup>5</sup> Property Name C. C. Fristoe "B" Federal NCT-2				<sup>6</sup> Well Number 30			
<sup>7</sup> OGRI No. 22351 4323		<sup>8</sup> Operator Name Chevron USA Inc.				<sup>9</sup> Elevation 3161'			
<sup>10</sup> Surface Location									
<sup>10a</sup> UL or lot no. H	<sup>10b</sup> Section 35	<sup>10c</sup> Township 24-S	<sup>10d</sup> Range 37-E	<sup>10e</sup> Lot Idn 2012'	<sup>10f</sup> North/South line North	<sup>10g</sup> Feet from the 566.2'	<sup>10h</sup> East/West line East	<sup>10i</sup> County Lea	
<sup>11</sup> Bottom Hole Location If Different From Surface									
<sup>11a</sup> UL or lot no.	<sup>11b</sup> Section	<sup>11c</sup> Township	<sup>11d</sup> Range	<sup>11e</sup> Lot Idn	<sup>11f</sup> Feet from the	<sup>11g</sup> North/South line	<sup>11h</sup> Feet from the	<sup>11i</sup> East/West line	<sup>11j</sup> County
<sup>12</sup> Dedicated Acres 40		<sup>13</sup> Joint or Infill		<sup>14</sup> Consolidation Code		<sup>15</sup> Order No.			

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>16</sup> 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 June 7, 2002
	<sup>17</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 June 4, 2002
	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 429704.39 (1927=429647.25)	Easting 914588.62 (1927=873400.98)	
Latitude 32°10'32.097" (1927=32°10'31.655")	Longitude 103°07'37.147" (1927=103°07'35.502")	
Zone North American Datum	Combined Grid Factor	Coordinate File
East 1983	0.99991402	Erwin83.cr5
Drawing File	Field Book	
Erwin B30.dwg	Lea Co #20 Pg 70	

## DRILLING PROGRAM

Attachment to Form 3160-3  
Texaco Exploration & Production Inc.  
C. C. Fristoe "B" NCT-2 #30  
2012' FNL, 566.2' FEL  
Section 35, T-24S, R-37E  
Lea County, New Mexico

**Elevation of unprepared ground: 3161'**

**Type Drilling Tools: Rotary**

**Proposed Drilling Depth: 4050'**

**Estimated Top of Geologic Markers:**

Rustler	902'	Anhydrite
Tansill	2280'	
Yates	2407'	Sandstone
Seven Rivers	2670'	
Queen	3159'	
Grayburg	3400'	Dolomite
San Andres	3617'	Dolomite
Total Depth	4050'	

**Estimated Depths at which target Formations expected:**

Langlie Mattix Seven Rivers Queen Grayburg 4050'

**Casing Program and Setting Depths:**

Hole Size	Casing Size	Weight	Grade	Setting Depth
11"	8 5/8"	24#	J-55	950'
7 7/8"	5 1/2"	15.5#	K-55	4050'

**Duration of Operation: 10 Days to Drill**

**Casing Setting Depths and Cementing Program:**

- A. Surface casing will be cemented to surface using 590 sacks Class "C" cement with 2% CaCl<sub>2</sub>.
- B. Production casing will be cemented with 550 sacks Class "H" cement with 6% gel, 5% salt, & 1/4# cell, tailed in with 300 sacks Class "H" 50/50 poz with 2% gel, 5% salt, & 1/4# cell.

**Mud Program:**

<u>Depth</u>	<u>Type</u>	<u>Weight</u>	<u>Remarks</u>
0-950'	Fresh Water	8.4	Circulate pits 28 viscosity
950-4050'	Brine	10	Circulate reserves, 29 vis

**Testing, Logging, and Coring Program:**

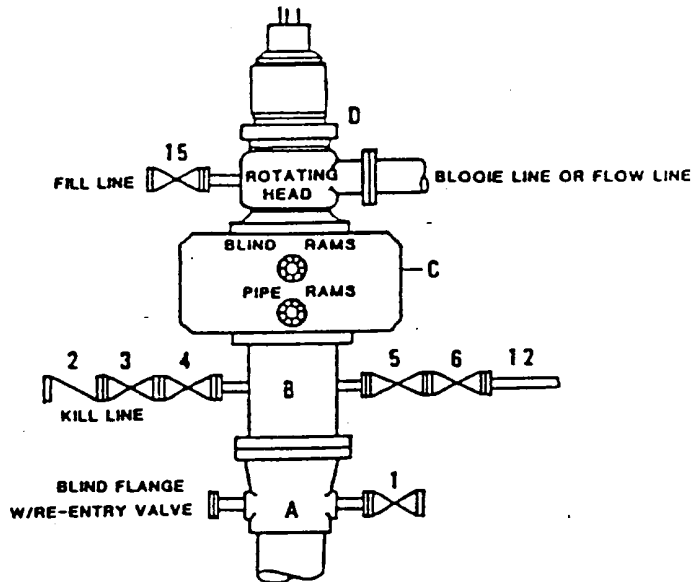
- A. Salt Muds below Surface for logging requirements
- B. Install H<sub>2</sub>S equipment from 950' – TD
- C. Mudloggers from 2150' to TD
- D. No coring is planned.

**Anticipated Starting Date:**

Drilling operations should begin upon approval of this permit and will take approximately 10 days. Completion operations will begin soon after drilling is completed and will take approximately two weeks.

**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, 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

**OPERATOR – LANDOWNER AGREEMENT**

COMPANY: CHEVRON U.S.A. INC.

PROPOSED WELL: C.C. FRISTOE "B" FEDERAL NCT-2 #30

FEDERAL LEASE NO: NM-14218

This is to advise that Chevron U.S.A. Inc. has an agreement with:

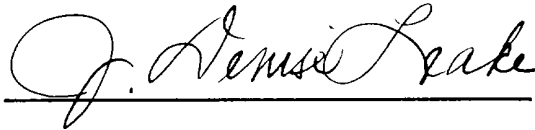
El Paso Natural Gas, P.O. Box 1492, El Paso, Texas 79978

The surface owner, concerning entry and surface restoration after completion of drilling operations at the above described well.

After abandonment of the well, all pits will be filled and leveled; all equipment and trash will be removed from well site. No other requirements were made concerning restoration of the well site.

7-24-02

Date

A handwritten signature in cursive script, reading "J. Denise Leake", written over a horizontal line.

J. Denise Leake  
Regulatory and Permit Specialist  
Midland, Texas

**SURFACE USE AND OPERATIONS PLAN**  
**FOR**  
**CHEVRON USA, INC.**

C. C. FRISTOE "B" FEDERAL (NCT-2) No. 30

2012' FNL & 566.2' FEL, Section 35

TWP. 24 South, Range 37 East, N.M.P.M.,

Lea County, New Mexico

LOCATED: 5.8 Miles Northeasterly of Jal, New Mexico

FEDERAL LEASE NUMBER: NM-14218

LEASE ISSUED: Lease is in a producing status

ACRES IN LEASE: 400

RECORD LESSEE: CHEVRON USA INC.

SURFACE OWNERSHIP: El Paso Natural Gas  
P. O. Box 1492  
El Paso, Texas 79978

POOL: Grayburg, San Andres

POOL RULES: Field rules are for no wells to be located closer than 330' to any quarter-quarter section and to be 330' from the lease line.

EXHIBITS: A. Access Road and Facilities Map

B. Drilling Rig Layout Diagram

C. Well Location and Acreage Dedication Plat



### 1. EXISTING ACCESS ROADS

A. Exhibit "A" is an enlarged portion of a 7.5 minute U.S.G.S. topographic map showing the proposed well site and the existing roads in the area. Point "A" is at the intersection of an existing resource road and County Road C-14, 0.8 miles East of its intersection with County Road C-13, being 4.0 miles North along County Road C-13 from its intersection with State Highway 128 which is approximately 3 miles East of Jal, New Mexico along State Highway 128. From Point "A" as shown on Exhibit "A", go 0.34 miles South to the beginning of the proposed road as shown on Exhibit "A".

### 2. PLANNED RESOURCE ROAD

A. Length and Width: A new 14 foot wide Resource Road will be constructed approximately 210' Easterly (Shown in Red on Exhibit "A") with access at the Northeast corner of the proposed well pad as shown on Exhibits "A" and "B".

B. Surfacing Material: Caliche material will be used to surface the proposed road. It will be watered compacted, and graded.

C. Maximum Grade: An approximate grade of less than one percent will be encountered to the proposed well pad.

D. Turnouts: Turnouts will not be required.

E. Drainage Design: The new road will be crowned at the center to direct drainage to ditches on both sides of the roadway.

F. Culverts: None will be required.

G. Cuts and Fills: A slight amount of leveling will be required to the proposed well pad.

H. Gates and Cattle Guards: None will be required.

### 3. LOCATION OF EXISTING WELLS

A. Existing wells on the lease and in the immediate area are shown on Exhibit "A".

### 4. LOCATION OF EXISTING AND PROPOSED FACILITIES

A. The oil, gas, and/or water that this well produces will be transported by a 2 7/8" steel surface flowline, approximately 975 feet in length, (Shown in Green on Exhibit "A") to the C. C. Fristoe Consolidated Tank Battery located in the Northeast quarter of the Northeast quarter of said Section 35 as shown on Exhibit "A".

B. Approximately 200 feet of electric power line will be built to service this well as shown on Exhibits "A" and "B". Note that some existing electric lines in the area are also shown on Exhibit "A" for reference. It is a 12,470 phase to phase, 7200 volts to ground three phase. It is an operator owned powerline.

#### 5. LOCATION AND TYPE OF WATER SUPPLY

A. It is not contemplated that a water well would be drilled. Water necessary for drilling operations will be purchased and trucked to the well site or will be transported to the well site by a temporary pipeline laid on the ground alongside existing and proposed roads.

#### 6. SOURCE OF CONSTRUCTION MATERIALS

A. Caliche needed for the well pad will be taken from the proposed borrow pit located within the 400 x 400' archaeologically cleared tract at the proposed well site (See Exhibit "B" for location). If sufficient quality or quantity of caliche is not available, it will be transported to the proposed road and well site from the existing pit located in the SE/4 of the SE/4 of Section 35, T24S, R37E, Lea County, as shown on Exhibit "A" along the existing resource roads.

#### 7. METHOD OF HANDLING WASTE DISPOSAL

- A. Drill cuttings will be disposed of in the drilling pits.
- B. Drilling fluids will be allowed to evaporate in the drilling pits until the pits are dry.
- C. Water produced during tests will be disposed of at commercial or company facilities.
- D. Oil produced during tests will be stored in test tanks until sold.
- E. Trash, waste paper, garbage and junk will be stored in a trash bin located on the drill site pad. It will be transported to an approved landfill for disposal within 30 days after completion of drilling and/or completion of operations. All waste material will be contained to prevent scattering by the wind.

#### 8. ANCILLARY FACILITIES

- A. None required.

#### 9. WELL SITE LAYOUT

A. Exhibit "B" shows the relative location and dimensions of the well pad, mud pits, borrow pit, and the location of the major rig components.

B. Cut and Fill requirements will be minor, but clearing and leveling of the well site will be necessary.

#### 10. PLANS FOR RECLAMATION OF THE SURFACE

A. After completion of drilling and/or completion of operations, all equipment and other material not necessary for operations will be removed. Pits will be filled and the location will be cleaned of all trash and junk to leave the well site in an aesthetically pleasing condition as possible.

B. Any unguarded pits containing fluids will be fenced until the pits are dry.

C. After abandonment, all equipment, trash and junk will be removed and the well site will be cleaned. Any special reclamation and/or special revegetation requirements of the Surface Management Agency will be complied with and will be accomplished as rapidly as possible.

#### 11. OTHER INFORMATION

A. Topography: The land surface in the area of the well is relatively level. Regionally, the land slopes to the easterly with an average slope of approximately of two percent.

B. Soil: Topsoil at the well site is a shallow sandy loam.

C. Flora and Fauna: The vegetation cover is moderate. It includes range grasses, weeds, and mesquite bushes. Wildlife in the area is that typical of a semi-arid desert land and includes coyotes, rabbits, rodents, reptiles, hawks, dove, quail and other small birds.

D. Ponds and Streams: There are no rivers, lakes, ponds or streams in the area.

E. Residences and Other structures: There are no occupied dwellings or other structures within 3/4 mile of the proposed well site.

F. Archaeological, Historical, or other Cultural Sites: None were observed in the area.

G. Land Use: Grazing, oil and gas production, and wildlife habitat.

H. Surface Ownership: Private fee.

12. OPERATOR'S REPRESENTATIVE

Ted Tipton  
Manager of Drilling Department  
Chevron USA Inc.  
15 Smith Road  
Midland, Texas 79705  
Office Phone: (915) 687-7401

CERTIFICATION

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in the plan are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed herein will be performed by Chevron USA, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U. S. C. 1001 for the filing of a false statement.

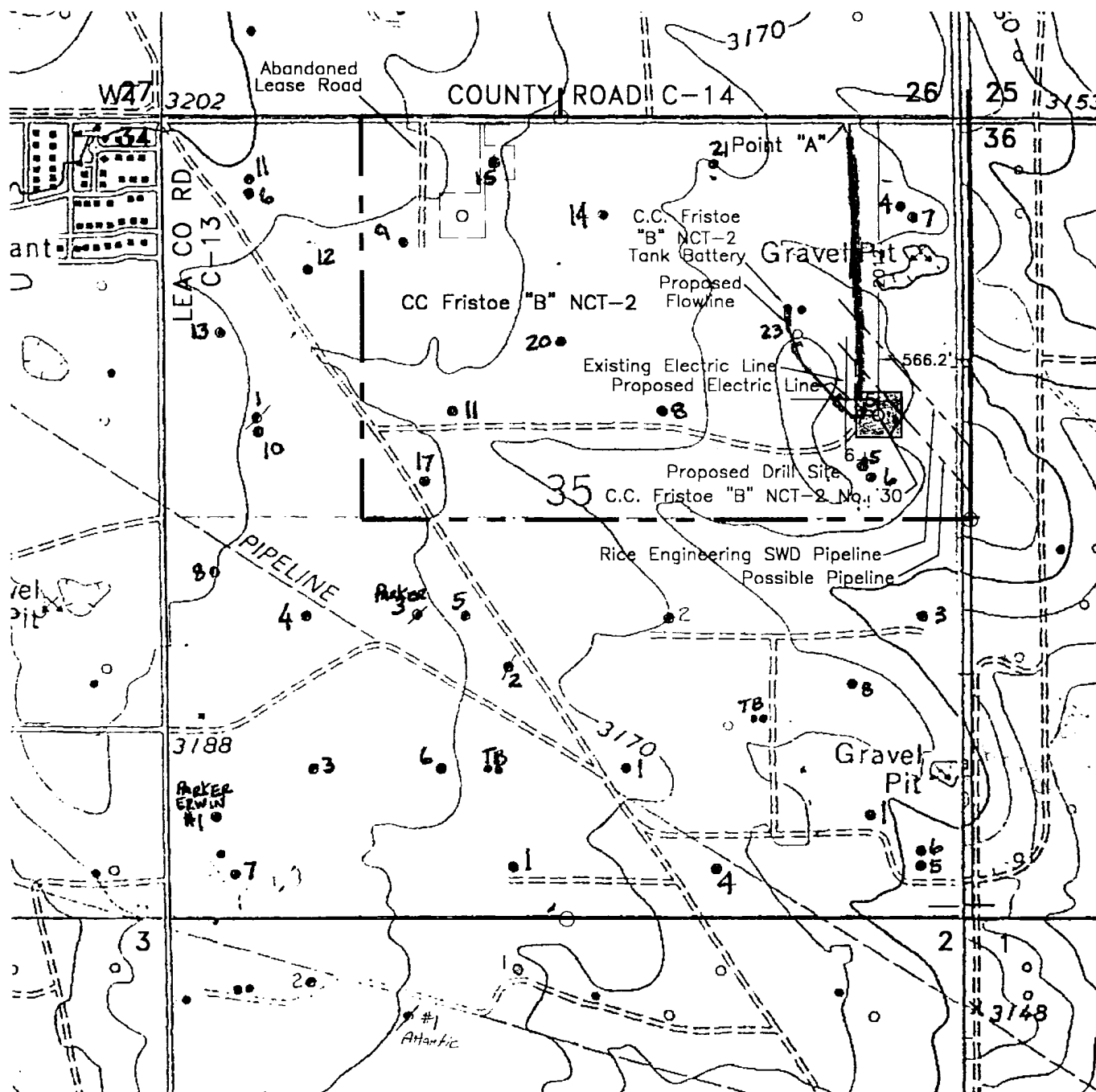
7-24 '02

Date

Ted Tipton / Jde

Ted Tipton  
Manager of Drilling Department  
Midland, Texas

Enclosures  
jsp



# LEGEND OF SYMBOLS

- = Access Road (Yellow)
- = Access Road on Lease (Purple)
- = Resource Road on State Land (Blue)
- = Resource Road on Private Land (Pink)
- = Resource Road on Federal Land (Brown)
- = Proposed Resource Road (Red)
- = Proposed Electric Line (Orange)
- = Proposed Production Flow Line (Green)
- o = Staked Well Location
- = Producing Well Location
- = Water Injection Well
- o = Found 1" Iron Pipe with Brass Cap
- o = Found 2" or 3" Iron Pipe with Brass Cap
- = Unit or Lease Boundary

## EXHIBIT "A" ACCESS ROAD AND FACILITIES MAP

TEXACO EXPLORATION AND PRODUCTION INC.

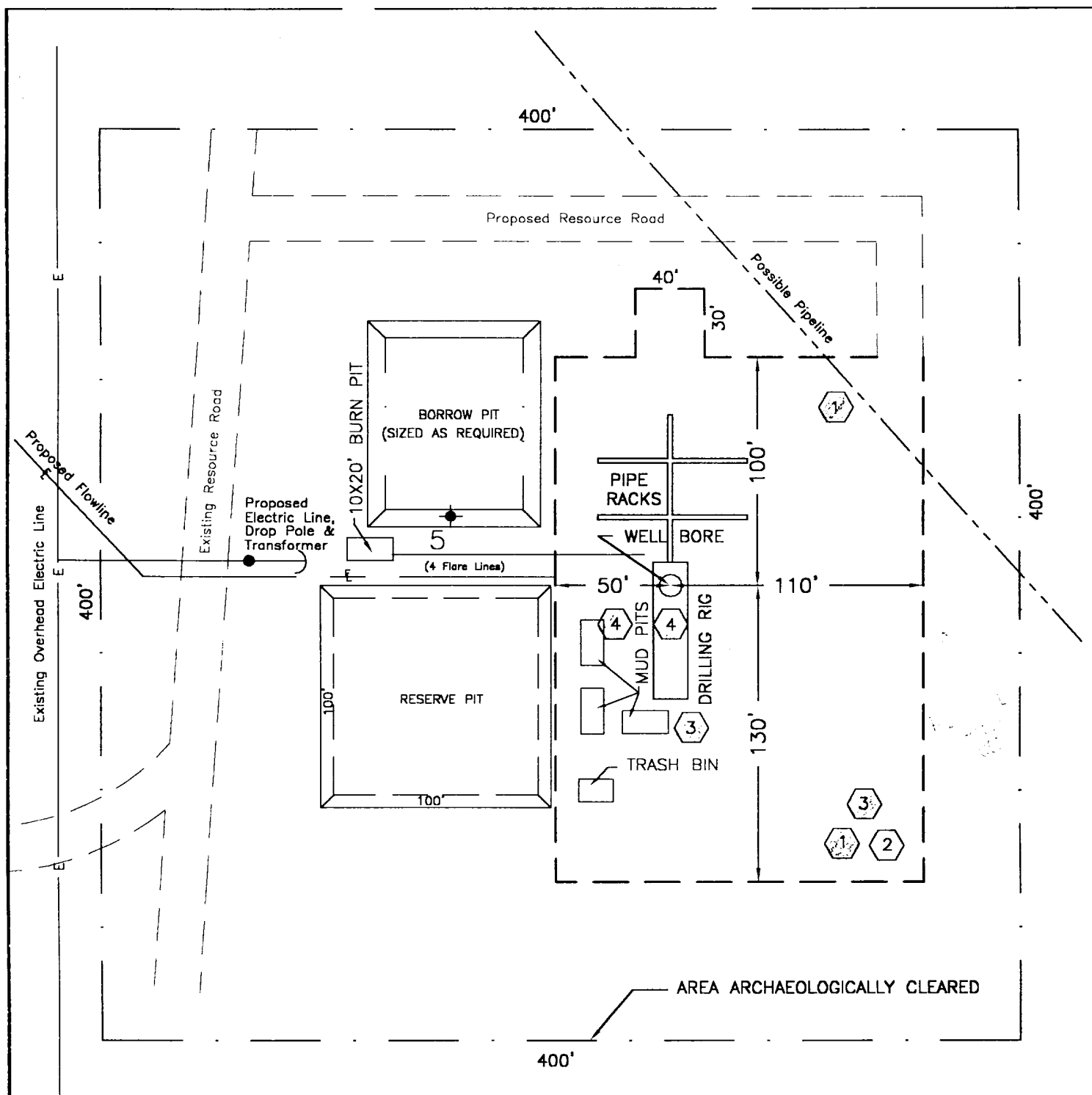
C.C. FRISTOE "B" FEDERAL NCT-2 NO. 30  
Located 2012' FNL & 566.2' FEL, Section 35,  
T-24-S, R-37-E, NMPM, Lea County, NM

Drawn by: Gene Rodriguez

Scale: 1" = 1000'

Date: June 5, 2002

Ted Tipton



# H<sub>2</sub>S DRILLING OPERATION PLAN



Briefing Station



H<sub>2</sub>S Safety Trailer



Windsocks



H<sub>2</sub>S Detectors, Shale Shaker,  
Rotating Head,  
Rig Floor

Prevailing Wind from the South



## EXHIBIT "B" DRILLING RIG LAYOUT

TEXACO EXPLORATION AND PRODUCTION INC.

C.C. FRISTOE "B" FEDERAL NCT-2 NO. 30  
Located 2012' FNL & 566.2' FEL, Section 35,  
T-24-S, R-37-E, NMPM, Lea County, NM

Drawn by: Gene M. Rodriguez

Scale: 1" = 60'

Date: June 6, 2002

Ted Tipton

DISTRICT 1  
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  
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State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
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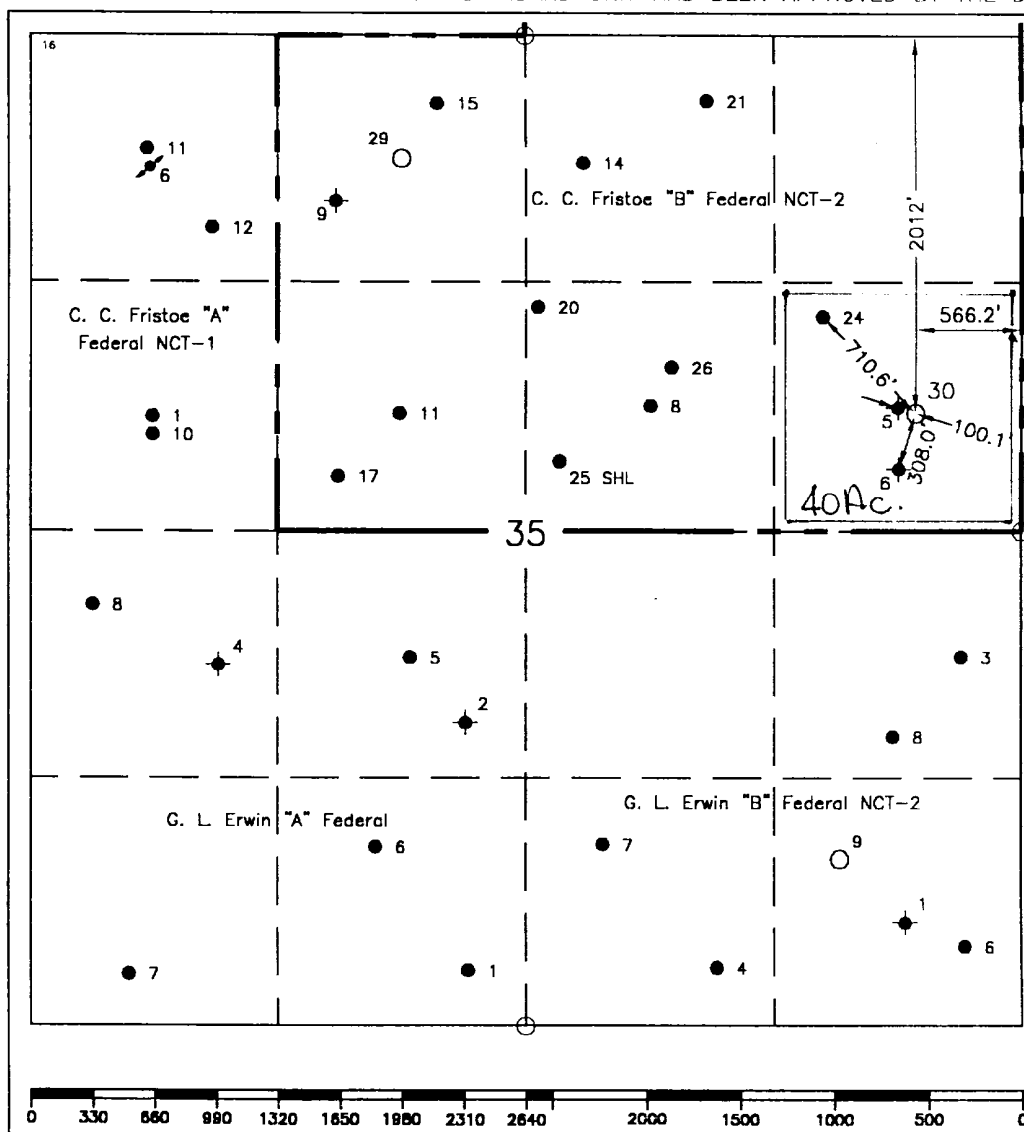
State Lease-4 copies  
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☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Grayburg, San Andres					
<sup>4</sup> Property Code		<sup>5</sup> Property Name C. C. Fristoe "B" Federal NCT-2						<sup>6</sup> Well Number 30	
<sup>7</sup> OGRID No. 22351		<sup>8</sup> Operator Name Chevron USA Inc.						<sup>9</sup> Elevation 3161'	
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<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
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OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION.

	<sup>17</sup> 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 <b>Ted Tipton</b> Position <b>Manager of Drilling Department</b> Company <b>Chevron USA Inc</b> Date <b>June 7, 2002</b>
	<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 <b>June 4, 2002</b> Signature & Seal of Professional Surveyor <i>John S. Piper</i> Certificate No. <b>7054 John S. Piper</b> Sheet <b>1 of 1</b>

○ = 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.

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State Plane Coordinates			
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Latitude 32°10'32.097" (1927=32°10'31.655")		Longitude 103°07'37.147" (1927=103°07'35.502")	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983	0.99991402	Erwin83.cr5
Drawing File		Field Book	

# **HYDROGEN SULFIDE DRILLING OPERATIONS PLAN**

**C. C. FRISTOE "B" FEDERAL NCT-2 WELL NO. 30**

## **TRAINING:**

Every person involved in the wellsite operation will be informed of the characteristics of hydrogen sulfide, its danger, safe procedures to be used when it is encountered, use of detection equipment, use of protective breathing equipment, and first aid procedures for regular rig personnel.

On site training will be provided by ChevronTexaco prior to reaching Order 6 compliance depth. The ChevronTexaco drilling supervisor is responsible for insuring all persons working on location have been provided training.

## **EXHIBIT A**

Topographic map of location and surrounding area.

## **EXHIBIT B**

The wellsite layout contains the following information:

- Drill rig orientation
- Prevailing wind direction
- Location of all briefing areas
- Location of access road
- Location of flare line
- Location of windsocks
- Location of H2S Safety Trailer

## **PROTECTIVE EQUIPMENT:**

4 – 30 minute SCBA's: 2 located at each Briefing Station. An additional SCBA will be located at the Tool Pusher's trailer, if used.

5 – 5 minute escape packs will be located in the Dog House.

Means of communication while using protective equipment will be hand signals.

## **H2S SENSORS:**

H2S sensors will be located at (1) Shale Shaker (2) Rotating Head and (3) Rig floor.



A light will be located on the rig floor. It will be set to go off at 10 PPM. It will be visible from anywhere on the location.

A siren will be located on the rig floor. It will be set to go off at 15 PPM.

ChevronTexaco Drilling Supervisor will maintain a portable H2S monitor.

#### MUD PROGRAM:

A fresh water/Brine system will be used. Ph will be maintained at 10 or higher if H2S is encountered. Sufficient quantities of H2S scavenger will be on location for use as required.

Drilling will be through an on site gas separator to separate gas from the drilling fluid with gas vented down a flare line equipped with an igniter.

#### METALLURGY:

All wellheads, trees, BOP's, rotating heads, choke manifolds and piping will be constructed/trimmed with materials suitable for H2S service.

All casing and tubing will be no greater than 80000 psi yield strength and no greater than a Rockwell C-22 hardness.

#### OTHER REQUIREMENTS OF ORDER 6

The flare line will be equipped with a propane ignition.

The flare gun and flares will be located in the H2S Safety Trailer.

Communications for the location will be by Rig Telephone.

Wind direction indicators will be on the rig floor and at one briefing station with at least one visible from all points on the location.

Caution/danger signs and flags will be maintained at all entrances into the location.

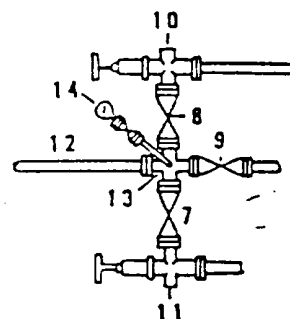
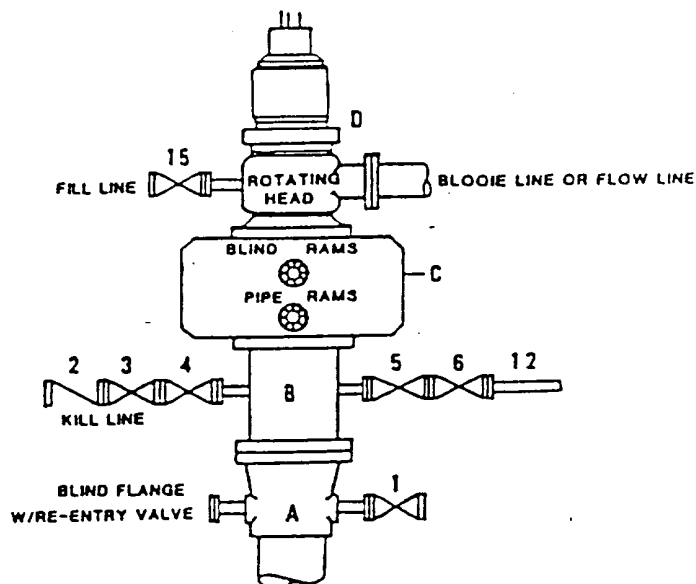
An automatic remote-controlled choke will not be used. We will have installed and tested two manual, H2S trimmed, chokes.

#### WELL TESTING:

No DST's are planned.

**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.   |

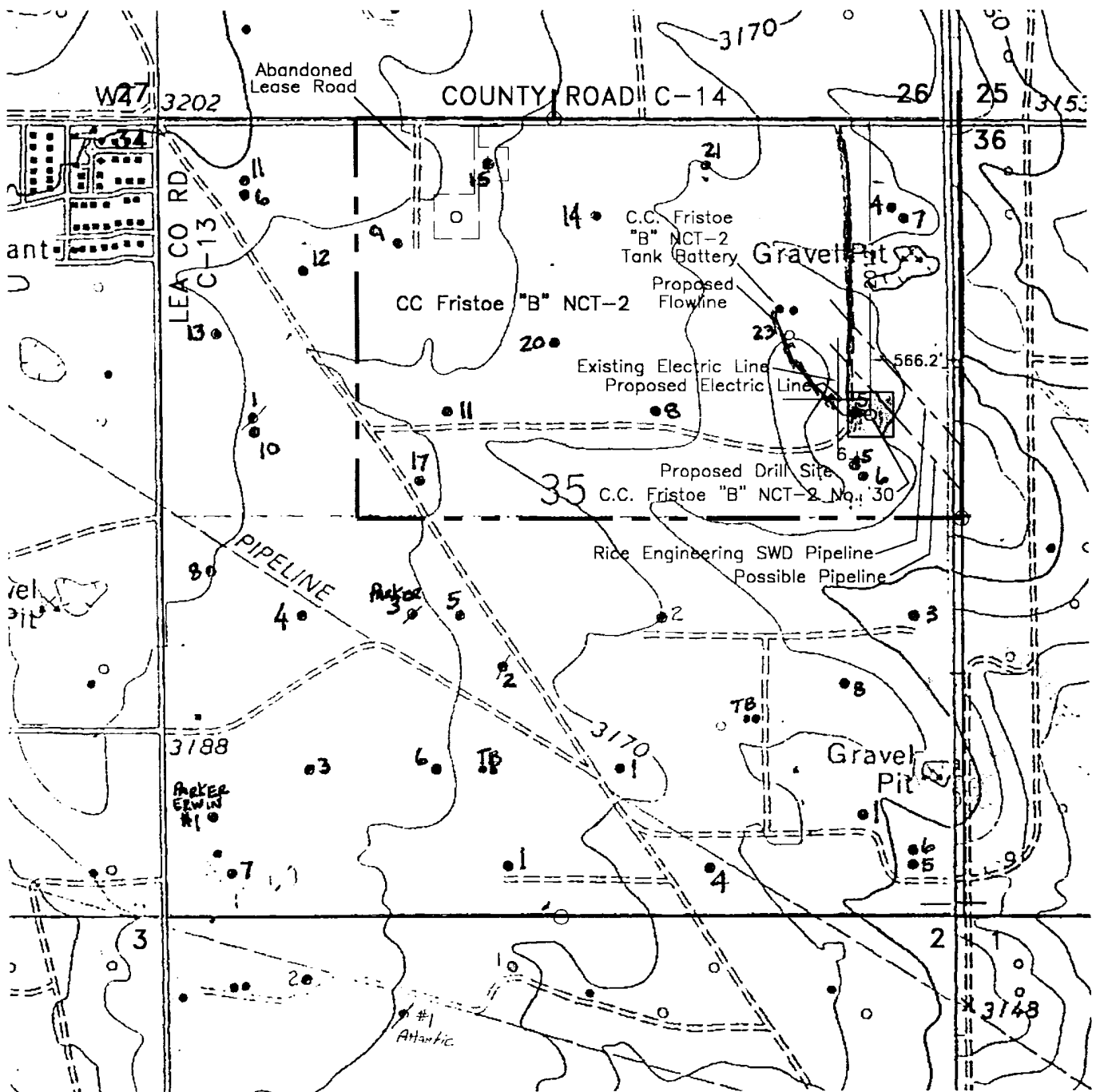


TEXACO, INC.  
MIDLAND DIVISION  
MIDLAND, TEXAS



SCALE	DATE	EST. NO.	ORD. NO.
DRAWN BY			
CHECKED BY			
APPROVED BY			

EXHIBIT C



#### LEGEND OF SYMBOLS

- = Access Road (Yellow)
- = Access Road on Lease (Purple)
- = Resource Road on State Land (Blue)
- = Resource Road on Private Land (Pink)
- = Resource Road on Federal Land (Brown)
- = Proposed Resource Road (Red)
- = Proposed Electric Line (Orange)
- = Proposed Production Flow Line (Green)
- o = Staked Well Location
- = Producing Well Location
- = Water Injection Well
- o = Found 1" Iron Pipe with Brass Cap
- o = Found 2" or 3" Iron Pipe with Brass Cap
- = Unit or Lease Boundary

#### EXHIBIT "A" ACCESS ROAD AND FACILITIES MAP

TEXACO EXPLORATION AND PRODUCTION INC.

C.C. FRISTOE "B" FEDERAL NCT-2 NO. 30  
Located 2012' FNL & 566.2' FEL, Section 35,  
T-24-S, R-37-E, NMPM, Lea County, NM

Drawn by: Gene Rodriguez

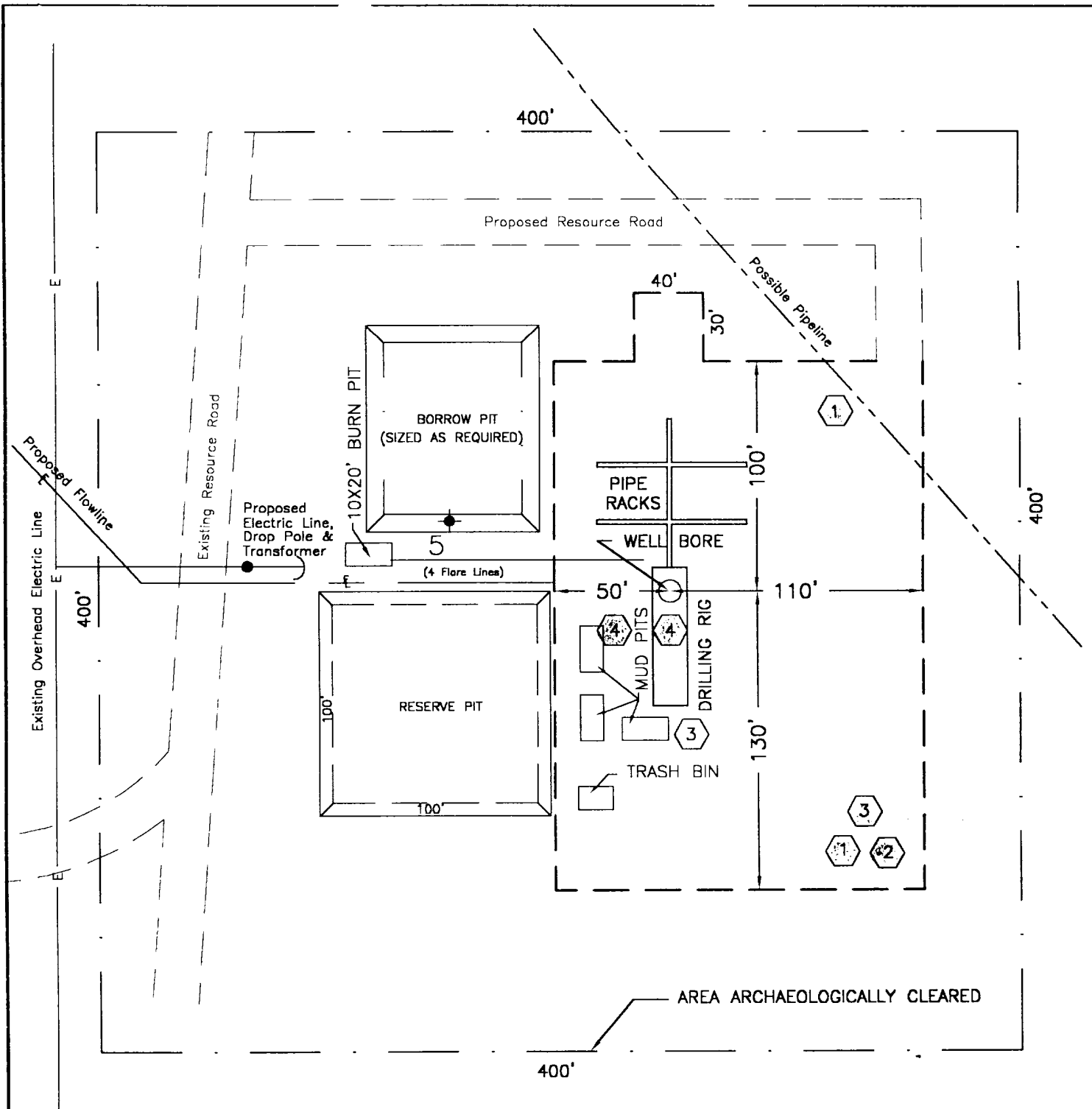
Scale: 1" = 1000'

Date: June 5, 2002

Ted Tipton

Checked by: J. S. Riser

Drawing File: Eric b30A.Dwg



# H<sub>2</sub>S DRILLING OPERATION PLAN



Briefing Station



H<sub>2</sub>S Safety Trailer



Windssocks



H<sub>2</sub>S Detectors, Shale Shaker,  
Rotating Head,  
Rig Floor

Prevailing Wind from the South

6

## EXHIBIT "B" DRILLING RIG LAYOUT

TEXACO EXPLORATION AND PRODUCTION INC.

C.C. FRISTOE "B" FEDERAL, NCT-2 NO. 30  
Located 2012' FNL & 566.2' FEL, Section 35,  
T-24-S, R-37-E, NMPM, Lea County, NM

Drawn by: Gene M. Rodriguez

Scale: 1" = 60'

Date: June 6, 2002

Ted Tipton

Checked by: J. S. Piner

Drawing File: Frie R30R.Dwg

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 February 10, 1994

Instructions on back

Submit to Appropriate District Office

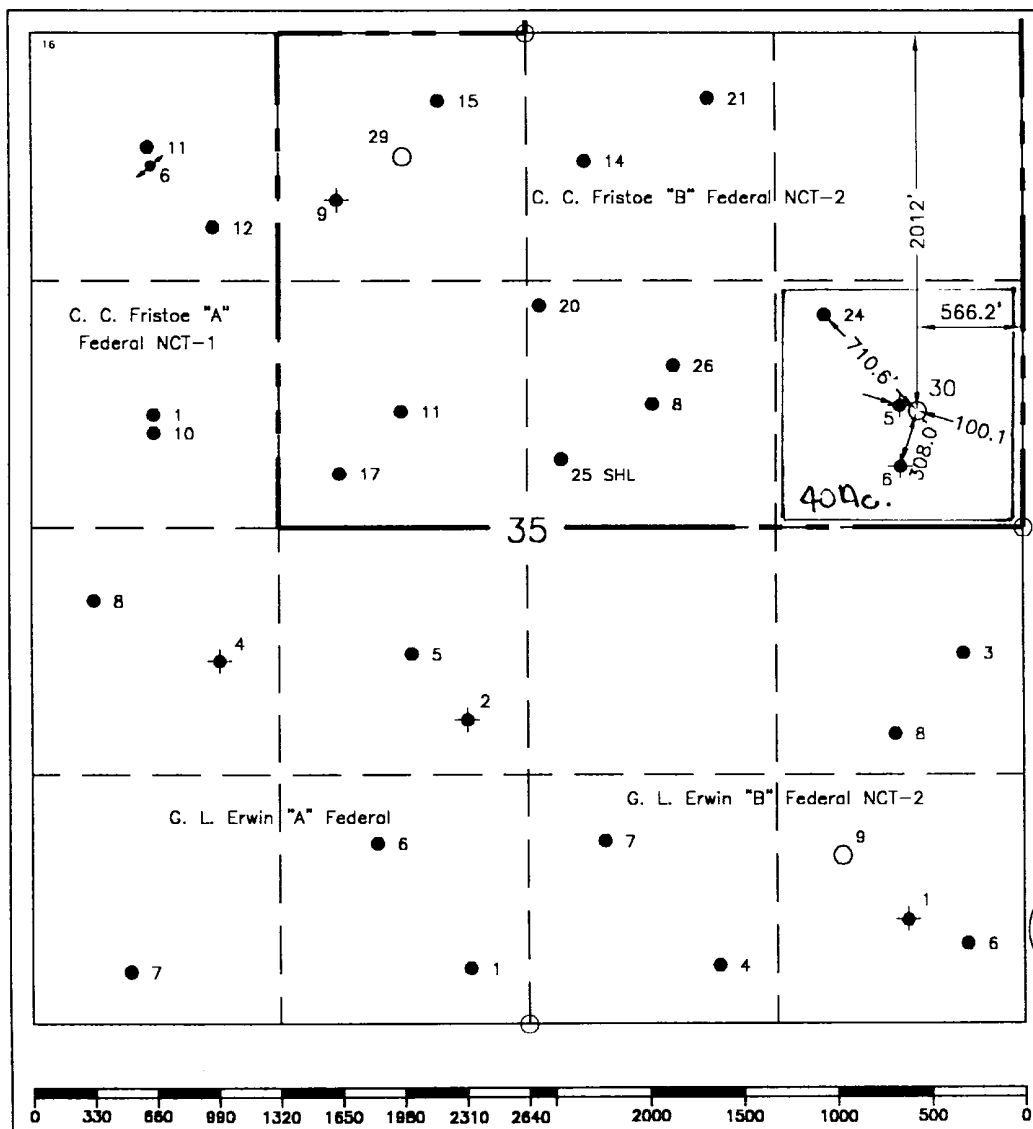
State Lease-4 copies  
Fee Lease-3 copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

<sup>1</sup> API Number		<sup>2</sup> Pool Code		<sup>3</sup> Pool Name Grayburg, San Andres					
<sup>4</sup> Property Code		<sup>5</sup> Property Name C. C. Fristoe "B" Federal NCT-2						<sup>6</sup> Well Number 30	
<sup>7</sup> OGRID No. 22351		<sup>8</sup> Operator Name Chevron USA Inc.						<sup>9</sup> Elevation 3161'	
<sup>10</sup> Surface Location									
<sup>11</sup> UL or lot no. H	Section 35	Township 24-S	Range 37-E	Lot Idn	Feet from the 2012'	North/South line North	Feet from the 566.2'	East/West line East	<sup>12</sup> County Lea
<sup>11</sup> Bottom Hole Location If Different From Surface									
<sup>13</sup> UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	<sup>14</sup> County
<sup>15</sup> Dedicated Acres 40		<sup>16</sup> Joint or Infill		<sup>17</sup> Consolidation Code		<sup>18</sup> Order No.			

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.

		<p><sup>19</sup> OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p>Signature <i>Ted Tipton</i></p> <p>Printed Name Ted Tipton</p> <p>Position Manager of Drilling Department</p> <p>Company Chevron USA Inc</p> <p>Date June 7, 2002</p> <p><sup>20</sup> 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 knowledge and belief.</p> <p>Date Surveyed June 4, 2002</p> <p>Signature &amp; Seal of Professional Surveyor <i>John S. Piper</i></p> <p>Certificate No. 7254 John S. Piper</p> <p>Sheet 1 of 1</p>
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○ = 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 429704.39 (1927=429647.25)		Easting 914588.62 (1927=873400.98)	
Latitude 32°10'32.097" (1927=32°10'31.655")		Longitude 103°07'37.147" (1927=103°07'35.502")	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983	0.99991402	Erwin83.cr5
Drawing File		Field Book	

**TITLE PAGE/ABSTRACT/  
NEGATIVE SITE REPORT  
ROSWELL DISTRICT**

**BLM/ RDO 1/95**

<b>1. BLM Report No.</b>	<b>2. (ACCEPTED) (REJECTED)</b>	<b>3. NMCRIS No.</b> 79176		
<b>4. Title of Report (Project Title)</b> A Class III Survey of C.C. Fristoe <del>BLM</del> B FED NCT- <del>2</del> No. 30 and C.C. Fristoe <del>Unit</del> A FED NCT- <del>1</del> No. 14, Lea County, New Mexico		<b>5. Project Date(s)</b> June 4, 2002		
		<b>6. Report Date</b> June 5, 2002		
<b>7. Consultant Name &amp; Address</b>  <b>Direct Charge:</b> Deni Seymour  <b>Address:</b> Lone Mountain 2625 Pennsylvania NE, Suite 2000 Albuquerque, NM 87110  <b>Authors Name:</b> Douglas H. M. Boggess  <b>Field Personnel Names:</b> Douglas H. M. Boggess  <b>Phone:</b> ( 505) 881-0011		<b>8. Permit No.</b> 122-2920-02-NN  <b>9. Consultant Report No.</b> LMAS #723		
<b>10. Sponsor Name and Address</b>  <b>Indiv. Responsible:</b> Hollis Cox  <b>Name:</b> Chevron Texaco  <b>Address:</b> 15 Smith Road, Midland, TX 79705  <b>Phone:</b> 505-390-0000		<b>11. For BLM Use only.</b>  <b>12. ACREAGE</b> <b>Total No. of Acres</b> <b>Surveyed:</b> 17.35 ac <b>Per Surface</b> <b>Federal:</b> <b>State:</b> <b>Private:</b> 17.35 ac (subsurface mineral rights BLM)		
<b>13. Location (Maps Attached if negative survey)</b>  <table style="width: 100%;"> <tr> <td style="vertical-align: top;"> <b>a. State:</b> New Mexico   <b>b. County:</b> Lea   <b>c. BLM FO:</b> Carlsbad   <b>d. Nearest City or Town:</b> Jal, New Mexico </td> <td style="vertical-align: top;"> <b>e. Location</b>  T 24S R 37E Sec 35 W½, NW¼, NW¼;  SE¼, NW¼, NW¼; S½, NE¼, NW¼; S½,  NW¼, NE¼; NW¼, SE¼, NE¼; Ctr SE¼  NE¼ (Includes flowlines)  <b>Well Pad Footage:</b> 400' x 400' (x2)  <b>f. 7.5' Map Name(s) and Code Number (s):</b>  Jal NW, New Mexico 32103-B2  <b>g. Area Block - Impact:</b> 400' x 400' (x2)  <b>Surveyed:</b> 400' x 400' (x2)   <b>Linear - Impact:</b> 50' x 4350'  <b>Surveyed:</b> 100' x 4350' </td> </tr> </table>			<b>a. State:</b> New Mexico  <b>b. County:</b> Lea  <b>c. BLM FO:</b> Carlsbad  <b>d. Nearest City or Town:</b> Jal, New Mexico	<b>e. Location</b> T 24S R 37E Sec 35 W½, NW¼, NW¼; SE¼, NW¼, NW¼; S½, NE¼, NW¼; S½, NW¼, NE¼; NW¼, SE¼, NE¼; Ctr SE¼ NE¼ (Includes flowlines) <b>Well Pad Footage:</b> 400' x 400' (x2) <b>f. 7.5' Map Name(s) and Code Number (s):</b> Jal NW, New Mexico 32103-B2 <b>g. Area Block - Impact:</b> 400' x 400' (x2) <b>Surveyed:</b> 400' x 400' (x2)  <b>Linear - Impact:</b> 50' x 4350' <b>Surveyed:</b> 100' x 4350'
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**14. a. Records Search**

**Location:** ARMS and Carlsbad Field Office-BLM

**Date:** May 13, 2002 and June 4, 2002

**List by LA# all sites within 0.25 miles of the project:** No sites

**(Those sites within 500' are to be shown on the project map)**

Previous BLM projects: 01-539, 00-925, 00-136., Also LMAS 722

**b. Description of Undertaking:** The undertaking involves the construction of two wellpads and two flowlines. Existing caliche-capped roads and powerlines will provide access and electrical power for the proposed sites

**c. Environmental Setting (NRCS soil designation; vegetative community; etc.):** The sites occupy a flat area bisected by shallow drainages. Vegetation is consistent with the Chihuahuan Desert Scrub Community and includes various grasses, mesquite, and prickly pear cactus. Predicted soils for the area are members of the Simona-Tonuco Association. Both proposed wellpads and substantial portions of the proposed flowlines have been disturbed by powerlines, aboveground and buried pipelines, caliche-capped roads, and previous wellpad construction episodes.

**d. Field Methods**

**Transect Intervals:** 15 m

**Crew Size:** 1

**Time in Field:** 4 hours

**Collections:** None

**15. Cultural Resource Findings**

**Identification and description (Location shown on project map):** The survey did not locate any prehistoric or historic cultural resources. A 1940s to 1970s gas production camp (fenced, no trespassing sign) is to the west of C.C. Fristoe Fed A NCT-2 No. 14. A low density scatter of 1950s to 1970s material (De Soto hubcap, pulltab cans, punchtop cans, sanitary can fragments is present on the location. There are no materials that are diagnostic to a pre-1950s date.

**16. Management Summary (Recommendations):**

The proposed wellpads and flowlines will have no affect on any cultural resources. Additional studies are not recommended.

**I certify that the information provided above is correct and accurate and meets all appreciable BLM standards.**

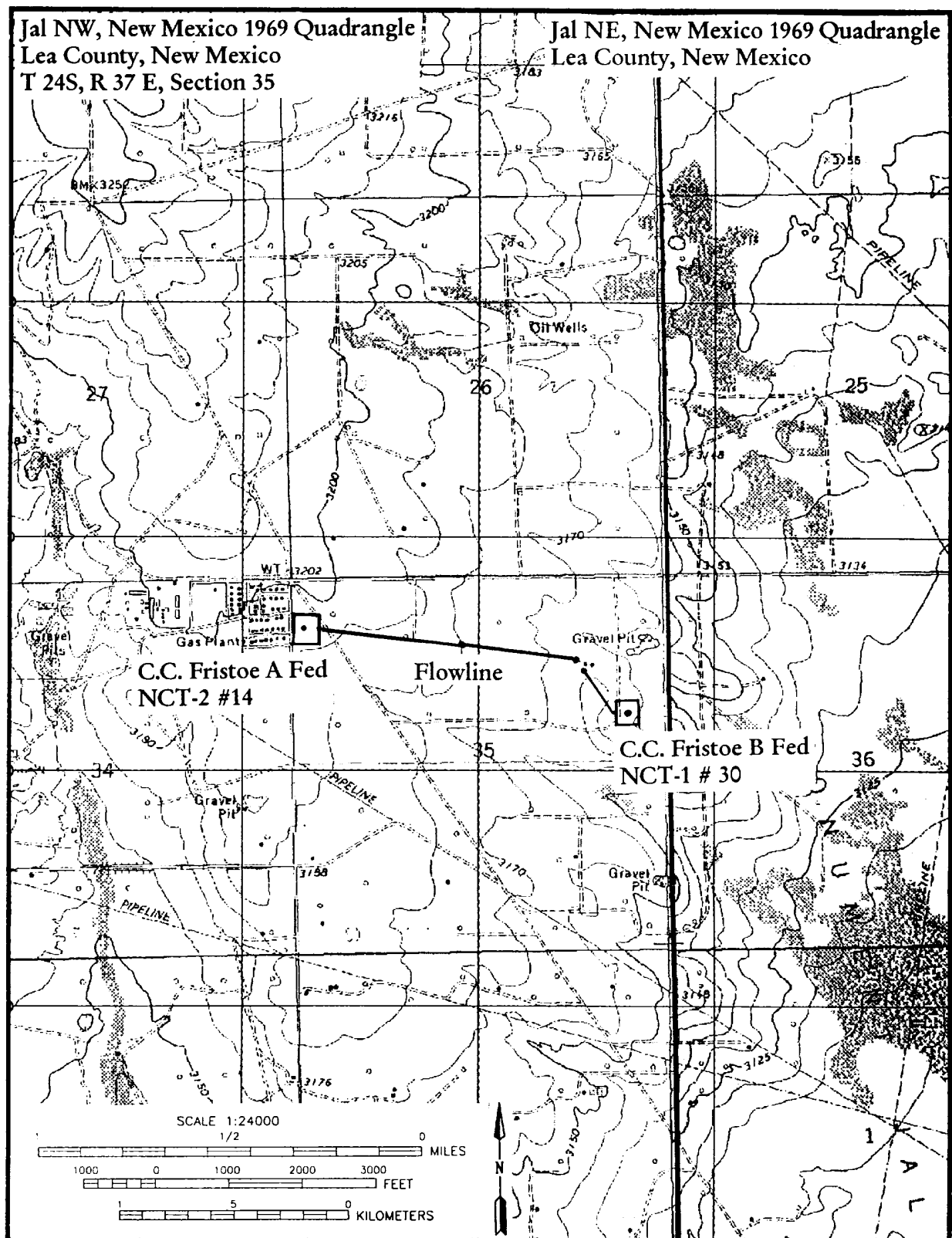
**Responsible Archaeologist -**

**Signature**

*Debra N. M. Beger*

**Date:**

*6/6/02*



Lone Mountain Archaeological Services, Inc.



UNITED STATES DEPARTMENT OF THE INTERIOR  
Bureau of Land Management  
Roswell Field Office  
2909 West Second Street  
Roswell, New Mexico 88201-1287

Statement Accepting Responsibility for Operations

Operator Name: *Chewron U.S.A. Inc.*  
Street or Box: *15 Smith Road*  
City, State : *Midland, TX*  
Zip Code : *79705*

The undersigned accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof, as described below:

Lease No.: *NM-14218* *C.C. Trustee 'B' Fed NCT-2-#30*

Legal Description of Land: *H, 2012' FNL, 566.2' FEL*  
*Sec 35, T-24-S, R-37-E*

Formation(s) (if applicable): *Grayburg, San Andres*

Bond Coverage (State if individually bonded or another's bond): *Company bond*

BLM Bond File No.: *CO-0058*

Authorized Signature:

Title:

Date:

*Genise Drake*  
*Regulatory Specialist*  
*8-05-02*