

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-29233
1b. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name NA
2. Name of Operator Chevron U.S.A. Inc.		7. Unit or CA Agreement Name and No.
3a. Address 15 Smith Road, Midland Texas 79705	3b. Phone No. (include area code) 432-687-7375	8. Lease Name and Well No. NEFF 13 FEDERAL #17
4. Location of Well (Report location clearly and in accordance with any State requirements)* At surface 660' SOUTH, 330' WEST, UL - M At proposed prod. zone SAME CARLSBAD CONTROLLED WATER BASIN		9. API Well No. 30-015-35359
14. Distance in miles and direction from nearest town or post office* 29 MILES EAST OF CARLSBAD, NEW MEXICO		10. Field and Pool, or Exploratory LIVINGSTON RIDGE DELAWARE
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drg. unit line, if any) 330'		11. Sec., T., R., M., or Blk. and Survey or Area 13, 22-S, 31-E
16. No. of Acres in lease 1120		12. County or Parish EDDY
17. Spacing Unit dedicated to this well 40		13. State NM
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.		20. BLM/BIA Bond No. on file CA03294
19. Proposed Depth 8500'		21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3555'
22. Approximate date work will start* 2-28-2005		23. Estimated duration 4 WEEKS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature <i>Denise Pinkerton</i>	Name (Printed/Typed) DENISE PINKERTON	Date 11-15-2005
Title REGULATORY SPECIALIST		
Approved by (Signature) <i>/s/ Tony J. Herrell</i>	Name (Printed/Typed)	Date JAN 10 2007
Title STATE DIRECTOR		
Office NM STATE OFFICE		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

*(Instructions on Reverse)

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

If earthen pits are used in association with the drilling of this well, an OCD pit permit must be obtained prior to pit construction.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED