



*pMFSO.
Suspense Note: 7-17-06*

**Carl Okpattah
Geologist
Permian Basin**

Mid-Continent Business Unit
Chevron U.S.A. Inc.
11111 S. Wilcrest Dr.
Houston, Texas 77099
Tel 281-561-4903
Fax 281-561-3576
cokpattah@chevron.com

June 20, 2006

Request for Administrative Approval
Simultaneous Dedication Request
L. R. Kershaw #16
990' FNL & 500' FEL
Unit A, Section 13, T20S, R37E
Lea County, New Mexico

2006 JUN 26 PM 12 34

New Mexico Oil Conservation Division
Attn: Michael Stogner
1220 S. St. Francis Drive
Santa Fe, NM 87505

Dear Mr. Stogner:

With reference to your letter dated June 6, 2006 withdrawing an earlier request (**Division administrative reference No. pTDS0-611836444**) by Chevron to simultaneously dedicate the L. R. Kershaw #16 well, Chevron respectfully wishes to re-apply for administrative approval to Simultaneously Dedicate the allowable for the Monument Tubb to the L. R. Kershaw #15 (**API No. 30-025-30806**) and the L. R. Kershaw #16 and to drill the said L. R. Kershaw #16 well at a new standard location, which is 990' FNL and 500' FEL (unit A, section 13, T20S, R37E).

Chevron is planning to drill and complete the L. R. Kershaw #16 as an oil well in the Tubb formation. It is proposed to complete the subject well as an oil producer in the Monument Tubb pool and downhole commingle in the Blinbry and Drinkard zones.

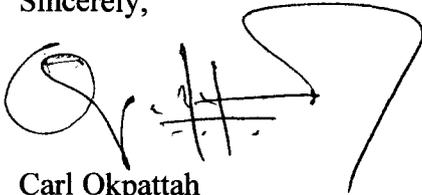
Upon completion, the subject zone in the well would be simultaneously dedicated to the L. R. Kershaw #15 on an 80 acre proration unit. A Form C-102 plat, a land map highlighting the proposed well's location, and a list of offset operators is attached.

Notification to the necessary offset operators has been made.

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If you have any questions concerning this application or need additional information, please contact me by phone at (281)-561-4903 or by email at COKPATTAH@CHEVRON.COM. If I am not available, you can contact Andrew Lawther at (281)-561-4796 or by email at LAWTHER@CHEVRON.COM. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'C. Okpattah', with a large, sweeping flourish extending to the right.

Carl Okpattah
Geologist

Attachments

cc: NMOCD District 1 – Hobbs, NM
Andrew Lawther
Well File

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Administrative Application
Simultaneous Dedication Request
Chevron U.S.A. Inc.
L. R. Kershaw #16
990' FNL & 500' FEL
Unit A, Section 13, T20S, R37E
Lea County, New Mexico

OFFSET OPERATORS

T-20-S, R-37-E
Section 13: Southwest Quarter of the Northeast Quarter (SW/4NE/4)

ConocoPhillips Company
600 N. Dairy Ashford
Houston, TX 77079

DATE IN	SUSPENSE	ENGINEER	LOGGED	TYPE
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]**
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

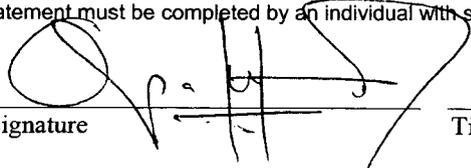
[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Carl Okpattah  Geologist 06/20/2006

Print or Type Name Signature Title Date

District I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised March 17, 1999

District II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

2040 South Pacheco
Santa Fe, NM 87505

District IV
2040 South Pacheco, Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-30806		² Pool Code 47090		³ Pool Name Monument Tubb	
⁴ Property Code		⁵ Property Name LR Kershaw			⁶ Well Number 15
⁷ OGRID No. 4323		⁸ Operator Name Chevron Corporation			⁹ Elevation 3569' KB

¹⁰ Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	13	20S	37E		330	North	2305	East	Lea

¹¹ 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
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ 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

13		17
		<p>OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p>Signature: </p> <p>Printed Name: Carl Okpattah</p> <p>Title: Geologist</p> <p>Date: June 19, 2006</p>
13		18
		<p>SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Signature and Seal of Professional Surveyor:</p> <p>Certificate Number</p>

District I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised March 17, 1999

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Santa Fe, NM 87505

AMENDED REPORT

District IV
2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-		² Pool Code 47090		³ Pool Name Monument Tubb			
⁴ Property Code		⁵ Property Name LR Kershaw				⁶ Well Number 16	
⁷ OGRID No. 4323		⁸ Operator Name Chevron Corporation				⁹ Elevation 3567' KB	

¹⁰ Surface Location

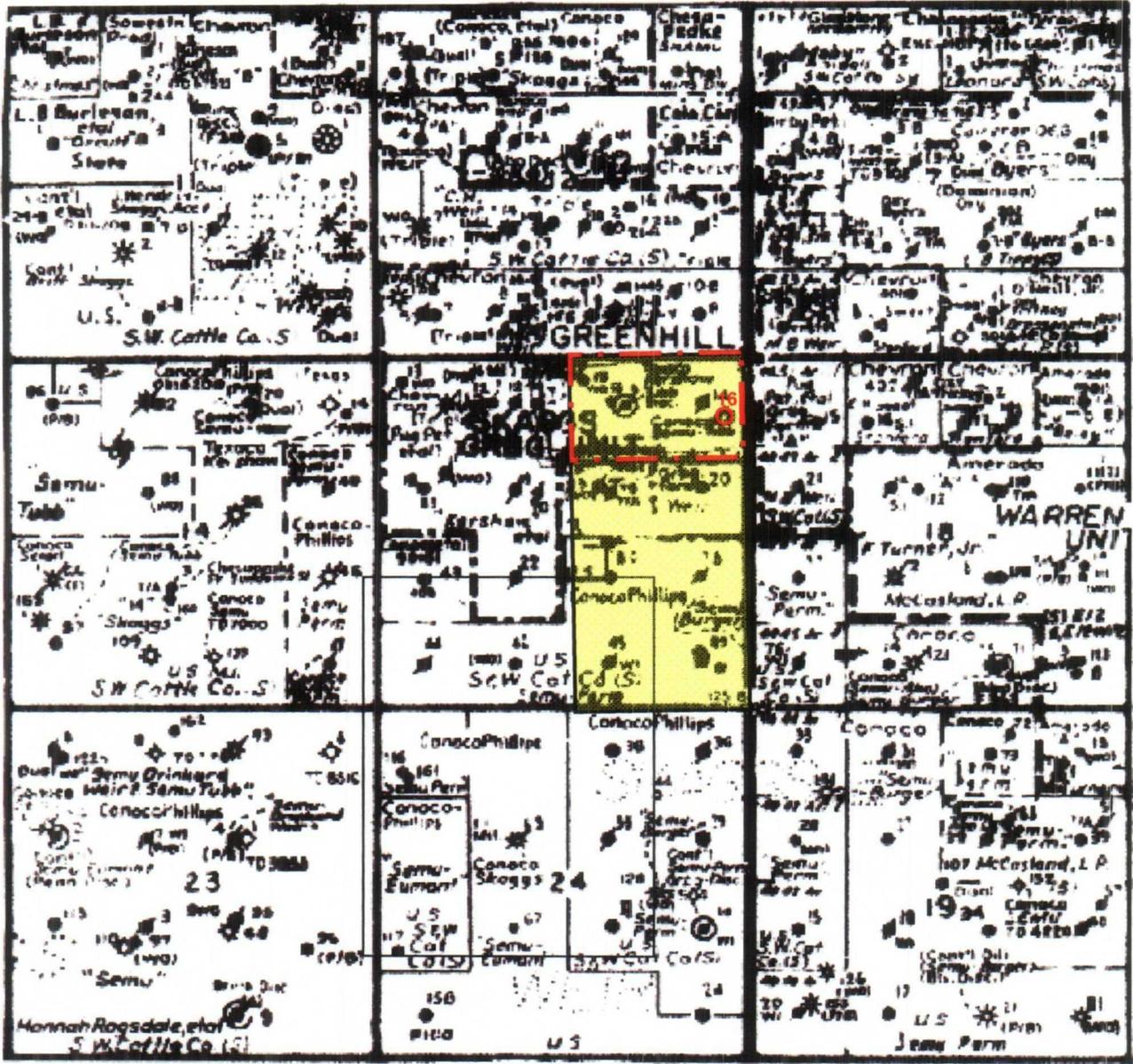
UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	13	20S	37E		990	North	500	East	Lea

¹¹ 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
¹² Dedicated Acres		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

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13			17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> <div style="text-align: center;">  Signature Carl Okpattah Printed Name Geologist Title June 19, 2006 </div>
		13	



Chevron USA Inc.



LR Kershaw #15
 330' FNL & 2305' FEL, Unit B
 LR Kershaw #16 (proposed)
 990' FNL & 500' FEL, Unit A
 Section 13, T20S-R37E
 Lea County, New Mexico

 LR Kershaw Lease
 80 Acre Proration Unit

Scale: 1"=2000' Approx.