PNRM 0821126708

DHCNO, Assigned 7-25-2008

| Order Number | API Number | Operator | | County | | |
|--------------|-------------------------|------------------|-----------|-------------------------------------|--|--|
| HOB-0255 | 30-025-29731 Che | vron U. S.A. Inc | | Lea | | |
| Order Date | Well Name C.H.Weir B | Number 008 | A III | Location 205 37E T (+Dir) R (+Dir) | | |
| 47090 | Monument Tubb | 0il % 2720 | Gas % 54% | | | |
| 52000 | Skaggs Drinkard | 73% | 46% | | | |
| | | | | | | |
| Comments: | | | | | | |
| | | | | | | |
| | | | | | | |

Posted to RBOMS 1-25-2008

| , | DOWNHOLE COMMINGLE CALCULATIONS: | 30-025-29731 |
|-------|---|--------------------------------------|
| | OPERATOR: Chevron USAInc | HOB-0255 |
| | PROPERTY NAME: C.H. Welr B | |
| | WNULSTR: 8-A, 11-20-37 | |
| 47090 | SECTION I: Monument Tubb | ALLOWABLE AMOUNT 222 2220mcf 1000 |
| 57000 | POOL NO. 2 Skaggs Drinkard | <u>142</u> <u>/420</u> mcf /0000 |
| | POOL NO. 3 | MCF |
| | POOL NO. 4POOL TO | OTALS 3640 MCF |
| | SECTION II: Monument Tubb | 011 Gas 27% 54% |
| | POOL NO. 2 Skaggs Drinkord | 732 X 364 = 265,72 46% |
| _ | POOL NO. 3 | |
| | POOL NO. 4 | |
| | OIL SECTION III: 142+732 = 194,521(193) | GAS |
| | SECTION IV: $195 \times 272 = 52.65 (53)$ $195 \times 732 = 142.35 (142)$ | |
| | | |

| Submit 3 Copies To Appropriate District Office | State of New Mexico | Form C-103 May 27, 2004 |
|--|--|--|
| District I 1625 N French Dr., Hobbs, NM 88240 | Energy, Minerals ar | WELL API NO. |
| District II 1301 W. Grand Ave., Artesia, NM 88210 | OIL CONSERVATION DIVISION | 30-025-29731 |
| <u>District III</u> 1000 Rio Brazos Rd, Aztec, NM 87410 | 1220 South St. Franklis Dr. 7 2008 | 5. Indicate Type of Lease STATE FEE |
| OS St Francis Dr, Santa Fe, NM | Santa Fe NOBBS O | 8 State Oil & Gas Lease No. |
| SUNDRY NOTI | CES AND REPORTS ON WELLS | 7. Lease Name or Unit Agreement Name |
| | SALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A CATION FOR PERMIT" (FORM C-101) FOR SUCH | WEIR, C.HB- |
| 1. Type of Well: \(\sum \) Oil Well [| Gas Well Other | 8. Well Number 8 |
| 2. Name of Operator | | 9. OGRID Number |
| | vron U.S.A. Inc. | 4323 |
| 3. Address of Operator | I NATIONAL PROPERTY AND PROPERTY OF THE PROPER | 10. Pool name or Wildcat Monument Tubb/Skaggs Drinkard |
| 4. Well Location | oad Midland, TX 79705 | Monument Tubb/Skaggs Drinkard |
| | 90 feet from the North line and 33 | 0 feet from the East line |
| Section 11 | Township 20S Range 37E | NMPM County LEA |
| | 11. Elevation (Show whether DR, RKB, RT, GR, etc. | |
| Pit or Below-grade Tank Application □ o | 3600' KB | |
| | aterDistance from nearest fresh water well Dis | stance from nearest surface water |
| Pit Liner Thickness: mil | | onstruction Material |
| 12. Check A | Appropriate Box to Indicate Nature of Notice, | Report or Other Data |
| NOTICE OF IN | TENTION TO: SUE | SEQUENT REPORT OF: |
| PERFORM REMEDIAL WORK | PLUG AND ABANDON REMEDIAL WOR | RK ALTERING CASING |
| TEMPORARILY ABANDON JIL OR ALTER CASING | CHANGE PLANS COMMENCE DR MULTIPLE COMPL CASING/CEMEN | ILLING OPNS.□ P AND A □ IT JOB □ |
| DEL OR ALTER CASING | MOLTIPLE COMPL CASING/CEMEN | 11 JOB |
| OTHER: DHC Monument Tubb/Si | | |
| | leted operations. (Clearly state all pertinent details, ar ork). SEE RULE 1103. For Multiple Completions: A | |
| IT IS PROPOSED | TO DOWNHOLE COMMINGLE POOLS, MONUM | IENT TUBB (PERFS 6444'-6502') |
| AND SKAGGS D | RINKARD (PERFS 6643'-6904') IN THE CAPTION | ED WELL. THIS WELL WAS |
| | C'D IN THESE POOLS UNDER ADMINISTRATIVE CATED BACK TO THE TWO POOLS BASED ON T | |
| | SUPPORT DATA. | TIL I ERCENTAGES SHOWN IN |
| • | | 1100-025 |
| | DHC Order | Vo. HOB-0255 |
| | | |
| I hereby certify that the information grade tank has been/will be constructed or | above is true and complete to the best of my knowledge closed according to NMOCD guidelines , a general permit | ge and belief. I further certify that any pit or below- |
| | | |
| SIGNATURE Towns | | Engineer DATE 06/01/2008 |
| Type or print name For State Use Only | E-mail address: | Telephone No. |
| APPROVED BY: Conditions of Approval (if any): | TITLE PETROLEUM EN | GINEERDATEDATEDATEDATEDATEDATEDATEDATEDATEDATEDATEDATEDATEDATEDATEDATEDATEDATEDATE |

REQUEST FOR DHC OF PRE-APPROVED POOLS DIVISION ORDER NO. R-11363

Operator

Chevron U.S.A., Inc. P. O. Box 1150 Midland, TX 79702

Lease Name and Well Number

C.H. Weir B #8
990' FNL & 330' FEL, Unit Letter A
Section 11, T20S, R37E
Lea County, New Mexico

Division Order

Pre-approved pools or area established by Division Order No. R-11363.

Pools To Be Commingled In C.H. Weir B #8

(47090) Monument Tubb (Oil) (57000) Skaggs Drinkard (Oil)

Perforated Intervals

Monument Tubb (6444'-6502') Skaggs Drinkard (6643'-6904')

Location Plat

Attached

Well Test Report & Production Plots

. Attached.

Product Characteristics And Value

Previous commingling of these zones by Chevron and other operators in the area have shown that the produced fluids are compatible and commingling will not cause formation damage or producing problems. Also, the price received by Chevron for products from these zones is very similar, so value will not be adversely affected.

Production Allocation

| <u>Pool</u> | <u>BOPD</u> | <u>BWPD</u> | MCFPD | <u>Remarks</u> |
|-------------|--------------|-------------|-------|---|
| Tubb | 1 | 5 | 80 | Calculated Using Allocation Percentages |
| Drinkard | 3 | 11 | 69 | Calculated Using Allocation Percentages |
| Totals | 4 | 15 | 149 | C.H Weir B #8 Well Test Report 11/17/2006 |
| Allocated % | <u>Oil %</u> | Water % | Gas % | <u>Remarks</u> |
| Tubb | 27 | 30 | 54 | Approved Under DHC-1401 - using actual well t |
| Drinkard | 73 | 70 | 46 | Approved Under DHC-1401 - using actual well t |
| Totals | 100 | 100 | 100 | |

Ownership

Ownership of all zones is identical so correlative rights will not be compromised.

State / Federal Land Notification

FEE

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

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

2040 South Pacheco Santa Fe, NM 87505 State Lease - 4 Copies

Fee Lease - 3 Copies

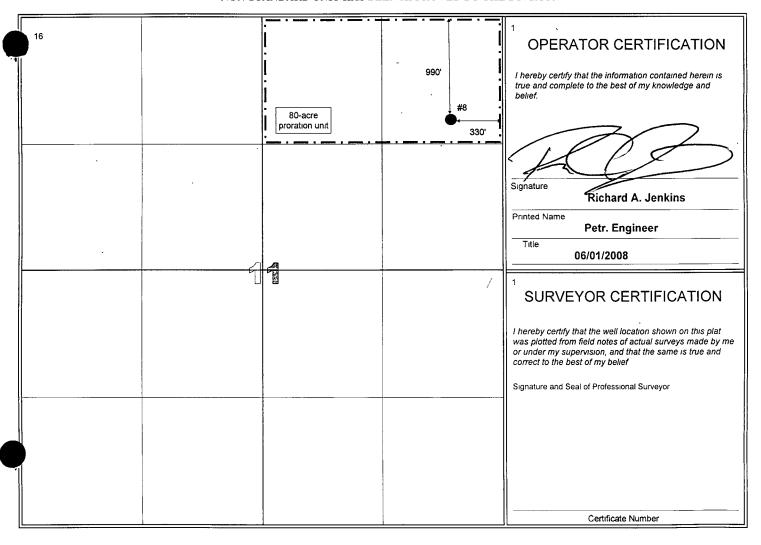
□ AMENDED REPORT

2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

| | ¹ API Numbei 30-025-2973 | | ² Pool Code 47090 ³ Pool Name Monument Tubb | | | | | | | |
|--------------------------------------|--|------------------------|---|---------|--------------------------|------------------|---------------|----------------|------------------------------------|--|
| ⁴ Property 2992 | | | ⁵ Property Name WEIR, C.HB- | | | | | | | |
| ⁷ OGRIC 432 : | | | ⁸ Operator Name Chevron U.S.A., Inc. | | | | | | ⁹ Elevation 3600' KB | |
| | | , | | | ¹⁰ Surface Lo | cation | | | | |
| UL or Lot No | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| A | 11 | , 20S | 37E | | 990 | North | 330 | East | Lea | |
| | | | ¹¹ Bott | om Hole | Location If D | ifferent From S | urface | | | |
| UL or Lot No | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| ² Dedicated Ac | res 13 Joir | I nt or Infill 14 C | onsolidation | | l der No C - 1401 | <u> </u> | | <u> </u> | | |

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



State of New Mexico Energy, Minerals & Natural Resources Department

Form C-102 Revised March 17, 1999

District II 811 South First, Artesia, NM 88210

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

strict IV 040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION Submit to Appropriate District Office

2040 South Pacheco Santa Fe, NM 87505 Fee Lease - 3 Copies

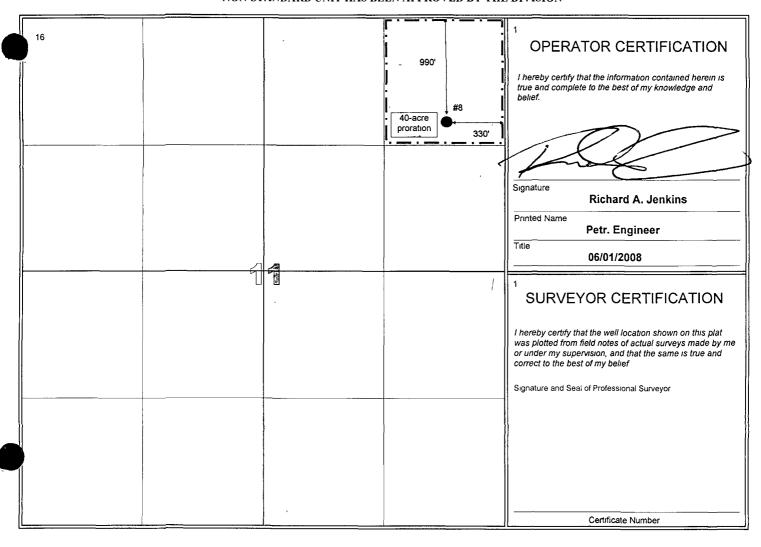
State Lease - 4 Copies

□ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

| ; | ¹ API Number 30-025-2973 | | | ² Pool Code 57000 | | ³ Pool Name Skaggs Drinkard | | | | |
|---------------------------------------|--|-------------------|--|--|--------------------------|--------------------------------|---------------|------------------|------------------------------------|--|
| ⁴ Property 299 2 | | | ⁵ Property Name WEIR, C.HB- | | | | | | | |
| ⁷ OGRIE 432 : | | | ⁸ Operator Name Chevron U.S.A., Inc. | | | | | | ⁹ Elevation 3600' KB | |
| | | | | | ¹⁰ Surface Lo | ocation | | | | |
| UL or Lot No | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line . | County | |
| A | 11 | 20\$ | 37E | | 990 | North | . 330 | East | Lea | |
| | 1 | | ¹¹ Bott | om Hole | Location If D | ifferent From S | Surface | · | | |
| UL or Lot No | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County | |
| Dedicated Ac | cres ¹³ Joir | nt or infill 14 C | l onsolidation | Code 15 Or | l der No IC - 1401 | | | <u> </u> | <u> </u> | |

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Well:

C.H. Weir B #8