

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

N.M. Oil Cons. Division
1625 N. French Dr.
Hobbs, NM 88240

Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.

Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well: ☒ OIL WELL ☐ GAS WELL ☐ OTHER

2. Name of Operator
CHEVRON USA INC

3. Address and Telephone No. 15 SMITH RD, MIDLAND, TX 79705 432-687-737

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit Letter H : 1980' Feet From The NORTH Line and 660' Feet From The
EAST Line Section 33 Township 18-S Range 32-E

5. Lease Designation and Serial No.

6. If Indian, Alottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and Number
GULF FEDERAL COM
2

9. API Well No.
30-025-26310

10. Field and Pool, Exploaratory Area
LUSK; WOLFCAMP - NORTH

11. County or Parish, State
LEA, NM

12. Check Appropriate Box(s) To Indicate Nature of Notice, Report, or Other Data

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> OTHER: REQUEST EXTENSION
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> Dispose Water

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

CHEVRON U.S.A. INC. AND WORKING INTEREST PARTNERS ARE EVALUATING THE RE-COMPLETION OF THE SUBJECT WELL TO THE BONE SPRINGS FORMATION (8864-8088). HOWEVER, IT HAS BEEN DETERMINED THAT SIGNIFICANT EXPENSE AND RISK ARE ASSOCIATED WITH THIS RECOMPLETION DUE TO THE EXISTING CASING CONDITION AND ASSOCIATED CEMENT. A WORKOVER ON THE SCOTT E. FEDERAL COM NO. 1 WAS INITIATED AND IS CURRENTLY IN OPERATION TO EVALUATE THE BONE SPRINGS FORMATION (8654-8397). BASED ON THE RESULTS OF THIS WORKOVER, CHEVRON AND WORKING INTEREST PARTNERS CAN EVALUATE THE ECONOMICS OF PURSUING THE EXPENSE AND RISK ASSOCIATED WITH RE-COMPLETING THIS SUBJECT WELL. IF THE RESULTS OF THE SCOTT E. FEDERAL COM NO. 1 INDICATE THE ECONOMIC VIABILITY OF THE BONE SPRING FORMATION IN THE GULF FED NO. 2, CHEVRON WILL AGGRESSIVELY PURSUE SAID RE-COMPLETION TO INCREASE REVENUES AND RESERVES FROM THESE FEDERAL LEASES.

IT IS ANTICIPATED THAT THE CURRENT ACTIVE WORKOVER ON THE SCOTT NO. 1 WILL BE COMPLETED BY APRIL 30TH, A PRODUCTION RESPONSE EVALUATION FOR 20-30 DAYS IS DESIRABLE, AND THE JOA FOR THIS LEASE PROVIDES WORKING INTEREST OWNERS 30 DAYS RESPONSE TO ALL AFE REQUESTS. HOWEVER, CURRENTLY THE GULF NO. 2 IS TEMPORARILY ABANDONED AND A REQUEST FROM YOUR OFFICE TO RE-COMplete OR PLUG AND ABANDON THE WELLBORE BY APRIL 30TH HAS BEEN RECEIVED.

IN LIGHT OF THE ABOVE MENTIONED, CHEVRON RESPECTFULLY REQUESTS BUREAU OF LAND MANAGEMENT APPROVAL FOR A NINETY (90) DAYS EXTENSION FROM THE APRIL 30, 2005 DATE BE GRANTED TO ESTABLISH PRODUCTION OR PLUG AND ABANDON THIS WELL.

14. I hereby certify that the foregoing is true and correct

SIGNATURE *Denise Pinkerton* TITLE Regulatory Specialist

TYPE OR PRINT NAME Denise Pinkerton

(This space for Federal or State office use)

APPROVED

CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

Title 18 U.S.C. Section 1001, makes 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.

SWW