

III

Well Data

VGSAU 132 WIW

API # 30-025-36682

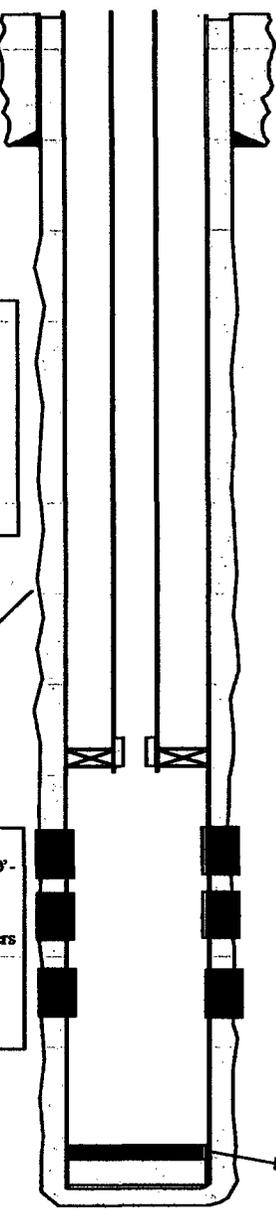
2630' FSL & 660' FWL
 SEC 2, UL "I", TWN 18-S, Range 34-E, County Lea
 ELEVATION: 4002' GL, 4008' KB
 Completed: _____

Surface Casing:
 12 1/4" hole
 34 JTS 8 5/8" csg - 24# , J55
 set @ 1550'. Cemented w/ 695 sx 35:65 POZ class "C"
 cmt +6% gel+ 2% CaCl2, 12.8 ppg, followed by 200
 Sx cl "C"+ 22% CaCl2 cmt 14.8 ppg. 140 Sx cement
 to surface. (5/10/04)

Production Casing:
 7-7/8" hole
 100 JTS 5-1/2" csg - 15.5#, J55, LTC
 set @ 4599.
 Lead: 500 sx 35/65 POX cl "C"+5% Salt, 12.8 ppg cmt
 Tail: 375 sx 50:50 POX cl "C"+ 5% Salt 14.2 ppg cmt
 Circulated 14 Sx of cmt to surface. Well was dead after
 Job. (5/16/04)

TOC @ Surface.

Perforation Intervals & Initial Stimulation:
 4370'-4383' (13'), 4426'-4484' (58'), 4488'-4526' (38'), 4530'-
 4548' (18'), 4558'-4563' (5'), 4567'-4572' (5'), with 2 jspf
 density
 8,000 gls acid 15% HCL 2000 gls acid per stage w/ 55 ball sealers
 per stage. 8-10 bpm, 4 Stages and a total of 3000# Rock Salt
 (500, 1000 and 1500 # in between stages).



Last Workover:
 8-16 May-2004: Drilled 10 Acr Injector: Hit first flow @ 4469' w/ 28
 bph. Drilled to 4533'. Flow increased to 40 bph. TD @ 4600'.

INJECTION EQUIPMENT:
 4300'- 2 7/8" Duofined Tubing
 1- 5 1/2" Packer
 Packer Estimated Setting Depth: 4300'

Zones

Top	Depth	Interval
GB Marker		
GB Dol Top	4,350	60
GB Dol Bott	4,400	10
San Andres	4,410	220
Lovington	4,630	42
LSA	4,672	38
O/W	4,710	
TOTAL		370

PBTD @ 4590'

COMMENTS AND RECOMMENDATIONS:

State of New Mexico
Energy, Minerals & Natural Resources

Form C-101

Revised March 17, 1999

District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. 1st Street, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

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

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

¹ Operator Name and Address Chevron U.S.A. Inc. 15 Smith Road - Midland, Texas 79705		² OGRID Number 4323
⁴ Property Code 30022	³ Property Name Vacuum Grayburg San Andres Unit	³ API Number 30-025-3668-13 ⁶ Well No. 132

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South Line	Feet from the	East/West line	County
I	2	18-S	34-E		2630	South	660	East	Lea

⁸ Proposed 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

⁹ Proposed Pool 1

Vacuum Grayburg San Andres

¹⁰ Proposed Pool 2

¹¹ Work Type Code N	¹² Well Type Code Injection	¹³ Cable/Rotary Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4002'
¹⁶ Multiple N	¹⁷ Proposed Depth 4600'	¹⁸ Formation San Andres	¹⁹ Contractor	²⁰ Spud Date 4/26/04

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
12 1/4"	8 5/8"	24#	1550'	1200	0
7 7/8"	5 1/2"	15.5#	4850'	850	0

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.

CEMENTING PROGRAM:

SURFACE CASING: LEAD: 545 sx Poz Class C Cement + 6% Bentonite + 2% Calcium Chloride + 0.25 pps Celloflake. TAIL: 200 sx Class C Cement + 0.25 pps Celloflake + 2% Calcium Chloride.
PRODUCTION CASING: LEAD: 320 sx Poz Class C Cement + 6% Bentonite + 5% Sodium Chloride + 0.25 lb/sx Celloflake. TAIL: 305 sx Poz Class C Ont + 5% Sodium Chloride + 2% Bentonite + 0.25 lb/sx Celloflake.

BOP PROGRAM: Type Working Pressure Test Pressure Manufacturer
Pipe 3000 1500 Shaffer
Blind 3000 1500 Shaffer

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Laura Skinner*

Printed name: Laura Skinner

Title: Regulatory Specialist

Date: 4/23/04

Phone: (432) 687-7355

OIL CONSERVATION DIVISION

Approved by: *S/PAUL F. KAUTZ*

Title:

Approval Date: 4/27/04

Expiration Date:

Conditions of Approval:

Attached

Chevron Number HD9424

C-101/C-144 DRILLING PIT REGISTRATION CODITIONS OF APPROVAL

API number:	30-025-36682		
OGRID:	4323	Operator:	CHEVRON U S A INC.
			15 SMITH RAOAD
			MIDLAND TX 79705
		Property:	VACUUM GB-SA UNIT # 132

surface	ULSTR:	I	2	T 18S	R 34E
			2630	FSL	660 FEL

XXXXXX	Pit must be lined with a minimum of a 12 mil re-enforced or 20 mil re-enforced liner.
XXXXXX	The pit must be deep enough so that when pit is closed it can be covered with 3 feet of dirt and surface leveled
XXXXXX	If the pit is to be encapsulated in place, the liner is to be a minimum thickness of 20 mil re-enforced liner
	When using a 12 mil nylon re-enforced liner. The contents of the pit must be removed along with the liner and disposed of in an approved facility within 6 months of completion of the well.
XXXXXX	When using a 20 mil liner. The pit must be closed within 6 months of completion of the well.
	This site has a Ranking Score of 20 points or higher. The contents of the pit must be removed along with the liner and disposed of in an approved facility within 6 months of completion of the well.
XXXXXX	Before pit is closed, submit a subsequent Form C-144 along with any additional information which may be applicable to the appropriate NMOCD District Office for approval.
XXXXXX	Notify appropriate NMOCD District Office by E-mail 48 hrs prior to closing pit.
XXXXXX	The operator is required to comply with NMOCD guidelines.
XXXXXX	OCD approval does not release the operator of its responsibilities for compliance with any other federal, state, or local laws and/or regulations.

Drilling Pit Registration Approval

District Supervisor Chris Williams
District Geologist Paul F Kautz

505-393-6161
ext 102
ext 104

Drilling Pit closure

Environmental Spec Larry Johnson
Environmental Spec Paul Sheeley

505-393-6161
ext 111 lwjohnson@state.nm.us
ext 113 psheelov@state.nm.us

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-144
 March 12, 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: _____ e-mail address: _____

Address: 15 Smith Road - Midland, Texas 79705

Facility or well name: Vacuum GD SA Unit No. 132 API#: _____ U/I. or Qtr/Qu (Sec 2 T 18S R 34E

County: Lea Latitude _____ Longitude _____ NAD: 1927 1983 Surface Owner Federal State Private Indian

Pit Type: Drilling <input checked="" type="checkbox"/> Production <input type="checkbox"/> Disposal <input type="checkbox"/> Workover <input type="checkbox"/> Emergency <input type="checkbox"/> Lined <input checked="" type="checkbox"/> Unlined <input type="checkbox"/> Liner type: Synthetic <input checked="" type="checkbox"/> Thickness <u>20 mil</u> Clay <input type="checkbox"/> Volume <u>3856</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes <input type="checkbox"/> 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) <u>100 feet or more</u> (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) <u>No</u> (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) <u>1000 feet or more</u> (0 points)	
	Ranking Score (Total Points)	(0 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: 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 OCD-approved plan .

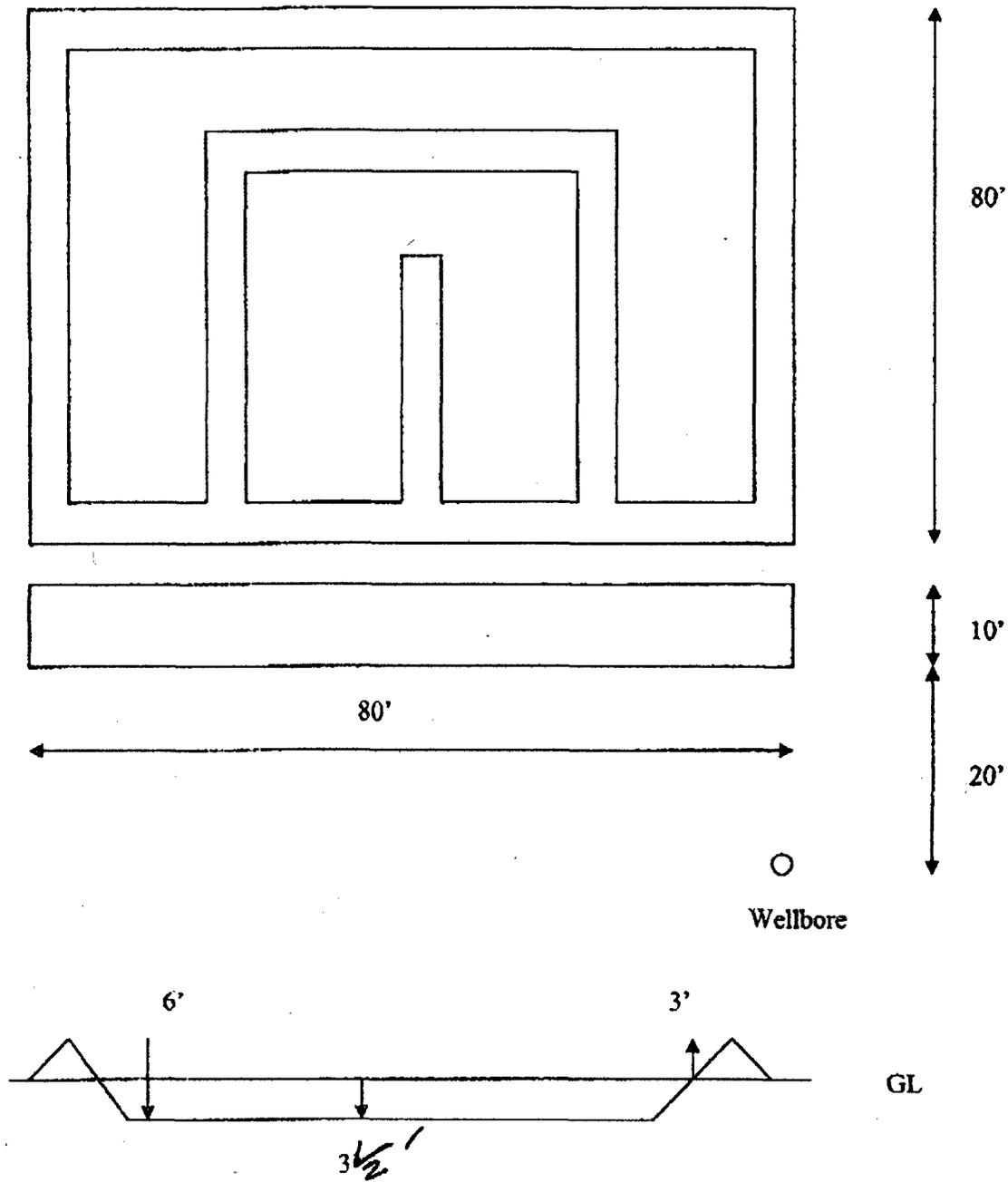
Date: 4/23/04

Printed Name/Title: Jason LaGrega - Drlg Engr. Signature: _____

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: _____
 Printed Name/Title: _____ Signature: _____

VGSAU Pit Design



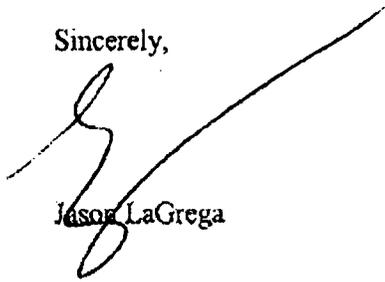
ChevronTexaco

April 23, 2004

To whom it may concern,

I, Jason LaGrega, Drilling Engineer for ChevronTexaco, hereby certify that the pit design and construction for the Vacuum Grayburg San Andres Unit wells #132 and #134 are according to the guidelines for a standard pit for CapStar Rig #16.

Sincerely,



Jason LaGrega

*must meet
RMCD guidelines*

CONTRACT
 DISTRICT I
 DISTRICT II
 DISTRICT III
 DISTRICT IV

State of New Mexico
 Energy, Minerals and Natural Resources Department

Form C-1021
 Revised May 17, 2002
 Instructions on back

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

Submit to Appropriate District Office

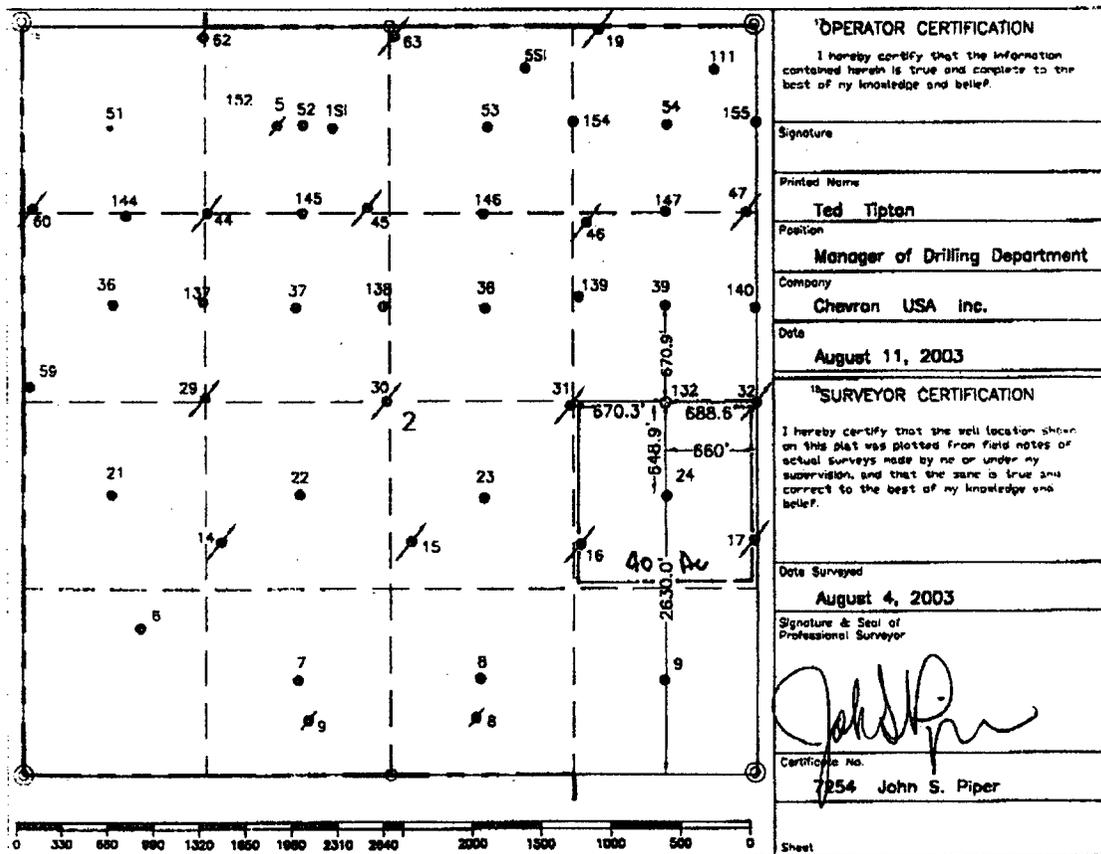
State Lease-4 copies
 Fee Lease-3 copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 ADI Number 30-025-36682		2 Pool Code 62180		3 Pool Name POOL	
4 Property Code 30022		5 Property Name Vacuum Grayburg San Andres Unit			6 Well Number 132
7 GARD No 4323		8 Operator Name Chevron USA Inc.			9 Elevation 4002
10 Surface Location					
11 Section I	12 Township 2	13 Range 18-S	14 Lot Idn 34-E	15 Feet from the 2630	16 North/South line SOUTH
17 Feet from the 660'			18 East/West line EAST		19 County Lea
20 Bottom Hole Location if Different from Surface					
21 Section I	22 Township 2	23 Range 18-S	24 Lot Idn 34-E	25 Feet from the 2630	26 North/South line SOUTH
27 Feet from the 660'			28 East/West line EAST		29 County Lea
30 Registered Acres 40		31 Right of Infill		32 Concession Code	
33 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.



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

Signature
 Printed Name
Ted Tipton
 Position
Manager of Drilling Department
 Company
Chevron USA Inc.
 Date
August 11, 2003

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
August 4, 2003
 Signature & Seal of Professional Surveyor

 Certificate No.
7254 John S. Piper

Sheet

- = 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	647292.294 (1927=647227.377)	Easting	789878.552 (1927=748699.529)
Latitude	1983=32°46'36".587 1927=32°46'36".142	Longitude	1983=103°31'28".834 1927=103°31'27".045
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1927	.99979145	Buckeye.cr5
Drawing File	Field Book		
VGSAU132.dwg	Lea County 23, pg. 27		

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-36683
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	VACUUM GRAYBURG SAN ANDRES UNIT
8. Well No.	132
9. Pool Name or Wildcat	VACUUM GRAYBURG SAN ANDRES

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMITS (FORM C-101) FOR SUCH PROPOSALS.

1. Type of Well:	OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER INJECTION
2. Name of Operator	CHEVRON USA INC
3. Address of Operator	15 SMITH ROAD, MIDLAND, TX 79705
4. Well Location	Unit Letter <u>I</u> : <u>2630'</u> Feet From The <u>SOUTH</u> Line and <u>660'</u> Feet From The <u>EAST</u> Line Section <u>2</u> Township <u>18-S</u> Range <u>34-E</u> NMPM <u>LEA</u> COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	4002'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:		
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPERATION <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input checked="" type="checkbox"/>	NEW WELL-SPUD & CSG REPORT

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

5-08-04: MIRU CAPSTAR RIG #16. SPUD 12 1/4" HOLE @ 1830 HRS: DRLG 10'-296',315,566,807,867,1057,1311,1550.
 5-10-04: RAN 34 JTS (1552') 8 5/8" 24#, J-55, STC CSG. WASH LAST 2 JTS. CMT @ 1550' W/695 SX 35/65 POZ C, 6% GEL, 2% CACL2,0.25 PPS CELLOFLAKE, FOLLOWED W/200 SX CL C, 22% CACL2. BUMP PLUG W/1000 PSI @ 1145 HRS. FLOAT HELD. CIRC 140 SX CMT TO SURF. WOC.
 5-11-04: DRILG 1550-1579,1675,1736,2088,2596,2715,3104,3265,3612,3679,3685,3772,3828,3866,4120,4175,4406,4469,4533,4600.
 5-15-04: RUN #1 PLATFORM EXPRESS W/HRLA LOGGERS TD @ 4600.
 5-16-04: RAN 100 JTS (4601) 5 1/2" 15.5#, K055 LT&C CSG TO 4599. FC @ 4550. CMT CSG @ 4599. MIX & PUMP 15 BLW, 20 BBLS CW100, 15 BFW, 500 SX 35/65 POZ C + 5% SALT, 6% SALT, 0.25-PPS CELLOFLAKE FOLLOWED BY 375 SX 50/50 POZ C, 5% SALT, 2% GEL, 0.25 PPS CELLOFLAKE. BUMP PLUG @ 1130 HRS W/1750 PSI. FLOAT HELD. CIRC 14 SX CMT TO SURF. RIG RELEASED @ 1600 HRS.

WAIT ON COMPLETION

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

SIGNATURE Denise Leake TITLE Regulatory Specialist DATE 5/24/2004
 TYPE OR PRINT NAME Denise Leake Telephone No. 915-687-7375

(This space for State Use)

APPROVED _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____