



Chevron U.S.A. Inc.
P.O. Box 670, Hobbs, NM 88240

Production Department
Hobbs Division

July 20, 1990

APPLICATION FOR PERMIT TO DRILL
PROPOSED EUNICE MONUMENT SOUTH UNIT #679
LEA COUNTY, NEW MEXICO

Bureau of Land Management
P.O. Box 1778
Carlsbad, NM 88220

Gentlemen:

We are submitting the information requested in NTL-6 which should accompany application for permit to drill.

Well: Eunice Monument South Unit #679

1. Location: 1,220' FNL & 1,220' FWL Section 8, T21S, R36E,
Lea County, New Mexico
2. Elevation of Unprepared Ground: 3,585.5'
3. Geologic Name of Surface Formation: Quaternary-Alluvium
4. Type Drilling Tools: Rotary
5. Proposed Drilling Depth: 4,350'
6. Estimated Top of Geologic Markers:

Base Salt	2,650'	Top Grayburg	3,765'
Top Seven Rivers	3,050'		
Top Queen	3,455'		
Top Penrose	3,610'		

7. Estimated Depths at which Anticipated Gas or Oil-Bearing Formations Expected:

Penrose	3,610'
Grayburg	3,765' - 4,350'

8. Casing Program and Setting Depths:

	Size	Weight	Grade	Setting Depth
Surface	8 5/8"	24#	K55	1,400'
Production	5 1/2"	15.50#	K55	4,350'

9. Casing Setting Depths and Cementing Program:

A. Surface casing will be cemented to surface using Class "C" cement. Exact volumes and additives will be based on severity of lost returns historically experienced in this area. Top jobs will be performed as necessary to bring cement to surface.

B. Production casing will be cemented to surface with Class "C" cement. If cement is not circulated a temperature survey will be run to determine cement top.

10. Prior to drilling below surface and intermediate casing, a BOP hook-up for 3,000 psi will be installed.

11. Circulating Media:

0 - 1,400'	FW Spud Mud
1,400 - 4,350'	Brine Water Starch

12. Testing, Logging, and Coring Program:

A. No drill stem test are planned.

B. Open hole logs will be run at total depth.

C. No cores are planned.

13. Abnormal Pressure or Temperature and Hydrogen Sulfide Gas:

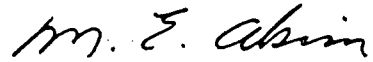
A. No abnormal pressure or temperature is anticipated; however, BOP's, as specified in item 10 above will be installed.

14. Anticipated Starting Date:

Drilling operations should begin approximately August 1, 1990.

15. Other Facets of the Proposed Operation: None.

Yours very truly,

A handwritten signature in cursive script, appearing to read "M. E. Akins".

M. E. AKINS
Staff Drilling Engineer

EOD/sad 09259/05

Attachments



Chevron U.S.A. Inc.
P.O. Box 670, Hobbs, NM 88240

Production Department
Hobbs Division

July 20, 1990

Bureau of Land Management
P.O. Box 1778
Carlsbad, NM 88220

Gentlemen:

The following is Chevron U.S.A. Inc.'s plan for surface use restoration associated with the drilling of our Eunice Monument South Unit #679 to be located 1,220 feet from the North line and 1,220 feet from the West line of Section 8, T21S, R36E, Lea County, New Mexico.

After completion of drilling and/or completion operations, all equipment and other material not needed for operations will be removed. Pits will be filled and the location cleaned of all trash and junk to leave the well site in as aesthetically pleasing condition as possible. Any unguarded pits containing fluids will be fenced until they are filled.

After abandonment of the well, surface restoration will be in accordance with the agreement with the surface owner. Pits will be filled and the location will be cleaned. The pit area, well pad, and all unneeded access road will be ripped to promote revegetation. Rehabilitation should be accomplished within ninety (90) days after abandonment.

Yours very truly,

A handwritten signature in dark ink, appearing to read "M. E. Akins".

M. E. AKINS
Staff Drilling Engineer

KLY/sad 09259/05

MULTI-POINT SURFACE USE PLAN EUNICE MONUMENT SOUTH UNIT #679

1. Existing Roads

To reach the proposed location start at Oil Center, NM on Hwy. 8. Head south 0.2 miles and turn right, this should be the first right turn south of Oil Center. Continue west on the caliche road 1.6 miles, going straight through several intersections with stop signs. Turn off the main caliche road to the right and head northwest 0.15 miles. The location is on the left side of the road. See Exhibit A

2. Planned Access Roads

There are no planned new access roads required.

3. Location of Existing Wells

Exhibit B shows existing wells within a one mile radius of proposed well.

4. Location of Production Facilities

A flowline will be laid to current production facilities.

To protect livestock and wildlife, the reserve pit will be fenced.

Upon completion of drilling, the location and surrounding area will be cleared of all debris. All trash will be disposed of in the trash pit.

5. Water Supply

Water for drilling and completion operations will be purchased from a supplier and transported to the wellsite by truck.

6. Source of Construction Materials

Caliche will be purchased and hauled from a nearby source.

7. Methods of Handling Waste Disposal

- A. The drill cuttings, fluids, and completion fluids will be placed in the reserve pit. The reserve pit will be fenced on three sides away from the pad during drilling and the fourth side as soon as the rig moves out. The reserve pit will be allowed to dry. Reserve pit contents will be pushed into adjacent caliche pit and covered with location top soil.

Upon completion, the pad will be leveled, contoured and reseeded with the appropriate seed mixture.

- B. All garbage and trash will be placed in a trash container to be hauled off location.
- C. Chemical toilets will be provided and maintained during drilling operations. See Exhibit C for location.

8. Ancillary Facilities

No ancillary facilities are planned.

9. Well Site Layout

Location of drilling equipment, rig orientation, and access road is shown on Exhibit C.

The reserve pit will be lined with plastic to prevent liquids from soaking into the surrounding soil.

10. Plans for Restoration of Surface

When well is abandoned, the location and access road will be cleaned and restored to the original topographical contours as much as possible. The area will be reseeded with the appropriate seed mixture.

If the well is productive, areas not used in production will be contoured and seeded with stipulated seed mixture. Production equipment will be painted the color designated by the surface managing agency.

11. Surface Ownership

Surface ownership is private, owned by the Caviness's.

12. Other Information

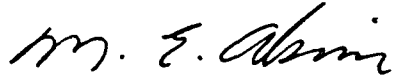
Refer to archaeological report, ACA Report F90-119.1 for a description of the topography, flora, fauna, soil characteristics, dwellings, historical, and cultural sites.

13. Lessee's or Operators Representative

M. E. Akins
P.O. Box 670
Hobbs, NM 88240

14. Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that the statements made in this 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 U.S.A. Inc., and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.



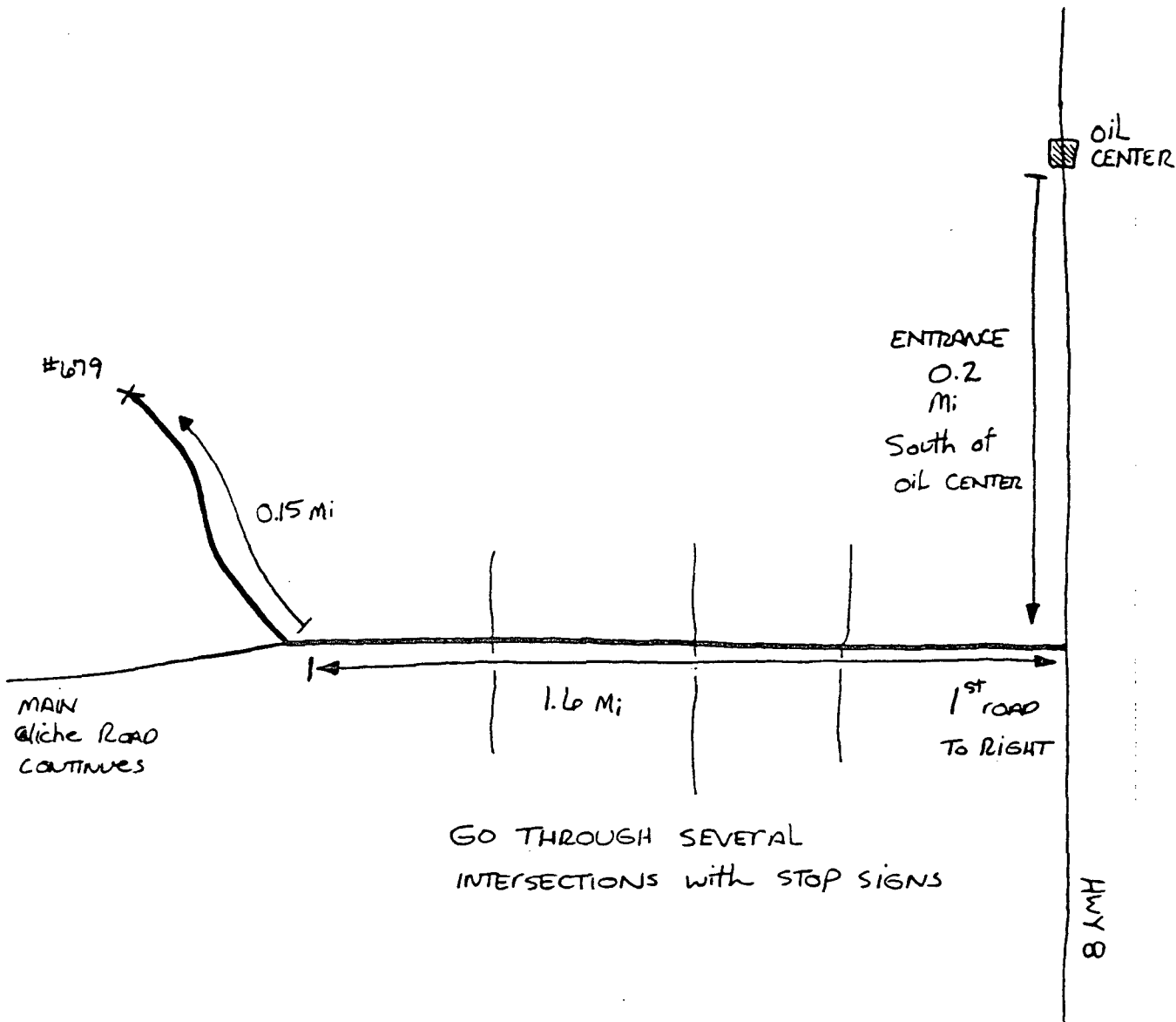
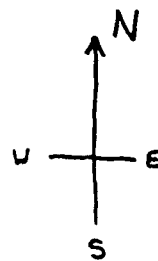
M. E. AKINS
Staff Drilling Engineer

KLY/sad 09259/05

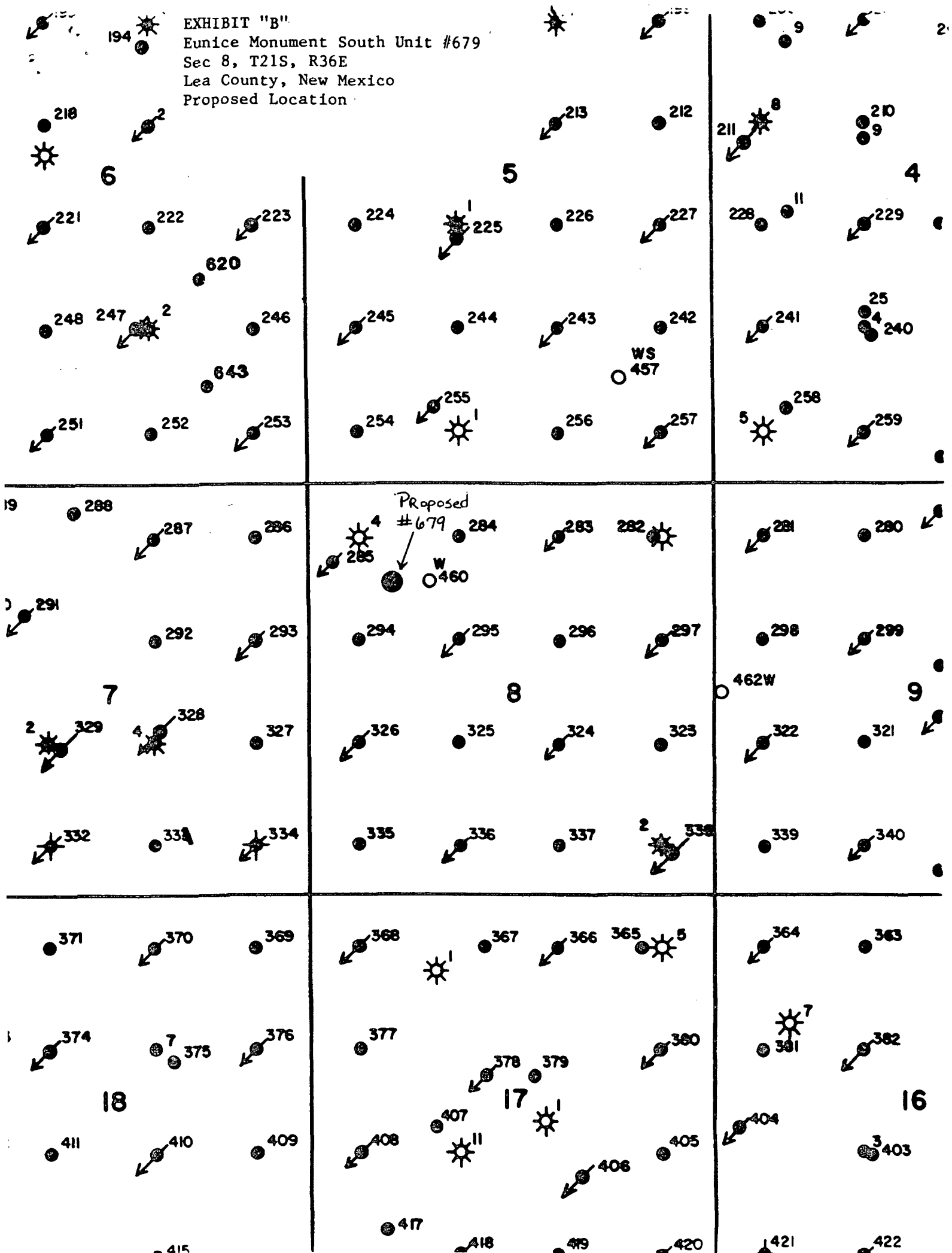
Attachments

EXHIBIT "A"
Eunice Monument South Unit #679
Sec. 8 - T21S - R36E
Lea County, New Mexico

EMSU #679



Proposed Location



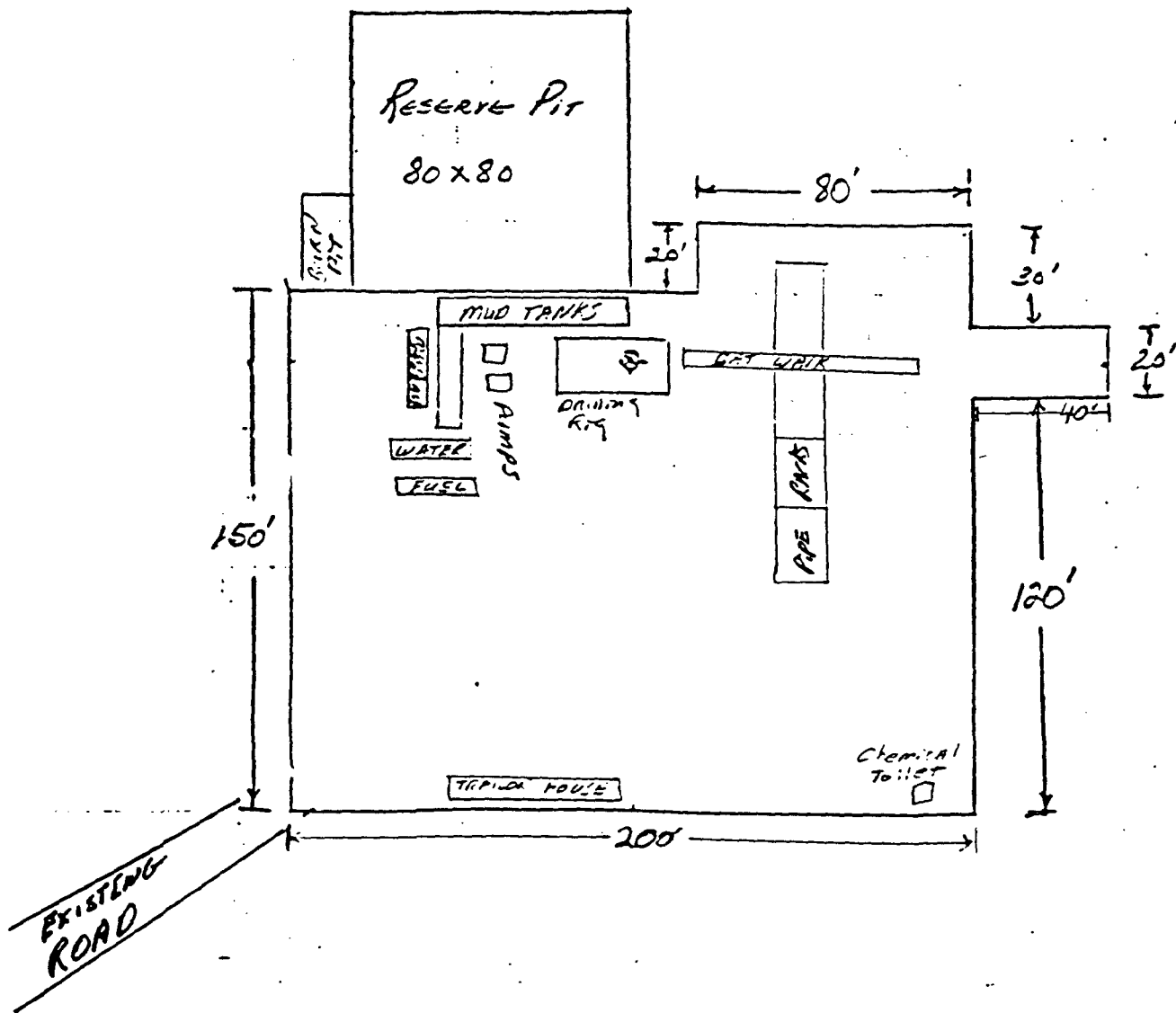


EXHIBIT "C"
 Eunice Monument South Unit #679
 Sec. 8 - T21S - R36E
 Lea County, New Mexico