

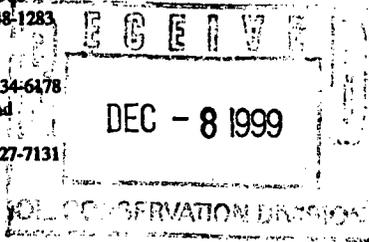
Energy Minerals and Natural Resources Department

Oil Conservation Division

2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131

SUBMIT ORIGINAL PLUS 2 COPIES TO THE SANTA FE OFFICE

District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6478
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131



APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address: CHEVRON U.S.A., INC. P. O. BOX 1150 MIDLAND, TX 79702
OGRID Number: 4323
Contact Party: J. K. RIPLEY
Phone: (915) 687-7148
Property Name: ARROWHEAD GRAYBURG UNIT
Well Number: 344
API Number: 30-025-34665
UL E Section 1 Township 22S Range 36E Feet From The 1334 North/South Line NORTH Feet From The 1210 East/West Line WEST County LEA

II. Date/Time Information

Spud Date: 8/2/99 Spud Time: 7:30 P.M. Date Completed: 11/9/99 Pool: ARROWHEAD; GRAYBURG

III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.

IV. Attach a list of all working interest owners with their percentage interests.

V. AFFIDAVIT:

State of TEXAS )

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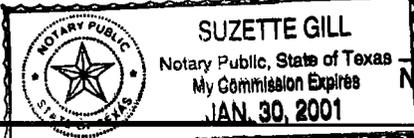
County of MIDLAND )

J. K. RIPLEY being first duly sworn, upon oath states:

- 1. I am the Operator, or authorized representative of the Operator, of the above-referenced well.
2. To the best of my knowledge, this application is complete and correct.

Signature: J.K. Ripley Title: REGULATORY O.A. Date: 12/6/99

SUBSCRIBED AND SWORN TO before me this 6th day of Dec, 99.



My Commission expires:

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature: Mark Sahly Title: P.E. Speer Date: JAN 10 2000

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 1/10/00

NOTICE: The operator must notify all working interest owners of this New Well certification.

PVEV2007336116



**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

SUBMIT IN DUPLICATE\*

(See other instructions on reverse side)

FORM APPROVED  
OMB NO. 1004-0137  
Expires: February 28, 1995

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other \_\_\_\_\_  
 b. TYPE OF COMPLETION: NEW WELL  WORK OVER  DEEP-EN  PLUG BACK  DIFF. RESVR  Other \_\_\_\_\_

5. LEASE DESIGNATION AND SERIAL NO.  
**NMNM-62665**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME  
**N/A**

2. NAME OF OPERATOR  
**Chevron U.S.A. Inc.**

7. UNIT AGREEMENT NAME  
**ARROWHEAD GRAYBURG UNIT**

3. ADDRESS AND TELEPHONE NO.  
**P.O. Box 1150, Midland, TX 79702 (915)687-7148**

8. FARM OR LEASE NAME, WELL NO.  
**344**

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
 At surface  
**1334' FNL & 1210' FWL UNIT E**  
 At top prod. interval reported below  
  
 At total depth

9. API WELL NO.  
**30-025-34665**

10. FIELD AND POOL, OR WILDCAT  
**ARROWHEAD: GRAYBURG**

14. PERMIT NO. \_\_\_\_\_ DATE ISSUED \_\_\_\_\_

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA  
**SEC. 1, T22S, R36E**

12. COUNTY OR PARISH  
**LEA, NM**

13. STATE

15. DATE SPUNDED <b>8/2/99</b>	16. DATE T.D. REACHED <b>8/14/99</b>	17. DATE COMPL. (Ready to prod.) <b>11/9/99</b>	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)* <b>3532'</b>	19. ELEV. CASINGHEAD
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20. TOTAL DEPTH, MD & TVD <b>3908'</b>	21. PLUG, BACK T.D., MD & TVD <b>3836'</b>	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY →	ROTARY TOOLS <b>X</b>	CABLE TOOLS
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24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AND TVD)\*

25. WAS DIRECTIONAL SURVEY MADE  
**NO**

26. TYPE ELECTRIC AND OTHER LOGS RUN  
**DLL/MSFL/GR**

27. WAS WELL CORED  
**YES**

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
<b>8-5/8"</b>	<b>24</b>	<b>518'</b>	<b>11"</b>	<b>SURFACE</b>	
<b>5-1/2"</b>	<b>15.5</b>	<b>3908'</b>	<b>7-7/8"</b>	<b>SURFACE</b>	

29. LINER RECORD				30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)
					<b>2-7/8"</b>	<b>3723'</b>

31. PERFORATION RECORD (Interval, size and number)	32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.
<b>3733' -3867' 3 JHPF (SQZD)</b>	DEPTH INTERVAL (MD)   AMOUNT AND KIND OF MATERIAL USED
<b>3733' -3826' 3 JHPF</b>	<b>3733' -3867' 2000 GALS 15%, 230 RCNB'S</b>
	<b>4000 GALS FOAM</b>
	<b>3733' -3826' 3050 GALS 15%</b>

33. PRODUCTION

DATE FIRST PRODUCTION <b>11/9/99</b>	PRODUCTION METHOD (Flowing, gas lift, purging - size and type of pump) <b>PUMPING</b>	WELL STATUS (Producing or shut-in) <b>PROD</b>
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DATE OF TEST <b>11/24/99</b>	HOURS TESTED <b>24</b>	CHOKE SIZE <b>W.O.</b>	PROD'N. FOR TEST PERIOD	OIL - BBL <b>40</b>	GAS - MCF. <b>81</b>	WATER - BBL <b>2736</b>	GAS - OIL RATIO <b>2025</b>
FLOW. TUBING PRESS. <b>50</b>	CASING PRESSURE <b>35</b>	CALCULATED 24-HOUR RATE	OIL - BBL <b>40</b>	GAS - MCF. <b>81</b>	WATER - BBL <b>2736</b>	OIL GRAVITY - API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)  
**SOLD**

TEST WITNESSED BY

35. LIST OF ATTACHMENTS  
**DEVIATION SURVEY**

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED *J.K. Ripley* TITLE REGULATORY O.A. DATE 12/6/99

\*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
GRAYBURG	3673'	3908'	CORED 3668' -3907', NO DST'S GROSS PERFD INTERVAL 3732' -3826' PRODUCING OIL & WATER	RUSTLER	1188	1188
				SALADO	1272	1272
				TANSIL	2515	2515
				YATES	2730	2730
				SEVEN RIVERS	2920	2920
				QUEEN	3384	3384
				GRAYBURG	3673	3673

## AGU WORKING INTEREST OWNERS

<b>CHEVRON USA, INC.</b>	<b>55.547601</b>
<b>CONOCO, INC.</b>	<b>24.535111</b>
<b>MARATHON OIL COMPANY</b>	<b>5.407077</b>
<b>MILDRED BAKER TRUST CORP.</b>	<b>4.973252</b>
<b>LOUIS DREYFUS NATURAL GAS</b>	<b>2.385540</b>
<b>MW PETROLEUM CORP. (APACHE)</b>	<b>2.343027</b>
<b>COLLINS &amp; WARE, INC.</b>	<b>1.915734</b>
<b>THE PROSPECTIVE INVESTMENT &amp; TRADING CO.</b>	<b>1.105987</b>
<b>WALSH &amp; WATTS, INC.</b>	<b>0.743460</b>
<b>DASCO ENERGY CORPORATION</b>	<b>0.424077</b>
<b>BORREGO PROPERTIES</b>	<b>0.381669</b>
<b>MARIAN MUSSETT</b>	<b>0.172777</b>
<b>BURTON VETETO</b>	<b>0.042408</b>
<b>DAVID MUSSETT</b>	<b>0.010311</b>
<b>JOHN R. BRYANT</b>	<b>0.008787</b>
<b>JAMES E. BURR</b>	<b>0.001591</b>
<b>RUTH SUTTON</b>	<b>0.001591</b>

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**100.00%**