



Daniel Pequeno, CPL/ESA
Land Representative

MidContinent/Alaska BU
North American Exploration
and Production Company
15 Smith Road, RM-2235
Midland, Texas 79705
Tel 432 687 7461
Fax 432 687 7871
peqd@chevron.com

January 28, 2008

Mark E. Fesmire, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South St. Francis Drive
Santa Fe, New Mexico 87505

2008 JAN 29 PM 1 44
RECEIVED

**RE: APPLICATION OF CHEVRON USA INC. FOR AN UNORTHODOX
WELL LOCATION(S), FOR A LEASELINE PRODUCTION WELL(S) AND
SIMULTANEOUS DEDICATION, LEA COUNTY, NEW MEXICO**

Dear Mr. Fesmire,

Chevron U.S.A. Inc. (Chevron) hereby makes an application requesting the authority and administrative approval for unorthodox well locations for lease line production wells and simultaneous dedication, and in support hereof states:

1. Chevron is the operator of the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit;
2. The Vacuum Grayburg San Andres Unit was approved by the Division by Order No. R-4433, issued in Case 4851 dated November 8, 1972 and a pressure maintenance project by water flood was authorized for this Unit by Division Order No. R-4442, issued in Case 4852 dated November 27, 1972; and a tertiary recovery project by the injection of CO₂ was authorized for this Unit by Division Order No. R-4442-B, issued in Case 13961 dated December 11, 2007;
3. The Central Vacuum Unit was approved by Division Order No. R-5496, issued in Case 5907 dated August 9, 1977, and a waterflood project was authorized for this Unit by Division Order No. R-5530, issued in Case 6008 dated September 20, 1977;
4. Although the Vacuum-Grayburg San Andres Pool is governed by the Division's statewide rules for spacing and the location of wells which provide for 40-acre proration units, the effective spacing units for this pool was reduced to 20 acres in the 1970's and early 1980's and there was sporadic infill drilling on 10-acre spacing in the late 1980's and early 1990's;
5. Chevron's evaluation of the reservoir showed substantial additional reserves would be recovered with development on 10-acre spacing. This was confirmed by the successful drilling of 14 ten-acre wells in 1995;
6. Chevron seeks authority to drill the following unorthodox well locations and simultaneous dedication for the following lease line production wells:

Well: Vacuum Grayburg San Andres Unit Well No. 405 ✓
Location: 1,910' FNL & 40' FEL (Unit Letter H)
Well Unit: SE/4NE/4 of Section 1, Township 18 South, Range 34 East, N.M.P.M.,
Lea County, New Mexico to produce oil as a lease line producer;

The SE/4NE/4 of Section 1 will be simultaneously dedicated to Well No. 405 and the Vacuum Grayburg San Andres Unit Wells 43, 143, 122, 250 and 235.

Well: Vacuum Grayburg San Andres Unit Well No. 412 ✓
Location: 2,195.8' FSL & 295.9' FEL (SHL) and 2,200 feet FSL & 10 feet FEL (BHL)
(Unit Letter I)
Well Unit: NE/4SE/4 of Section 1, Township 18 South, Range 34 East, N.M.P.M.,
Lea County, New Mexico to produce oil as a lease line producer.

The NE/4SE/4 of Section 1 will be simultaneously dedicated to Well No. 412 and the Vacuum Grayburg San Andres Unit Wells 128 and 13.

Well: Vacuum Grayburg San Andres Unit Well No. 438 ✓
Location: 10' FNL & 420' FEL (SHL) and 10' FNL & 670' FEL (BHL)
(Unit Letter A)
Well Unit: NE/4NE/4 of Section 1, Township 18 South, Range 34 East, N.M.P.M.,
Lea County, New Mexico to produce oil as a lease line producer.

The NE/4NE/4 of Section 1 will be simultaneously dedicated to Well No. 438 and the Vacuum Grayburg San Andres Unit Wells 159 and 258.

Well: Vacuum Grayburg San Andres Unit Well No. 439 ✓
Location: 634' FNL & 1,632' FEL (SHL) and 10' FNL & 1,980' FEL (BHL)
(Unit Letter B)
Well Unit: NW/4NE/4 of Section 1, Township 18 South, Range 34 East, N.M.P.M.,
Lea County, New Mexico to produce oil as a lease line producer.

The NW/4NE/4 of Section 1 will be simultaneously dedicated to Well No. 438 and the Vacuum Grayburg San Andres Unit Wells 158 and 57.

Well: Vacuum Grayburg San Andres Unit Well No. 440 ✓
Location: 100' FNL & 1,980' FWL (Unit Letter C)
Well Unit: NE/4NW/4 of Section 1, Township 18 South, Range 34 East, N.M.P.M.,
Lea County, New Mexico to produce oil as a lease line producer.

The NE/4NW/4 of Section 1 will be simultaneously dedicated to Well No. 440 and the Vacuum Grayburg San Andres Unit Wells 157, 56 and 156.

Well: Vacuum Grayburg San Andres Unit Well No. 441 ✓
Location: 170' FNL & 710' FWL (SHL) and 10' FNL & 650' FWL (BHL)
(Unit Letter A)
Well Unit: NW/4NW/4 of Section 1, Township 18 South, Range 34 East, N.M.P.M.,
Lea County, New Mexico to produce oil as a lease line producer.

The NW/4NW/4 of Section 1 will be simultaneously dedicated to Well No. 440 and the Vacuum Grayburg San Andres Unit Well 55.

Please note that Vacuum Grayburg San Andres Unit Well Nos. 438, 439, 440 & 441 listed above are intended to be water injection wells, but which may initially flow hydrocarbons to the surface for a period of time. Therefore, Chevron has provided for the operation of these wells in the Amendments to the lease line agreements listed in items A and B below as well as copies of the C-108 filed recently and attached as item F below. We have secured full approval of Central Vacuum Unit working interest owners by ballot on the amendment for the water injection wells; and full approval of the working interest owners and royalty owners for the amendment for the production wells.

7. These wells will be operated pursuant to the Vacuum Area Cooperative Lease Line Agreement dated March 1, 1996 as amended on November 19, 2007, but effective December 1, 2007 which has been approved by Chevron U.S.A. Inc. which owns 100% of the working interest in the Vacuum Grayburg San Andres Unit and by the owners of 98% of the working interest in the Central Vacuum Unit. The request for approval of this agreement was submitted to the Commissioner of Public Lands, State of New Mexico on January 24, 2008 which owns 100% of the royalty interest in the Vacuum Grayburg San Andres Unit and 98.8% of the royalty interest in the Central Vacuum Unit. The States' final approval is expected prior to February 20, 2008.
8. Pursuant to this Amendment to Vacuum Area Cooperative Lease Line Agreement (see item 1 below), half of the production from the proposed wells will be allocated to each Unit;
9. Approval of this application will result in an efficient production pattern for each of these waterflood projects and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

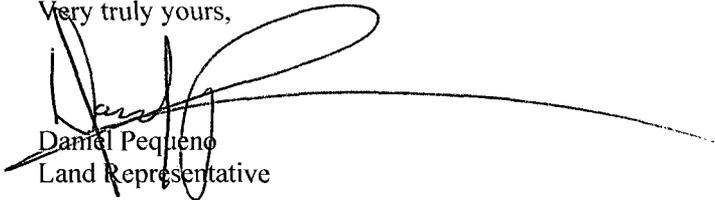
Enclosed for your convenience is the following documentation in support of this application:

- A. Copy of the Amendment to Vacuum Area Cooperative Lease Line Agreement dated November 19, 2007, but effective December 1, 2007;
- B. Copy of the Third Amendment to Vacuum (Grayburg-San Andres Cooperative Water Injection Agreement dated November 19, 2008, but effective December 1, 2007);
- C. Copies of Form C-102 for Well Location and Acreage Dedication plat;
- D. Copies of the Standard Planning Reports for the Directional VGSAU wells – 412, 438, 439 & 441 - **these directional wells are directional due to surface limitations involving existing facilities.**
- E. Copy of Letter dated January 24, 2008 to the Commissioner of Public Lands, State of New Mexico.
- F. Copies of Form C-108 Application for Authorization to Inject with all attachments for the Vacuum Grayburg San Andres Unit Well Nos. 438, 439, 440 & 441 which originals have been submitted by separate package to the New Mexico Oil Conservation Division
- G. Copy of Letter dated January 22, 2008 requesting Hobbs News-Sun to publish a Legal Notice for the Vacuum Grayburg San Andres Unit Well Nos. 438, 439, 440 & 441, among others. Copy of the Hobbs News-Sun will be provided later, if required.

Chevron respectfully requests administrative approval for the unorthodox well locations for its proposed Vacuum Grayburg San Andres Unit Well Nos. 405, 412, 438, 439, 440 and 441 as lease line producing wells for the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit and authorization for the simultaneous dedication as outlined above.

If I can be of any assistance or if you need additional information, please let me know by calling me at (432) 687-7461.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Daniel Pequeno', with a long horizontal flourish extending to the right.

Daniel Pequeno
Land Representative

Enclosures

Cc: Mr. Pete Martinez
State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

Brooks, David K., EMNRD

From: PEQUENO, DANIEL [PEQD@chevron.com]
Sent: Friday, February 22, 2008 9:59 AM
To: Brooks, David K., EMNRD
Cc: Jones, William V., EMNRD
Subject: RE: Chevron Vacuum Grayburg San Andres Unit ## 131,145,438,439,440 and 441
Attachments: Document.tif; Document (6).tif

1-185-39E

Mr. Brooks,

In accordance with your item #2 below, I am attaching (a) a copy of the Amendment to Vacuum Area Cooperative Lease Line Agreement which cover VGSAU Well Nos. 405 & 412 along with copies of the Ratifications for the royalty owners and all the working interest owners; and (b) a copy of the Third Amendment to Vacuum (Grayburg-San Andres) Cooperative Water Injection Agreement which cover VGSAU Well Nos. 438WI, 439WI, 440WI & 441WI along with the signed copies of the ballots from all the working interest owners. I hope you will find them satisfactorily and in compliance with NMOCD rules.

As for the injection wells discussed in your item #1, the C-108 has been filed by separate package for all the wells along with the proper notification to the offset operators/working interest owners as well as the advertisement.

Let me know if I can be of further assistance in this regard.

Thank you,
 Daniel Pequeno
 Land Representative
 Phone 432.687.7461
 Fax 432.687.7871

From: Brooks, David K., EMNRD [mailto:david.brooks@state.nm.us]
Sent: Thursday, February 21, 2008 5:55 PM
To: PEQUENO, DANIEL
Cc: Jones, William V., EMNRD
Subject: Chevron Vacuum Grayburg San Andres Unit ## 131,145,438,439,440 and 441

Dear Mr. Pequeno:

I have reviewed the non-standard location applications for these wells and have the following observations:

1. Simultaneous dedication approval is not required. It would not be required in any case except for the #405, because in all other cases, there will be no more than four wells in a 40-acre unit. However, I do not believe simultaneous dedication approval is required even for the #405, because the 4-wells per 40 acres limitation does not apply in an active secondary recovery unit. For the new injection wells, of course, injection permitting is required, and that will be handled separately. I will be processing the non-standard location applications.
2. Our notice rule requires notice of this application to all working interest owners in the Central Vacuum Unit, since Chevron is the operator of both units. You indicate that you have secured approval of the Lease Line Agreement by all of these working interest owners. However, you have not furnished their signed consents with your application, and only Chevron signed the agreement. We must either be furnished with ratifications of the Amendment to the Lease Line Agreement signed by all of the working interest owners, or with proof of notice to them of the filing of the NSL application.

2/22/2008

Please contact me by phone or email if you have questions.

Sincerely

David K. Brooks
505-476-3450

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2/22/2008

**THIRD AMENDMENT TO VACUUM (GRAYBURG-SAN ANDRES)
COOPERATIVE WATER INJECTION AGREEMENT**

STATE OF NEW MEXICO. §

COUNTY OF LEA §

THIS AMENDMENT shall be effective as of December 1, 2007, by and between the Central Vacuum Unit, represented by CHEVRON U.S.A. INC., Successor-in-interest to TEXACO EXPLORATION AND PRODUCTION INC., as Unit Operator, hereinafter referred as "Unit Operator", and the Vacuum Grayburg- San Andres Unit, represented by CHEVRON USA INC. as Unit Operator, hereinafter referred to as "Chevron".

WITNESSETH:

WHEREAS, Unit Operator is the Operator of the Central Vacuum Unit covering certain leases and lands, located in Townships 17 South and 18 South, Ranges 34 East and 35 East, Lea County, New Mexico, as more particularly described in the Central Vacuum Unit Agreement to which reference is made for purposes of description; and

WHEREAS, Chevron is the Operator of the Vacuum Grayburg-San Andres Unit covering, among other lands, the following described land in Lea County, New Mexico:

Section 1, Township 18 South, Range 34 East, Lea County, New Mexico, as more particularly described in the Vacuum Grayburg San Andres Unit Agreement to which reference is made for purposes of Description; and

WHEREAS, Unit Operator and Chevron are parties to that certain Cooperative Water Injection Agreement dated April 14, 1978 (the Agreement), providing for the operation of water injection wells on or near the common boundary of the Central Vacuum Unit and the Vacuum Grayburg San Andres Unit, and providing for the injection of water into the underlying Grayburg-San Andres formation through said injection wells; and

WHEREAS, by Amendment to Cooperative Water Injection Agreement dated April 28, 1989, effective October 20, 1988 (First Amendment), said agreement was amended to replace Paragraph 6 found on Page 2 relative to the charge for injection water provided by Unit Operator; and

WHEREAS; by Amendment to Vacuum (Grayburg-San Andres) Cooperative Water Injection Agreement dated and effective January 1, 2001 (Second Amendment), said agreement was further amended to provide for CO₂, produced gas, water or any combination thereof, as acceptable injectants for all the water injection wells identified in the agreement; and

WHEREAS, Unit Operator and Chevron desire to further amend the said Cooperative Water Injection Agreement, as amended, to drill and equip additional injection wells at or near the Unit lines between the Vacuum Grayburg San Andres Unit and Central Vacuum Unit to provide for the injection of CO₂, produced gas, water or any combination thereof, as acceptable injectants into the underlying Grayburg-San Andres formation through the additional injection wells so that the leases and lands mentioned above will be benefited by an increase in the production of crude oil.

NOW, THEREFORE, for in consideration of the premises, Unit Operator and Chevron have agreed and do by these presents herein agree that Subparagraph 1, page 1 and Subparagraph 4, page 2 of the Cooperative Water Injection Agreement dated April 14, 1978, as amended by the First Amendment and the Second Amendment, are hereby amended by the addition of the following language as set forth in the corresponding numbered paragraph, and that the referenced wells are added as injection wells to be drilled and equipped for the injection of CO₂, produced gas, water or any combination

thereof, as acceptable injectants into the underlying Grayburg-San Andres formations as follows:

1. Unit Operator, as soon as practical following the effective date of this Agreement agrees to drill, complete and equip four (4) additional CO₂, produced gas, water or any combination thereof, as acceptable injection wells in the Grayburg-San Andres formation at the approximate locations shown on the plat attached hereto as Exhibit "A", and with location descriptions and Working Interest Ownership percentages tabulated on Exhibit "B", also attached and made a part hereof for all purposes. In the event proposed new well or wells not be able to adequately be drilled at the approximate locations as outlined above, it is agreed that the well or wells will be drilled and equipped at a location(s) which are legally as close to the lease line as possible without further action required from the parties to this agreement.

4. Chevron agrees to continue to furnish water suitable for injection purposes through the Vacuum Grayburg-San Andres Unit Injection System at the price and on the basis set forth in said Cooperative Water Injection Agreement, as amended. The water delivered hereunder to the injection well by Chevron shall be measured by standard type water metering equipment installed and operated by Chevron.

In addition, Unit Operator and Chevron have agreed and do by these presents herein agree that the Agreement, as amended by the First Amendment and Second Amendment, is further amended by the insertion of the following paragraph:

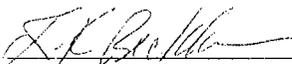
12. CO₂, produced gas, or any combination thereof, are acceptable injectants for all water injection wells identified in the Cooperative Water Injection Agreement and any amendments thereto.

and that the Second Amendment is hereby amended to reflect the addition of the above paragraph 12 to the Agreement, effective as of the date of the Second Amendment.

These additional injection wells to be drilled shall be bound by all the other terms and conditions of the original Cooperative Water Injection Agreement, as amended, and the purpose of this Amendment serves only to add said wells and locations. Except as amended hereby, the Cooperative Water Injection Agreement, as amended, remains in full force and effect.

IN WITNESS WHEREOF, this instrument is executed this 10th day of November, 2007, but effective as of the date written above.

CHEVRON U.S.A. INC.
As Operator of the Central
Vacuum Unit

By: 
D. K. Beckham, Attorney-in-Fact

CHEVRON U.S.A. INC.
as Operator of the Vacuum
Grayburg San Andres Unit


D. K. Beckham, Attorney-in-Fact

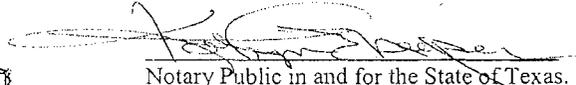
STATE OF TEXAS §

COUNTY OF MIDLAND §

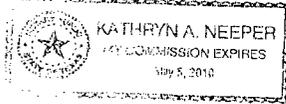
On this the 19th day of November, 2007, before me appeared D.K. Beckham, as Attorney-in-Fact for CHEVRON U.S.A. INC., a Pennsylvania corporation, and acknowledged to me that she executed the instrument for the purposes and consideration therein expressed.

WITNESS my hand and official seal this the 19th day of November, 2007.

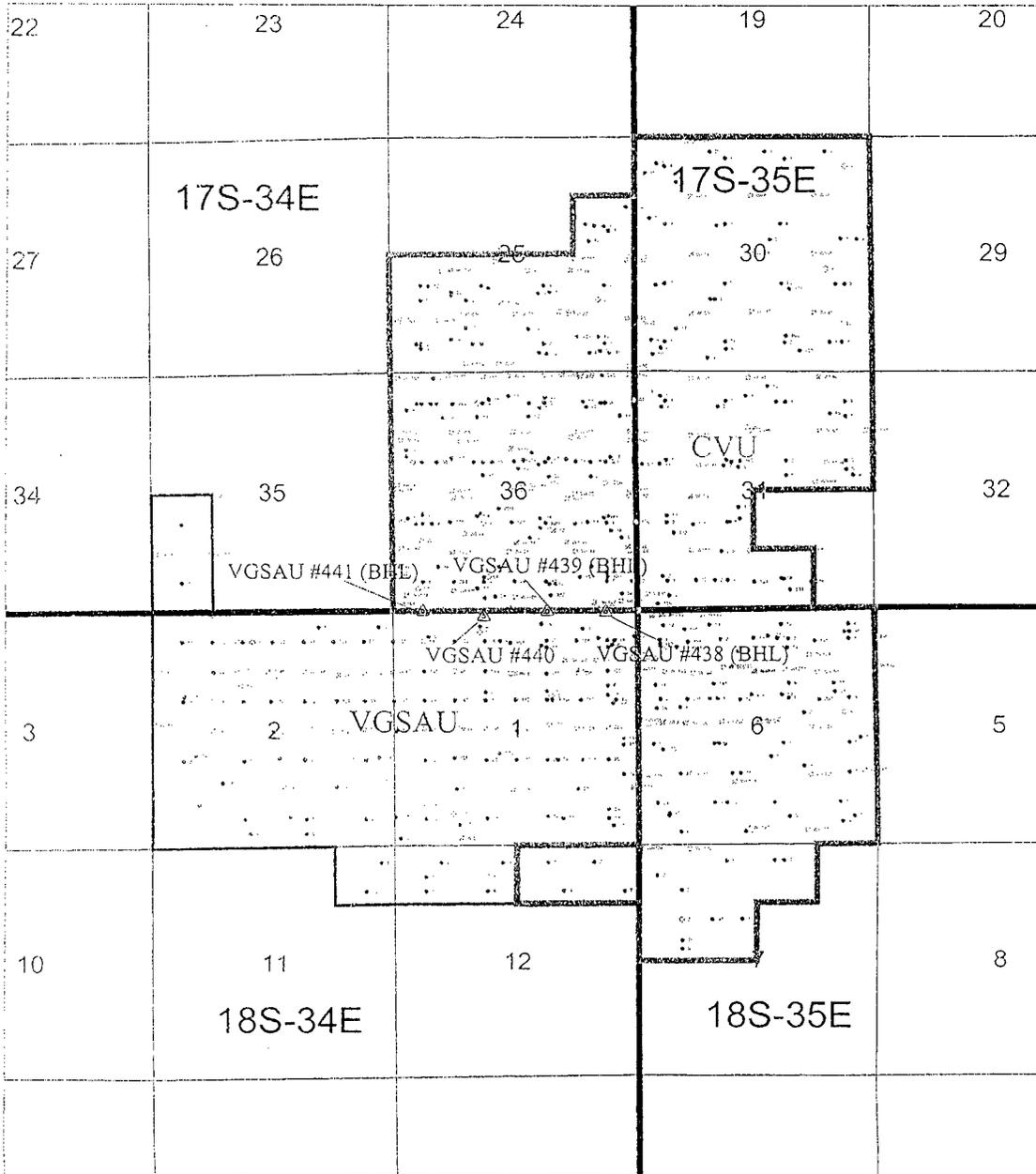
My Commission expires:



Notary Public in and for the State of Texas.



CHEVRON USA INC.
 COOPERATIVE WATER INJECTION AGREEMENT
 EXHIBIT "A"
 LEA COUNTY, NEW MEXICO
 12/01/2007



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1" = 3000'

EXHIBIT "B"

Amendment to Vacuum (Grayburg-San Andres) Cooperative Water Injection Agreement
between Central Vacuum Unit and Vacuum Grayburg-San Andres Unit
Lea County, New Mexico

ORIGINAL WELL LOCATIONS AND OWNERSHIP

<u>WELL NO.</u>	<u>WELL LOCATION</u>	<u>OWNERSHIP</u>
133	10' FNL & 1,550' FEL, Section 12 T-18-S, R-34-E	CVU - 50%, VGSAU - 50%
141	10' FSL & 1,310' FWL, Section 36	CVU - 50%, VGSAU - 50%
240 (Replaced 140)	257' FSL & 2,519' FWL (SHL) 19' FSL & 2,522' FWL, (BHL) Section 36	CVU - 50%, VGSAU - 50%
139	10' FSL & 1,310' FEL, Section 36 All in T-17-S, R-34-E	CVU - 50%, VGSAU - 50%
238 (Replaced 138)	10' FSL & 420' FEL, (SHL) 10' FSL & 10' FEL, (BHL) Section 36 T-17-S, R-34-E	CVU - 75%, VGSAU - 25%
137	10' FWL & 1,100' FNL, Section 6	CVU - 50%, VGSAU - 50%
136	10' FWL & 2,450' FNL, Section 6	CVU - 50%, VGSAU - 50%
135	10' FWL & 1,600' FSL, Section 6	CVU - 50%, VGSAU - 50%
134	10' FWL & 10' FSL, Section 6 All in T-18-S, R-35-E	CVU - 75%, VGSAU - 25%

PROPOSED NEW WELL LOCATIONS AND OWNERSHIP

438	10' FNL & 420' FEL, (SHL) 10' FNL & 670' FEL, (BHL) Section 1	CVU - 50%, VGSAU - 50%
439	634' FNL & 1,632' FEL, (SHL) 10' FNL & 1,980' FEL, (BHL) Section 1	CVU - 50%, VGSAU - 50%
440	100' FNL & 1,980' FWL, Section 1	CVU - 50%, VGSAU - 50%
441	170' FNL & 710' FWL, (SHL) 10' FNL & 650' FWL, (BHL) Section 1 All in T-18-S, R-34-E	CVU - 50%, VGSAU - 50%

NOTE: CVU = Central Vacuum Unit
VGSAU = Vacuum Grayburg San Andres Unit
SHL = Surface Hole Location
BHL = Bottom Hole Location

END OF EXHIBIT "B"



Daniel Pequeno, CPL/ESA
Land Representative

MidContinent/Alaska BU
North American Exploration
and Production Company
15 Smith Road, RM-2235
Midland, Texas 79705
Tel 432 687 7461
Fax 432 687 7871
peqd@chevron.com

November 19, 2007

CENTRAL VACUUM UNIT WORKING INTEREST OWNERS LIST (ATTACHED)

**RE: THIRD AMENDMENT TO VACUUM (GRAYBURG-SAN ANDRES)
COOPERATIVE WATER INJECTION AGREEMENT
CENTRAL VACUUM UNIT/VACUUM GRAYBURG SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO (QLS-046074, 153175 & 044246)**

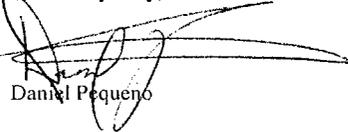
Dear Working Interest Owner:

Chevron U.S.A. Inc. is finalizing plans to drill the Vacuum Grayburg San Andres Unit Well Nos. 438WI, 439WI, 440WI and 441WI as lease line water injection wells between the Central Vacuum Unit and the Vacuum Grayburg San Andres Unit. The proposed water injection wells will be in addition to the nine (9) existing water injection wells already contained in the original agreement (attached). The legal description and locations of these and the nine (9) existing wells are contained in the attached Third Amendment to Vacuum (Grayburg-San Andres) Cooperative Water Injection Agreement effective December 1, 2007 (the Amendment). We, therefore, request that you grant your approval, in accordance with Article 38 of the Unit Agreement for the Central Vacuum Unit, for Chevron's execution of the Amendment as Unit Operator of the Central Vacuum Unit.

It is proposed that the Central Vacuum Unit drill, complete and operate each well. The sharing of all costs is outlined in said Amendment. The wells will be proposed to you during the month of December 2007. Please let us have your approval to the Amendment by signing and returning one original copy of this Ballot Letter to me in the self-addressed envelope provided herein at your earliest convenience.

We realize that the end of the year is upon us as well as the holidays, but hope you will grant us your approval so that we can proceed with the plans for these wells. If you have any technical questions, you may contact Mr. Scott Ingram at (432) 687-7212 or the undersigned for all other questions at (432) 687-7461.

Yours very truly,



Daniel Pequeno

AGREED AND APPROVED:

COMPANY: _____

BY: _____

PRINT NAME: _____

TITLE: _____

DATE: _____

AGREED AND APPROVED:

COMPANY: Ann McBee Buell

BY: _____

PRINT NAME: ANN MCBEE BUELL

TITLE: OWNER

DATE: 11-27-'07

AGREED AND APPROVED:

COMPANY: FRISCO ENERGY LLC

BY: Charles E Smith

PRINT NAME: CHARLES E SMITH

TITLE: CO-MANAGER

DATE: 11-26-2007

AGREED AND APPROVED:

COMPANY: H.M. BETTIS INC.

BY: H. Bettis

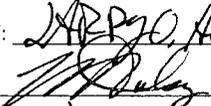
PRINT NAME: H.M. BETTIS

TITLE: PRES

DATE: 12-17-07

AGREED AND APPROVED:

COMPANY: ARGO HULSEY & C.

BY: 

PRINT NAME: ARGO HULSEY

TITLE: PRESIDENT

DATE: 11-27-07

AGREED AND APPROVED:

COMPANY: _____

BY: Madelon L. Bradshaw

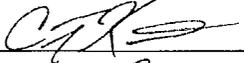
PRINT NAME: Madelon L. Bradshaw

TITLE: Owner

DATE: 11/28/07

AGREED AND APPROVED THE THIRD AMENDMENT TO VACUUM (GRAYBURG-SAN ANDRES) COOPERATIVE WATER INJECTION AGREEMENT:

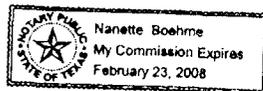
Marathon Oil
COMPANY: CONOCO PHILLIPS PETROLEUM COMPANY

BY: 

PRINT NAME: CRAIG T KENT

TITLE: SUBSURFACE MANAGER

DATE: 12/12/07



AGREED AND APPROVED:

COMPANY: JPMorgan, Trustee for the circled trusts

BY: TIM RGTZ on next page.

PRINT NAME: TIM G. RGTZ

TITLE: V.P.

DATE: 10-24-07

LIST OF CENTRAL VACUUM UNIT WORKING INTEREST OWNERS

Ann McBee Buell
11241 Russwood Circle
Dallas, Texas 75229

Chevron USA Production Company
15 Smith Road, RM-2235
Midland, Texas 79705

ConocoPhillips Petroleum Company
Attn. Mr. Tom Scarbrough, Land Department
1070 Plaza Office Building
Bartlesville, OK 74004

Marathon Oil Company
Joint Interest Department
P. O. Box 22232
Tulsa, OK 74121-2232

Mobil Producing Texas & New Mexico
c/o ExxonMobil
Attn.: Mr. Paul Alldred
P. O. Box 4707
Houston, Texas 77210-4707

Quantum Resources Management LLC
Attn. Mr. Kenneth Atnip
1775 Sherman Street, Suite 1200
Denver, CO 80203-0000

Frisco Energy LLC
Attn.: Ms. Kathy B. McGuire
2431 East 51st Street, Suite 300
Tulsa, OK 74105

H. M. Bettis Inc.
P. O. Box 1240
Graham, Texas 76450-1240

Larry O. Hulsey
P. O. Box 1143
Graham, Texas 76450-1143

Madelon L. Bradshaw
2120 Ridgmar Blvd., Suite 12
Fort Worth, Texas 76116

Martha Leonard Revocable Trust
c/o National Oil & Gas Operations
P. O. Box 2050
Fort Worth, Texas 76113-2050

Mary Leonard Children's Trust
c/o National Oil & Gas Operations
P. O. Box 2050
Fort Worth, Texas 76113-2050

McBee Operating Company LLC
4311 Oak Lawn Avenue, Suite 310
Dallas, Texas 75219

Miranda Leonard Trust
c/o National Oil & Gas Operations
P. O. Box 2050
Fort Worth, Texas 76113-2050

MVP Production Company
c/o Chevron
15 Smith Road, RM-2235
Midland, Texas 79705

Norman D. Stovall, Jr.
P. O. Box 10
Graham, Texas 76450-0010

AGREED AND APPROVED:

COMPANY: William D. McBe Enterprises, LTD.

BY: Michael B. McBe

PRINT NAME: MICHAEL B. McBEE

TITLE: MANAGER

DATE: 11.26.07

AGREED AND APPROVED:

COMPANY: Exxon Mobil

BY: Paul B. Allred

PRINT NAME: Paul B. Allred

TITLE: Joint Interest Advisor

DATE: 10 Jan 08

AGREED AND APPROVED THE THIRD AMENDMENT TO VACUUM (GRAYBURG-SAN ANDRES) COOPERATIVE WATER INJECTION AGREEMENT:

NORMAN D. STOVALL JR.

BY: Norman D. Stovall Jr.

PRINT NAME: NORMAN D. STOVALL JR.

TITLE: P

DATE: 1/21/08

AGREED AND APPROVED:

COMPANY: CONSCOPHILLIPS COMPANY

BY: J. P. Gregory

PRINT NAME: J. P. Gregory

TITLE: Attorney-In-Fact

DATE: 1/29/08

AGREED AND APPROVED THE THIRD AMENDMENT TO VACUUM (GRAYBURG-SAN ANDRES) COOPERATIVE WATER INJECTION AGREEMENT:

COMPANY, S. B. STREET & COMPANY

BY: Spencer Street III

PRINT NAME: SPENCER B. STREET III

TITLE: President

DATE: 1-9-2008

AGREED AND APPROVED THE THIRD AMENDMENT TO VACUUM (GRAYBURG-SAN ANDRES) COOPERATIVE WATER INJECTION AGREEMENT:

TRIPLE T RESOURCES LP

BY: 

PRINT NAME: David Weir

TITLE: Land Manager

DATE: 1/11/08

CENTRAL VACUUM UNIT WORKING INTEREST OWNERS LIST (ATTACHED)

RE: **THIRD AMENDMENT TO VACUUM (GRAYBURG-SAN ANDRES)
COOPERATIVE WATER INJECTION AGREEMENT
CENTRAL VACUUM UNIT/VACUUM GRAYBURG SAN ANDRES UNIT
LEA COUNTY, NEW MEXICO (QLS-046074, 153175 & 044246)**

AGREED AND APPROVED:

COMPANY: W.T. BOYLE & CO.

BY: Dwight Boyle

PRINT NAME: Dwight Boyle

TITLE: President

DATE: 11-26-2007

AMENDMENT TO VACUUM AREA COOPERATIVE LEASE LINE
AGREEMENT

STATE OF NEW MEXICO §

COUNTY OF LEA §

THIS AMENDMENT is entered between CHEVRON U.S.A. INC., Successor-in-interest to TEXACO EXPLORATION AND PRODUCTION INC., ("CHEVRON") as Operator and sole working interest owner in the Vacuum Grayburg San Andres Unit, and CHEVRON USA INC. as Operator and on behalf of all the working interest owners in the Central Vacuum Unit ("Unit Operator").

WITNESSETH:

WHEREAS, Unit Operator is the Operator of the Central Vacuum Unit covering certain leases and lands, located in Townships 17 South and 18 South, Ranges 34 East and 35 East, Lea County, New Mexico, as shown on Exhibit "A" and more particularly described in the Central Vacuum Unit Agreement to which reference is made for purposes of description; and

WHEREAS, Chevron is the Operator of the Vacuum Grayburg San Andres Unit covering, among other lands, the following described land in Lea County, New Mexico:

Section 1, Township 18 South, Range 34 East, Lea County, New Mexico, as shown on Exhibit "A" and more particularly described in the Vacuum Grayburg San Andres Unit Agreement to which reference is made for purposes of Description; and

WHEREAS, Unit Operator and Chevron are parties to that certain Vacuum Area Cooperative Lease Line Agreement dated March 1, 1996 in the interest of more properly producing and conserving the oil and gas from the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit; and

WHEREAS, Unit Operator and Chevron desire to amend the said Vacuum Area Cooperative Lease Line Agreement for the purpose of drilling additional producing wells at or near the Unit lines between the Vacuum Grayburg San Andres Unit and Central Vacuum Unit in order to further enhance the ultimate recovery of hydrocarbons from the lands and Units;

NOW, THEREFORE, for and in consideration of the premises, Unit Operator and Chevron have agreed and do by these presents herein agree that Article I found on page 1 of the Vacuum Area Cooperative Lease Line Agreement shall be amended to add the following wells to be drilled and equipped at approximately the referenced location for the production of oil and gas from the Grayburg and San Andres formations:

Vacuum Grayburg San Andres Unit Well No. 405, located 1,910 feet from the North line and 40 feet from the East line of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 412, location 2,195.8 feet from the South line and 295.9 feet from the East line (SL) and 2,200 feet from the South line and 10 feet from the East line (BHL) of Section 1, T-18-S, R-34-E

In addition, it is hereby agreed by the parties hereto to amend the Vacuum Area Cooperative Lease Line Agreement to include four (4) water injection wells, as described below (the Wells), to be drilled on or near the common boundary of the Central Vacuum Unit and the Vacuum San Andres Unit to provide for the injection of water into the underlying Grayburg-San Andres formation which shall benefit both Units. The Wells will be equipped for injection, and shall not be utilized as producing wells, except as

specifically provided for herein. Due to reservoir pressure in this portion of the Vacuum field, these wells may initially flow hydrocarbons to the surface for a period of time. Unit Operator, at its sole discretion, may initially and temporarily connect the Wells to the producing facilities and the operation of the Wells and any production therefrom will be governed by the terms and conditions of said Vacuum Area Cooperative Lease Line Agreement. At such time as any hydrocarbons cease to flow, or at Unit Operator's sole discretion, the well or wells will automatically be converted to the intended water injection wells status and shall be governed by the terms and conditions of the Cooperative Water Injection Agreement dated April 14, 1978, as amended without any further action required from the parties to this agreement. The proposed water injection wells to be drilled & equipped and their approximate locations are as follows:

Vacuum Grayburg San Andres Unit Well No. 438WI, located 10 feet from the North line and 420 feet from the East Line (SHL) and 10 feet from the North line and 670 feet from East line (BHL) of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 439WI, located 634 feet from the North line and 1,632 feet from the East line (SHL) and 10 feet from the North line and 1,980 feet from the East Line (BHL) of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 440WI, located 100 feet from the North line and 1,980 feet from the West line of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 441WI, located 170 feet from the North line and 710 feet from the West line (SHL) and 10 feet from the North line and 650 feet from the West Line (BHL) of Section 1, T-18-S, R-34-E

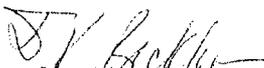
Should any of the locations for the well or wells listed above deviate slightly while drilling from the surface location to the bottom hole location, it is agreed that the well or wells will be equipped at a locations drilled and completed without further action required from the parties to this agreement. All of the above wells are located in Lea County, New Mexico as shown on the map attached as Exhibit "A" attached hereto and made a part hereof.

All remaining terms and conditions of the original Vacuum Area Cooperative Lease Line Agreement, excepting those herein amended, shall remain unchanged and shall in full force and effect.

IN WITNESS WHEREOF, this instrument is executed on this 16th day of November, but is effective as of the 1ST day of December, 2007.

CHEVRON U.S.A. INC.
As Operator and on behalf of the
Working Interest Owners of the
Central Vacuum Unit

CHEVRON U.S.A. INC.
As Operator and Sole Working
Interest Owner of the Vacuum
Grayburg San Andres Unit

By: 
D. K. Beckham, Attorney-in-Fact


D. K. Beckham, Attorney-in-Fact

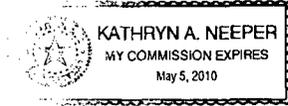
STATE OF TEXAS §

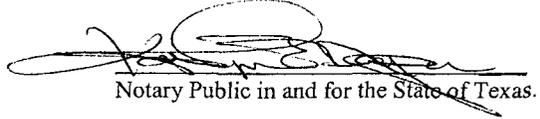
COUNTY OF MIDLAND §

On this the 19th day of November, 2007, before me appeared D.K. Beckham, as Attorney-in-Fact for CHEVRON U.S.A. INC., a Pennsylvania corporation, and acknowledged to me that she executed the instrument for the purposes and consideration therein expressed.

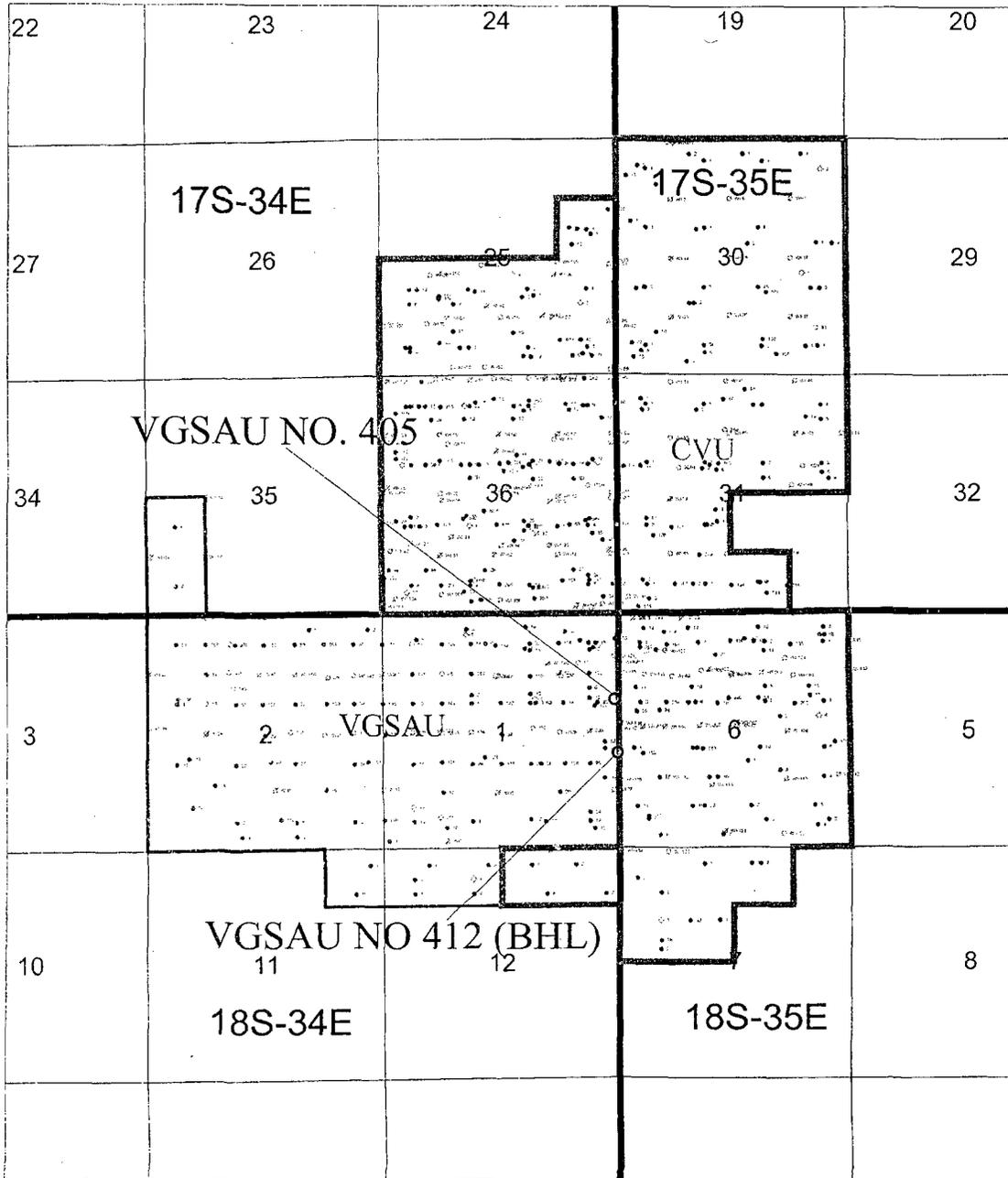
WITNESS my hand and official seal this the 19th day of November, 2007.

My Commission expires:




Notary Public in and for the State of Texas.

CHEVRON USA INC.
 VACUUM FIELD AREA
 EXHIBIT "A"
 LEA COUNTY, NEW MEXICO
 12/01/2007



This document may include proprietary, confidential and copyrighted data. For internal use only. Portions of this data may be copyrighted by TOBIN International, Ltd., Copyright 2000 Mapmakers Alaska, Copyright 2002 PennWell MAPSearch.

1" = 3000'

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

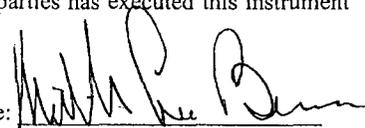
WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned, who is the owner of a royalty interest or interests only, does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned, who is the owner of a working interest or interests, does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 24 Nov. 2007

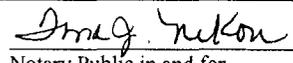
Signature: 
MILTON LEE BURNS

SINGLE ACKNOWLEDGMENT

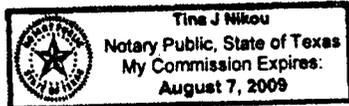
STATE OF TEXAS §

COUNTY OF HARRIS §

The forgoing instrument was acknowledged before me this 24th day of November, 2007, by Milton Burns


Notary Public in and for
HARRIS County, _____

My Commission Expires:
8/7/2009



**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned, who is the owner of a royalty interest or interests only, does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned, who is the owner of a working interest or interests, does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 12-14-07

Signature: *Charles Kendall Joyce*
CHARLES KENDALL JOYCE

SINGLE ACKNOWLEDGMENT

STATE OF NEW MEXICO §

COUNTY OF CHAVES §

The forgoing instrument was acknowledged before me this 14th day of December, 2007, by Charles Kendall Joyce

Edwin Leemburg
Notary Public in and for

Chaves County, New Mexico

My Commission Expires:
July 31, 2009

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned, who is the owner of a royalty interest or interests only, does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned, who is the owner of a working interest or interests, does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 12/07/07

Signature: 
JANNE G. MURPHY

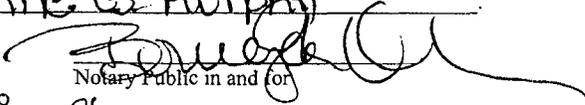
SINGLE ACKNOWLEDGMENT

STATE OF New Mexico §

COUNTY OF Chaves §

The forgoing instrument was acknowledged before me this 7th day of December, 2007, by Janne G. Murphy

 OFFICIAL SEAL
BRICEYDA OLIVAS
NOTARY PUBLIC - STATE OF NEW MEXICO
My commission expires: 7-19-10


Notary Public in and for
Chaves County, _____

My Commission Expires:
7-19-10

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned, who is the owner of a royalty interest or interests only, does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned, who is the owner of a working interest or interests, does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

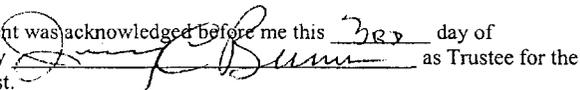
IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

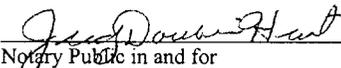
DATE: 12-3-07

Signature: 
JERRY C. BURNS
REVOCABLE TRUST

STATE OF Oklahoma §

COUNTY OF Tulsa §

The forgoing instrument was acknowledged before me this 3rd day of December, 2007, by  as Trustee for the Jerry C. Burns Revocable Trust.


Notary Public in and for
Tulsa County, OK

My Commission Expires:
7-10-08

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

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WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned, who is the owner of a royalty interest or interests only, does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned, who is the owner of a working interest or interests, does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 11-26-07

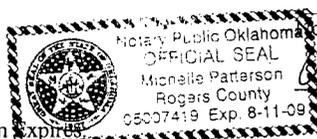
Signature: *Sandra D. Gipson*
SANDRA D. GIPSON
REVOCABLE TRUST

STATE OF ~~TEXAS~~ Oklahoma §

COUNTY OF Tulsa §

The forgoing instrument was acknowledged before me this 26th day of Nov, 2007, by John B. Gipson as Trustee of the Sandra D. Gipson Revocable Trust.

Michelle Patterson
Notary Public in and for
Oklahoma County, Rogers



My Commission Expires 8/11/2009

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

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WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned, who is the owner of a royalty interest or interests only, does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned, who is the owner of a working interest or interests, does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 11/28/07

Signature: *Stephanie Aldemir*
STEPHANIE ALDEMIR

SINGLE ACKNOWLEDGMENT

STATE OF _____ §

COUNTY OF _____ §

The forgoing instrument was acknowledged before me this _____ day of _____, 2007, by _____

Notary Public in and for
_____ County, _____

My Commission Expires:

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

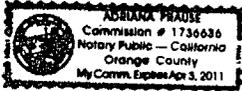
State of California

County of Orange

On 11/28/07 before me, Adriana Prause, Notary Public,
Date Name and Title of Officer

personally appeared ***Stephanie Aldemir***,
Name of Signer

~~personally known to me~~(or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) ~~is/are~~ subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Adriana Prause

OPTIONAL

Description of Attached Document

Title or Type of Document:
Document Date: _____ #of Pages
Signer(s) Other Than Named Above:

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned, who is the owner of a royalty interest or interests only, does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned, who is the owner of a working interest or interests, does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 11-30-07

Signature: 
DEBORAH CONWAY

SINGLE ACKNOWLEDGMENT

STATE OF _____ §

COUNTY OF _____ §

The forgoing instrument was acknowledged before me this _____ day of _____, 2007, by _____

SEE ATTACHED
NOTARY CERTIFICATE

Notary Public in and for
_____ County, _____

My Commission Expires:

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

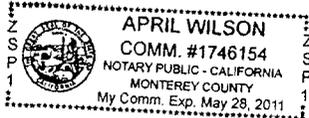
County of Monterey

On 11-30-07 before me, April Wilson, Notary Public

personally appeared Rebecca Conway

personally known to me

or proved to me on the basis of satisfactory evidence)



to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature April Wilson
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: ratification of Agreements

Document Date: 11-30-07 Number of Pages: 4pgs+4

Signer(s) Other Than Named Above: _____

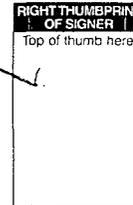
Capacity(ies) Claimed by Signer(s)

- Signer's Name: _____
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

- Signer's Name: _____
- Individual
- Corporate Officer — Title(s): _____
- Partner — Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____



Signer Is Representing: _____

AMENDMENT TO VACUUM AREA COOPERATIVE LEASE LINE
AGREEMENT

STATE OF NEW MEXICO §

COUNTY OF LEA §

THIS AMENDMENT is entered between CHEVRON U.S.A. INC., Successor-in-interest to TEXACO EXPLORATION AND PRODUCTION INC., ("CHEVRON") as Operator and sole working interest owner in the Vacuum Grayburg San Andres Unit, and CHEVRON USA INC. as Operator and on behalf of all the working interest owners in the Central Vacuum Unit ("Unit Operator").

WITNESSETH:

WHEREAS, Unit Operator is the Operator of the Central Vacuum Unit covering certain leases and lands, located in Townships 17 South and 18 South, Ranges 34 East and 35 East, Lea County, New Mexico, as shown on Exhibit "A" and more particularly described in the Central Vacuum Unit Agreement to which reference is made for purposes of description; and

WHEREAS, Chevron is the Operator of the Vacuum Grayburg San Andres Unit covering, among other lands, the following described land in Lea County, New Mexico:

Section 1, Township 18 South, Range 34 East, Lea County, New Mexico, as shown on Exhibit "A" and more particularly described in the Vacuum Grayburg San Andres Unit Agreement to which reference is made for purposes of Description; and

WHEREAS, Unit Operator and Chevron are parties to that certain Vacuum Area Cooperative Lease Line Agreement dated March 1, 1996 in the interest of more properly producing and conserving the oil and gas from the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit; and

WHEREAS, Unit Operator and Chevron desire to amend the said Vacuum Area Cooperative Lease Line Agreement for the purpose of drilling additional producing wells at or near the Unit lines between the Vacuum Grayburg San Andres Unit and Central Vacuum Unit in order to further enhance the ultimate recovery of hydrocarbons from the lands and Units;

NOW, THEREFORE, for and in consideration of the premises, Unit Operator and Chevron have agreed and do by these presents herein agree that Article I found on page 1 of the Vacuum Area Cooperative Lease Line Agreement shall be amended to add the following wells to be drilled and equipped at approximately the referenced location for the production of oil and gas from the Grayburg and San Andres formations:

Vacuum Grayburg San Andres Unit Well No. 405, located 1,910 feet from the North line and 40 feet from the East line of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 412, location 2,195.8 feet from the South line and 295.9 feet from the East line (SL) and 2,200 feet from the South line and 10 feet from the East line (BHL) of Section 1, T-18-S, R-34-E

In addition, it is hereby agreed by the parties hereto to amend the Vacuum Area Cooperative Lease Line Agreement to include four (4) water injection wells, as described below (the Wells), to be drilled on or near the common boundary of the Central Vacuum Unit and the Vacuum San Andres Unit to provide for the injection of water into the underlying Grayburg-San Andres formation which shall benefit both Units. The Wells will be equipped for injection, and shall not be utilized as producing wells, except as

specifically provided for herein. Due to reservoir pressure in this portion of the Vacuum field, these wells may initially flow hydrocarbons to the surface for a period of time. Unit Operator, at its sole discretion, may initially and temporarily connect the Wells to the producing facilities and the operation of the Wells and any production therefrom will be governed by the terms and conditions of said Vacuum Area Cooperative Lease Line Agreement. At such time as any hydrocarbons cease to flow, or at Unit Operator's sole discretion, the well or wells will automatically be converted to the intended water injection wells status and shall be governed by the terms and conditions of the Cooperative Water Injection Agreement dated April 14, 1978, as amended without any further action required from the parties to this agreement. The proposed water injection wells to be drilled & equipped and their approximate locations are as follows:

Vacuum Grayburg San Andres Unit Well No. 438WI, located 10 feet from the North line and 420 feet from the East Line (SHL) and 10 feet from the North line and 670 feet from East line (BHL) of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 439WI, located 634 feet from the North line and 1,632 feet from the East line (SHL) and 10 feet from the North line and 1,980 feet from the East Line (BHL) of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 440WI, located 100 feet from the North line and 1,980 feet from the West line of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 441WI, located 170 feet from the North line and 710 feet from the West line (SHL) and 10 feet from the North line and 650 feet from the West Line (BHL) of Section 1, T-18-S, R-34-E

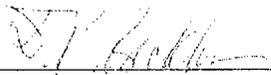
Should any of the locations for the well or wells listed above deviate slightly while drilling from the surface location to the bottom hole location, it is agreed that the well or wells will be equipped at a locations drilled and completed without further action required from the parties to this agreement. All of the above wells are located in Lea County, New Mexico as shown on the map attached as Exhibit "A" attached hereto and made a part hereof.

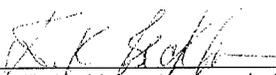
All remaining terms and conditions of the original Vacuum Area Cooperative Lease Line Agreement, excepting those herein amended, shall remain unchanged and shall in full force and effect.

IN WITNESS WHEREOF, this instrument is executed on this 16th day of November, but is effective as of the 1ST day of December, 2007.

CHEVRON U.S.A. INC.
As Operator and on behalf of the
Working Interest Owners of the
Central Vacuum Unit

CHEVRON U.S.A. INC.
As Operator and Sole Working
Interest Owner of the Vacuum
Grayburg San Andres Unit

By: 
D. K. Beckham, Attorney-in-Fact


D. K. Beckham, Attorney-in-Fact

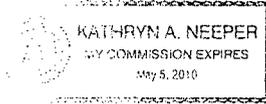
STATE OF TEXAS §

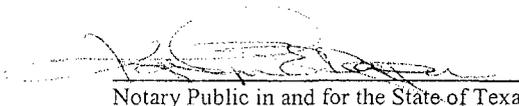
COUNTY OF MIDLAND §

On this the 9th day of November, 2007, before me appeared D.K. Beckham, as Attorney-in-Fact for CHEVRON U.S.A. INC., a Pennsylvania corporation, and acknowledged to me that she executed the instrument for the purposes and consideration therein expressed.

WITNESS my hand and official seal this the 19th day of November, 2007.

My Commission expires:




Notary Public in and for the State of Texas.

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned, who is the owner of a royalty interest or interests only, does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned, who is the owner of a working interest or interests, does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: Dec. 3, 2007

Signature: Christine Campos
CHRISTINE CAMPOS

SINGLE ACKNOWLEDGMENT

STATE OF California §

COUNTY OF Orange §

The forgoing instrument was acknowledged before me this 3rd day of December, 2007, by Christine Campos

[Signature]
Notary Public in and for

Orange County, _____

My Commission Expires:
4-29-10

Please see attached

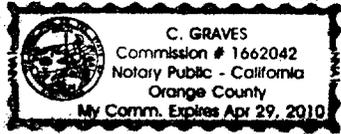
CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California
County of Orange

On 12-3-07 before me, C. GRAVES, Notary Public
DATE NAME: TITLE OF OFFICER - E.G., "JANE DOE, NOTARY PUBLIC"

personally appeared Christine Campos
NAME(S) OF SIGNER(S)

personally known to me - **OR** - proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) (is) are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that by his/her/their signature(s) on the instrument the person(s); or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

C. Graves
SIGNATURE OF NOTARY

OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

CAPACITY CLAIMED BY SIGNER

- INDIVIDUAL
- CORPORATE OFFICER
- TITLE(S)
- PARTNER(S) LIMITED
- ATTORNEY-IN-FACT GENERAL
- TRUSTEE(S)
- GUARDIAN/CONSERVATOR
- OTHER: _____

DESCRIPTION OF ATTACHED DOCUMENT

Amendment to Vacuum Area
TITLE OR TYPE OF DOCUMENT

ONE
NUMBER OF PAGES

DATE OF DOCUMENT

SIGNER IS REPRESENTING:
NAME OF PERSON(S) OR ENTITY(IES)

SIGNER(S) OTHER THAN NAMED ABOVE

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned who is the owner of a royalty interest or interests only does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned who is the owner of a working interest or interests does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 11-26-2007

FRISCO ENERGY LLC

By: Charles E Smith

Print Name: CHARLES E SMITH

Title: CO-MANAGER

CORPORATE ACKNOWLEDGMENT

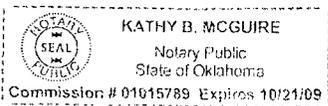
STATE OF Oklahoma }
COUNTY OF Tulsa }

BEFORE ME, the undersigned authority, on this day personally appeared Charles E. Smith, as Co-Manager for Frisco Energy, L.L.C., a limited liability company corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 26th day of November, 2007.

MY COMMISSION EXPIRES:

Kathy B. McGuire
Notary Public



**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned who is the owner of a royalty interest or interests only does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned who is the owner of a working interest or interests does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 1-8-08

H M BETTIS INC

By: J.M. Bettis

Print Name: J.M. BETTIS

Title: PRESIDENT

CORPORATE ACKNOWLEDGMENT

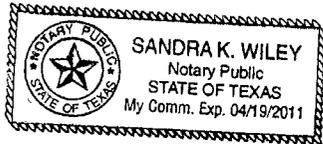
STATE OF Texas }
COUNTY OF Young }

BEFORE ME, the undersigned authority, on this day personally appeared H. M. Bellis, as President for H. M. Bellis, Inc., a Texas corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 8th day of January, 2007.

MY COMMISSION EXPIRES:

Sandra K. Wiley
Notary Public



**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned, who is the owner of a royalty interest or interests only, does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned, who is the owner of a working interest or interests, does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

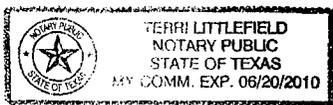
DATE: 11/28/07

Signature: Madelon L Bradshaw
MADELON L BRADSHAW

STATE OF TEXAS §

COUNTY OF Tarrant §

The forgoing instrument was acknowledged before me this 28th day of November, 2007, by Madelon L. Bradshaw



Terri Littlefield
Notary Public in and for
Tarrant County, Texas

My Commission Expires:

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned who is the owner of a royalty interest or interests only does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned who is the owner of a working interest or interests does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 12/12/07

MARATHON OIL COMPANY

By: 

CORPORATE ACKNOWLEDGMENT

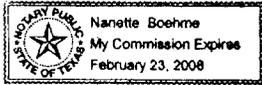
STATE OF Texas }
COUNTY OF Harris }

BEFORE ME, the undersigned authority, on this day personally appeared Craig Kent, as Subsurface Manager for Marathon Oil Company, a Ohio corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 2th day of December, 2007.

MY COMMISSION EXPIRES:

Nanette Boehme
Notary Public



**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

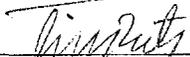
WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned who is the owner of a royalty interest or interests only does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned who is the owner of a working interest or interests does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 1-15-08

Martha Leonard Revocable Trust

By: 

Print Name: TIM G. RAETZ

Title: VICE PRES.

SINGLE ACKNOWLEDGMENT

STATE OF Texas §

COUNTY OF Tarrant §

The forgoing instrument was acknowledged before me this 16 day of January, 2008, by Jim Ratz



Bonnie Faye Berry Hodge
Notary Public in and for
Tarrant County, Texas

My Commission Expires:
9/3/08

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS }
COUNTY OF _____ }

BEFORE ME, the undersigned authority, on this day personally appeared _____, as _____ for _____, a _____ corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this _____ day of _____, 2008.

MY COMMISSION EXPIRES:

Notary Public

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

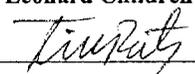
WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned who is the owner of a royalty interest or interests only does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned who is the owner of a working interest or interests does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 1-15-08

Mary Leonard Children's Trust

By: 

Print Name: TIM G. RAETZ

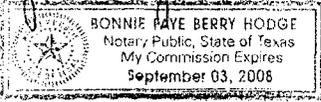
Title: VICE PRES.

SINGLE ACKNOWLEDGMENT

STATE OF Texas §

COUNTY OF Tarrant §

The forgoing instrument was acknowledged before me this 16 day of January, 2008, by Jim Rietz



Bonnie Kaye Berry Hodge
Notary Public in and for
Tarrant County, Texas

My Commission Expires:

9/3/08

CORPORATE ACKNOWLEDGMENT

STATE OF _____ }

COUNTY OF _____ }

BEFORE ME, the undersigned authority, on this day personally appeared _____ as _____ for _____, a _____ corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this _____ day of _____, 2008.

MY COMMISSION EXPIRES:

Notary Public

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned who is the owner of a royalty interest or interests only does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned who is the owner of a working interest or interests does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: November 28, 2007

MCBEE OPERATING COMPANY LLC

By: 

Print Name: Michael A. McBee, Jr.

Title: VP Operations

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

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IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 11 Jan 08

MOBIL PRODUCING TEXAS & NEW MEXICO

By: Donald E. Lovelace

Print Name: Donald E. Lovelace

Title: Attorney In Fact

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

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WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned who is the owner of a royalty interest or interests only does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned who is the owner of a working interest or interests does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 1/29/08

CONOCOPHILLIPS COMPANY

By: J. P. Gregory

Print Name: J. P. Gregory

Title: Attorney-In-Fact

WJB
TJS

CORPORATE ACKNOWLEDGMENT

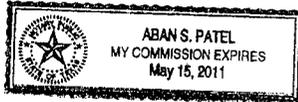
STATE OF TEXAS)
COUNTY OF HARRIS)

BEFORE ME, the undersigned authority, on this day personally appeared J. P. Gregory, as Attorney-in-Fact for ConocoPhillips Company a Delaware corporation, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

GIVEN UNDER MY HAND AND OFFICIAL SEAL OF OFFICE on this 29th day of January, 2008

MY COMMISSION EXPIRES:

Aban S. Patel
Notary Public



**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

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WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned who is the owner of a royalty interest or interests only does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned who is the owner of a working interest or interests does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: 11/28/07

TRIPLE T RESOURCES LP

By: 

Print Name: David Weir

Title: Land Manager

**RATIFICATION OF AGREEMENTS ENTITLED "VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT" AND "AMENDMENT TO
VACUUM AREA COOPERATIVE LEASE LINE AGREEMENT"
LEA COUNTY, NEW MEXICO**

STATE OF NEW MEXICO §

COUNTY OF LEA §

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WHEREAS, each of the undersigned owners of a Working Interest, Royalty Interest or interests hereby acknowledges receipt of a true and correct copy of that certain agreement dated March 1, 1996, entitled "Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Lease Line Agreement"), and a true and correct copy of that certain agreement effective December 1, 2007, entitled "Amendment to Vacuum Area Cooperative Lease Line Agreement, Lea County, New Mexico" ("Amendment"), which said agreements are hereafter referred to as the Lease Line Agreement and Amendment; and

WHEREAS, Exhibits "A" to the Exhibits "A" to the Lease Line Agreement and Amendment, identify the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit (and wells) producing oil and gas from the Grayburg and San Andres formations; and

WHEREAS, each of the undersigned represents that it is a Working Interest Owner or Royalty Owner, or both, in the Lease Line Agreement and Amendment identified by said Exhibits; and

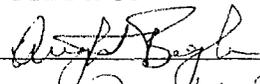
WHEREAS, each undersigned Royalty Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment; and each undersigned Working Interest Owner, being familiar with the contents thereof, desires to ratify and confirm said Lease Line Agreement and Amendment.

NOW THEREFORE, each of the undersigned who is the owner of a royalty interest or interests only does hereby ratify and confirm said Lease Line Agreement and Amendment, and each of the undersigned who is the owner of a working interest or interests does hereby ratify and confirm said Lease Line Agreement and Amendment, each owner with respect to all of its interests in the two (2) Exhibits to said Lease Line Agreement and Amendment, thereby becoming a party hereto.

IN WITNESS WHEREOF, each of the undersigned parties has executed this instrument on the date set forth below and opposite it signature.

DATE: Nov 26, 2007

W T BOYLE & CO

By: 
Print Name: Dwight Boyle
Title: President

**THIRD AMENDMENT TO VACUUM (GRAYBURG-SAN ANDRES)
COOPERATIVE WATER INJECTION AGREEMENT**

STATE OF NEW MEXICO §

COUNTY OF LEA §

THIS AMENDMENT shall be effective as of December 1, 2007, by and between the Central Vacuum Unit, represented by CHEVRON U.S.A. INC., Successor-in-interest to TEXACO EXPLORATION AND PRODUCTION INC., as Unit Operator, hereinafter referred as "Unit Operator", and the Vacuum Grayburg- San Andres Unit, represented by CHEVRON USA INC. as Unit Operator, hereinafter referred to as "Chevron".

WITNESSETH:

WHEREAS, Unit Operator is the Operator of the Central Vacuum Unit covering certain leases and lands, located in Townships 17 South and 18 South, Ranges 34 East and 35 East, Lea County, New Mexico, as more particularly described in the Central Vacuum Unit Agreement to which reference is made for purposes of description; and

WHEREAS, Chevron is the Operator of the Vacuum Grayburg-San Andres Unit covering, among other lands, the following described land in Lea County, New Mexico:

Section 1, Township 18 South, Range 34 East, Lea County, New Mexico, as more particularly described in the Vacuum Grayburg San Andres Unit Agreement to which reference is made for purposes of Description; and

WHEREAS, Unit Operator and Chevron are parties to that certain Cooperative Water Injection Agreement dated April 14, 1978 (the Agreement), providing for the operation of water injection wells on or near the common boundary of the Central Vacuum Unit and the Vacuum Grayburg San Andres Unit, and providing for the injection of water into the underlying Grayburg-San Andres formation through said injection wells; and

WHEREAS, by Amendment to Cooperative Water Injection Agreement dated April 28, 1989, effective October 20, 1988 (First Amendment), said agreement was amended to replace Paragraph 6 found on Page 2 relative to the charge for injection water provided by Unit Operator; and

WHEREAS, by Amendment to Vacuum (Grayburg-San Andres) Cooperative Water Injection Agreement dated and effective January 1, 2001 (Second Amendment), said agreement was further amended to provide for CO₂, produced gas, water or any combination thereof, as acceptable injectants for all the water injection wells identified in the agreement; and

WHEREAS, Unit Operator and Chevron desire to further amend the said Cooperative Water Injection Agreement, as amended, to drill and equip additional injection wells at or near the Unit lines between the Vacuum Grayburg San Andres Unit and Central Vacuum Unit to provide for the injection of CO₂, produced gas, water or any combination thereof, as acceptable injectants into the underlying Grayburg-San Andres formation through the additional injection wells so that the leases and lands mentioned above will be benefited by an increase in the production of crude oil.

NOW, THEREFORE, for in consideration of the premises, Unit Operator and Chevron have agreed and do by these presents herein agree that Subparagraph 1, page 1 and Subparagraph 4, page 2 of the Cooperative Water Injection Agreement dated April 14, 1978, as amended by the First Amendment and the Second Amendment, are hereby amended by the addition of the following language as set forth in the corresponding numbered paragraph, and that the referenced wells are added as injection wells to be drilled and equipped for the injection of CO₂, produced gas, water or any combination

thereof, as acceptable injectants into the underlying Grayburg-San Andres formations as follows:

1. Unit Operator, as soon as practical following the effective date of this Agreement agrees to drill, complete and equip four (4) additional CO₂, produced gas, water or any combination thereof, as acceptable injection wells in the Grayburg-San Andres formation at the approximate locations shown on the plat attached hereto as Exhibit "A", and with location descriptions and Working Interest Ownership percentages tabulated on Exhibit "B", also attached and made a part hereof for all purposes. In the event proposed new well or wells not be able to adequately be drilled at the approximate locations as outlined above, it is agreed that the well or wells will be drilled and equipped at a location(s) which are legally as close to the lease line as possible without further action required from the parties to this agreement.

4. Chevron agrees to continue to furnish water suitable for injection purposes through the Vacuum Grayburg-San Andres Unit Injection System at the price and on the basis set forth in said Cooperative Water Injection Agreement, as amended. The water delivered hereunder to the injection well by Chevron shall be measured by standard type water metering equipment installed and operated by Chevron.

In addition, Unit Operator and Chevron have agreed and do by these presents herein agree that the Agreement, as amended by the First Amendment and Second Amendment, is further amended by the insertion of the following paragraph:

12. CO₂, produced gas, or any combination thereof, are acceptable injectants for all water injection wells identified in the Cooperative Water Injection Agreement and any amendments thereto.

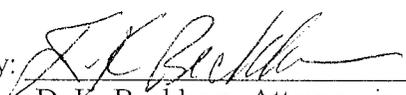
and that the Second Amendment is hereby amended to reflect the addition of the above paragraph 12 to the Agreement, effective as of the date of the Second Amendment.

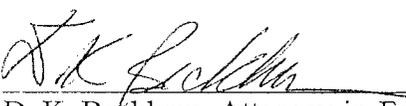
These additional injection wells to be drilled shall be bound by all the other terms and conditions of the original Cooperative Water Injection Agreement, as amended, and the purpose of this Amendment serves only to add said wells and locations. Except as amended hereby, the Cooperative Water Injection Agreement, as amended, remains in full force and effect.

IN WITNESS WHEREOF, this instrument is executed this 19th day of November, 2007, but effective as of the date written above.

CHEVRON U.S.A. INC.
As Operator of the Central
Vacuum Unit

CHEVRON U.S.A. INC.
as Operator of the Vacuum
Grayburg San Andres Unit

By: 
D. K. Beckham, Attorney-in-Fact


D. K. Beckham, Attorney-in-Fact

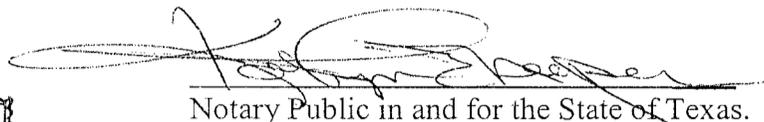
STATE OF TEXAS §

COUNTY OF MIDLAND §

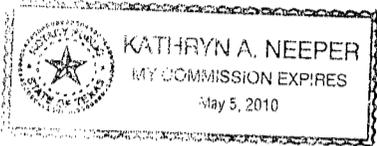
On this the 19th day of November, 2007, before me appeared D.K. Beckham, as Attorney-in-Fact for CHEVRON U.S.A. INC., a Pennsylvania corporation, and acknowledged to me that she executed the instrument for the purposes and consideration therein expressed.

WITNESS my hand and official seal this the 19th day of November, 2007.

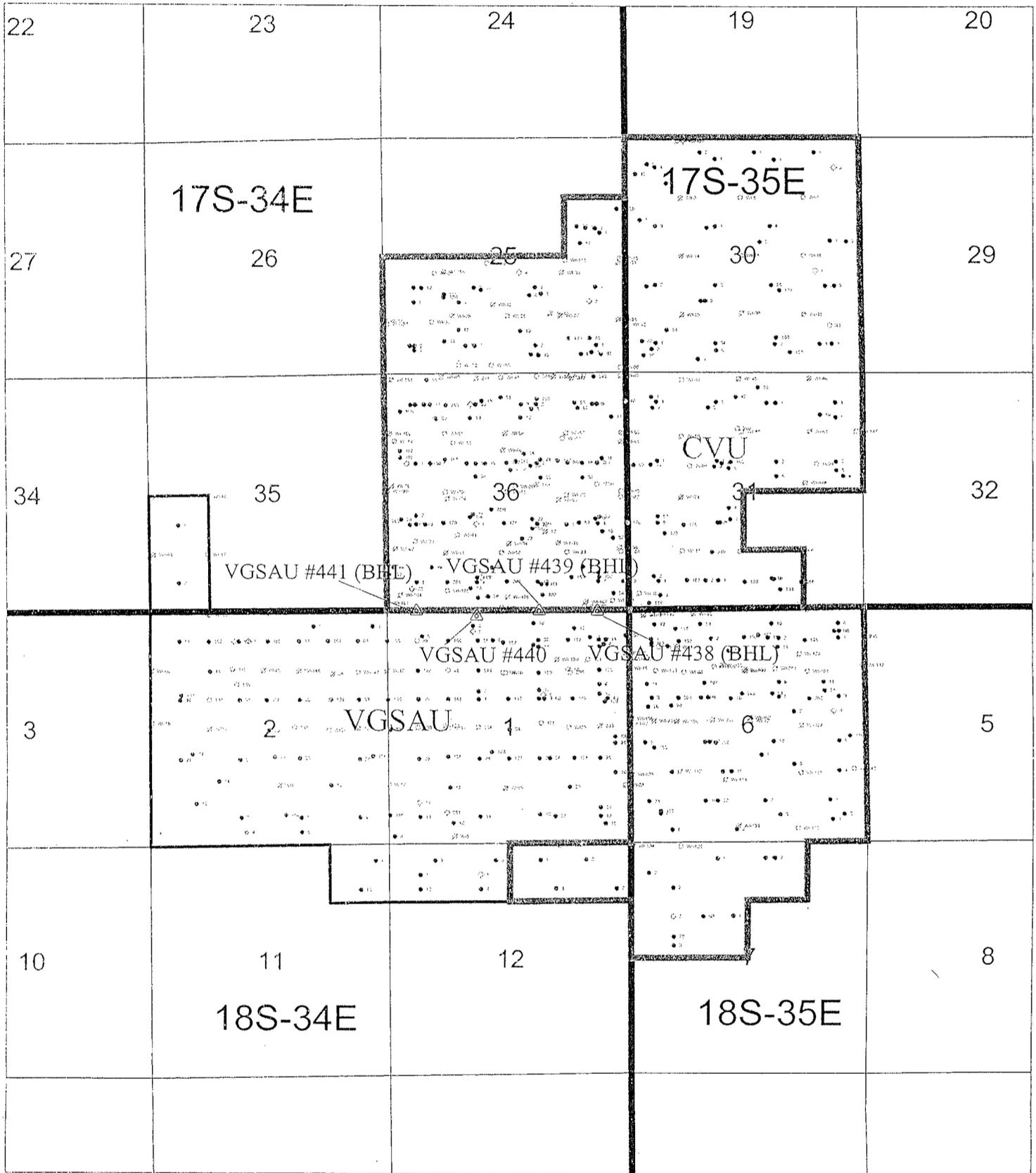
My Commission expires:



Notary Public in and for the State of Texas.



CHEVRON USA INC.
 COOPERATIVE WATER INJECTION AGREEMENT
 EXHIBIT "A"
 LEA COUNTY, NEW MEXICO
 12/01/2007



This document may include proprietary, confidential and copyrighted data. For internal use only. Portions of this data may be copyrighted by TOBIN International, Ltd., Copyright 2000 Mapmakers Alaska, Copyright 2002 PennWell MAPSearch.

1" = 3000'

EXHIBIT "B"

Amendment to Vacuum (Grayburg-San Andres) Cooperative Water Injection Agreement
between Central Vacuum Unit and Vacuum Grayburg-San Andres Unit
Lea County, New Mexico

ORIGINAL WELL LOCATIONS AND OWNERSHIP

<u>WELL NO.</u>	<u>WELL LOCATION</u>	<u>OWNERSHIP</u>
133	10' FNL & 1,550' FEL, Section 12	CVU – 50%, VGSAU – 50%
T-18-S, R-34-E		
141	10' FSL & 1,310' FWL, Section 36	CVU – 50%, VGSAU – 50%
240 (Replaced 140)	257' FSL & 2,519' FWL (SHL) 19' FSL & 2,522' FWL, (BHL) Section 36	CVU – 50%, VGSAU – 50%
139	10' FSL & 1,310' FEL, Section 36	CVU – 50%, VGSAU – 50%
All in T-17-S, R-34-E		
238 (Replaced 138)	10' FSL & 420' FEL, (SHL) 10' FSL & 10' FEL, (BHL) Section 36	CVU – 75%, VGSAU – 25%
T-17-S, R-34-E		
137	10' FWL & 1,100' FNL, Section 6	CVU – 50%, VGSAU – 50%
136	10' FWL & 2,450' FNL, Section 6	CVU – 50%, VGSAU – 50%
135	10' FWL & 1,600' FSL, Section 6	CVU – 50%, VGSAU – 50%
134	10' FWL & 10' FSL, Section 6	CVU – 75%, VGSAU – 25%
All in T-18-S, R-35-E		

PROPOSED NEW WELL LOCATIONS AND OWNERSHIP

438	10' FNL & 420' FEL, (SHL) 10' FNL & 670' FEL, (BHL) Section 1	CVU – 50%, VGSAU – 50%
439	634' FNL & 1,632' FEL, (SHL) 10' FNL & 1,980' FEL, (BHL) Section 1	CVU – 50%, VGSAU – 50%
440	100' FNL & 1,980' FWL, Section 1	CVU – 50%, VGSAU – 50%
441	170' FNL & 710' FWL, (SHL) 10' FNL & 650' FWL, (BHL) Section 1	CVU – 50%, VGSAU – 50%
All in T-18-S, R-34-E		

NOTE: CVU = Central Vacuum Unit
VGSAU = Vacuum Grayburg San Andres Unit
SHL = Surface Hole Location
BHL = Bottom Hole Location

END OF EXHIBIT "B"

**AMENDMENT TO VACUUM AREA COOPERATIVE LEASE LINE
AGREEMENT**

STATE OF NEW MEXICO §

COUNTY OF LEA §

THIS AMENDMENT is entered between CHEVRON U.S.A. INC., Successor-in-interest to TEXACO EXPLORATION AND PRODUCTION INC., ("CHEVRON") as Operator and sole working interest owner in the Vacuum Grayburg San Andres Unit, and CHEVRON USA INC. as Operator and on behalf of all the working interest owners in the Central Vacuum Unit ("Unit Operator").

WITNESSETH:

WHEREAS, Unit Operator is the Operator of the Central Vacuum Unit covering certain leases and lands, located in Townships 17 South and 18 South, Ranges 34 East and 35 East, Lea County, New Mexico, as shown on Exhibit "A" and more particularly described in the Central Vacuum Unit Agreement to which reference is made for purposes of description; and

WHEREAS, Chevron is the Operator of the Vacuum Grayburg San Andres Unit covering, among other lands, the following described land in Lea County, New Mexico:

Section 1, Township 18 South, Range 34 East, Lea County, New Mexico, as shown on Exhibit "A" and more particularly described in the Vacuum Grayburg San Andres Unit Agreement to which reference is made for purposes of Description; and

WHEREAS, Unit Operator and Chevron are parties to that certain Vacuum Area Cooperative Lease Line Agreement dated March 1, 1996 in the interest of more properly producing and conserving the oil and gas from the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit; and

WHEREAS, Unit Operator and Chevron desire to amend the said Vacuum Area Cooperative Lease Line Agreement for the purpose of drilling additional producing wells at or near the Unit lines between the Vacuum Grayburg San Andres Unit and Central Vacuum Unit in order to further enhance the ultimate recovery of hydrocarbons from the lands and Units;

NOW, THEREFORE, for and in consideration of the premises, Unit Operator and Chevron have agreed and do by these presents herein agree that Article I found on page 1 of the Vacuum Area Cooperative Lease Line Agreement shall be amended to add the following wells to be drilled and equipped at approximately the referenced location for the production of oil and gas from the Grayburg and San Andres formations:

Vacuum Grayburg San Andres Unit Well No. 405, located 1,910 feet from the North line and 40 feet from the East line of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 412, location 2,195.8 feet from the South line and 295.9 feet from the East line (SL) and 2,200 feet from the South line and 10 feet from the East line (BHL) of Section 1, T-18-S, R-34-E

In addition, it is hereby agreed by the parties hereto to amend the Vacuum Area Cooperative Lease Line Agreement to include four (4) water injection wells, as described below (the Wells), to be drilled on or near the common boundary of the Central Vacuum Unit and the Vacuum San Andres Unit to provide for the injection of water into the underlying Grayburg-San Andres formation which shall benefit both Units. The Wells will be equipped for injection, and shall not be utilized as producing wells, except as

specifically provided for herein. Due to reservoir pressure in this portion of the Vacuum field, these wells may initially flow hydrocarbons to the surface for a period of time. Unit Operator, at its sole discretion, may initially and temporarily connect the Wells to the producing facilities and the operation of the Wells and any production therefrom will be governed by the terms and conditions of said Vacuum Area Cooperative Lease Line Agreement. At such time as any hydrocarbons cease to flow, or at Unit Operator's sole discretion, the well or wells will automatically be converted to the intended water injection wells status and shall be governed by the terms and conditions of the Cooperative Water Injection Agreement dated April 14, 1978, as amended without any further action required from the parties to this agreement. The proposed water injection wells to be drilled & equipped and their approximate locations are as follows:

Vacuum Grayburg San Andres Unit Well No. 438WI, located 10 feet from the North line and 420 feet from the East Line (SHL) and 10 feet from the North line and 670 feet from East line (BHL) of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 439WI, located 634 feet from the North line and 1,632 feet from the East line (SHL) and 10 feet from the North line and 1,980 feet from the East Line (BHL) of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 440WI, located 100 feet from the North line and 1,980 feet from the West line of Section 1, T-18-S, R-34-E

Vacuum Grayburg San Andres Unit Well No. 441WI, located 170 feet from the North line and 710 feet from the West line (SHL) and 10 feet from the North line and 650 feet from the West Line (BHL) of Section 1, T-18-S, R-34-E

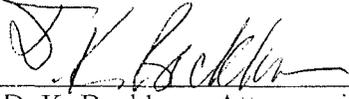
Should any of the locations for the well or wells listed above deviate slightly while drilling from the surface location to the bottom hole location, it is agreed that the well or wells will be equipped at a locations drilled and completed without further action required from the parties to this agreement. All of the above wells are located in Lea County, New Mexico as shown on the map attached as Exhibit "A" attached hereto and made a part hereof.

All remaining terms and conditions of the original Vacuum Area Cooperative Lease Line Agreement, excepting those herein amended, shall remain unchanged and shall in full force and effect.

IN WITNESS WHEREOF, this instrument is executed on this 16th day of November, but is effective as of the 1ST day of December, 2007.

CHEVRON U.S.A. INC.
As Operator and on behalf of the
Working Interest Owners of the
Central Vacuum Unit

CHEVRON U.S.A. INC.
As Operator and Sole Working
Interest Owner of the Vacuum
Grayburg San Andres Unit

By: 
D. K. Beckham, Attorney-in-Fact


D. K. Beckham, Attorney-in-Fact

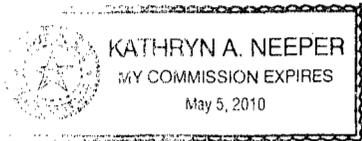
STATE OF TEXAS §

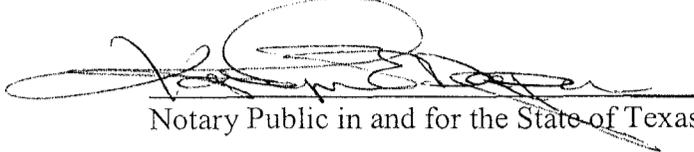
COUNTY OF MIDLAND §

On this the 19th day of November, 2007, before me appeared D.K. Beckham, as Attorney-in-Fact for CHEVRON U.S.A. INC., a Pennsylvania corporation, and acknowledged to me that she executed the instrument for the purposes and consideration therein expressed.

WITNESS my hand and official seal this the 19th day of November, 2007.

My Commission expires:




Notary Public in and for the State of Texas.

DATE IN	SUSPENSE	ENGINEER	LOGGED IN	TYPE	APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [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 - Simultaneous Dedication
 NSL NSP SD

Check One Only for [B] or [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

- [D] Other: Specify _____

[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 (See Amendments to Lease Line Agreements for Production wells & water injection wells)

RECEIVED
 2008 JUN 29 PM 2:41

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Daniel Pequeno
 Print or Type Name

Signature

Land Representative
 Title

January 28, 2008
 Date

peqd@chevron.com
 e-mail Address

District I

1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
 Permit 60427

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code 62180	3. Pool Name VACUUM;GRAYBURG-SAN ANDRES
4. Property Code 30022	5. Property Name VACUUM GRAYBURG SAN ANDRES UNIT	
6. Well No. 405	7. OGRID No. 4323	
8. Operator Name CHEVRON U S A INC	9. Elevation 3977	

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	1	18S	34E		1910	N	40	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 10.00		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

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="width: 25%; height: 20px;"></td><td style="width: 25%; height: 20px;"></td><td style="width: 25%; height: 20px;"></td><td style="width: 25%; height: 20px;"></td></tr> <tr><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="background-color: #cccccc; height: 20px;"></td><td style="height: 20px;"></td></tr> <tr><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="height: 20px;"></td></tr> <tr><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="height: 20px;"></td><td style="height: 20px;"></td></tr> </table>																	<p style="text-align: center;">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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Title: Date:</p> <hr/> <p style="text-align: center;">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>Surveyed By: <u>JOHN DIPER</u> Date of Survey: 7/9/2007 Certificate Number: 7254</p>

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

DISTRICT II
1301 W. Grand Ave., Artesia, NM 88210

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

DISTRICT IV
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

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

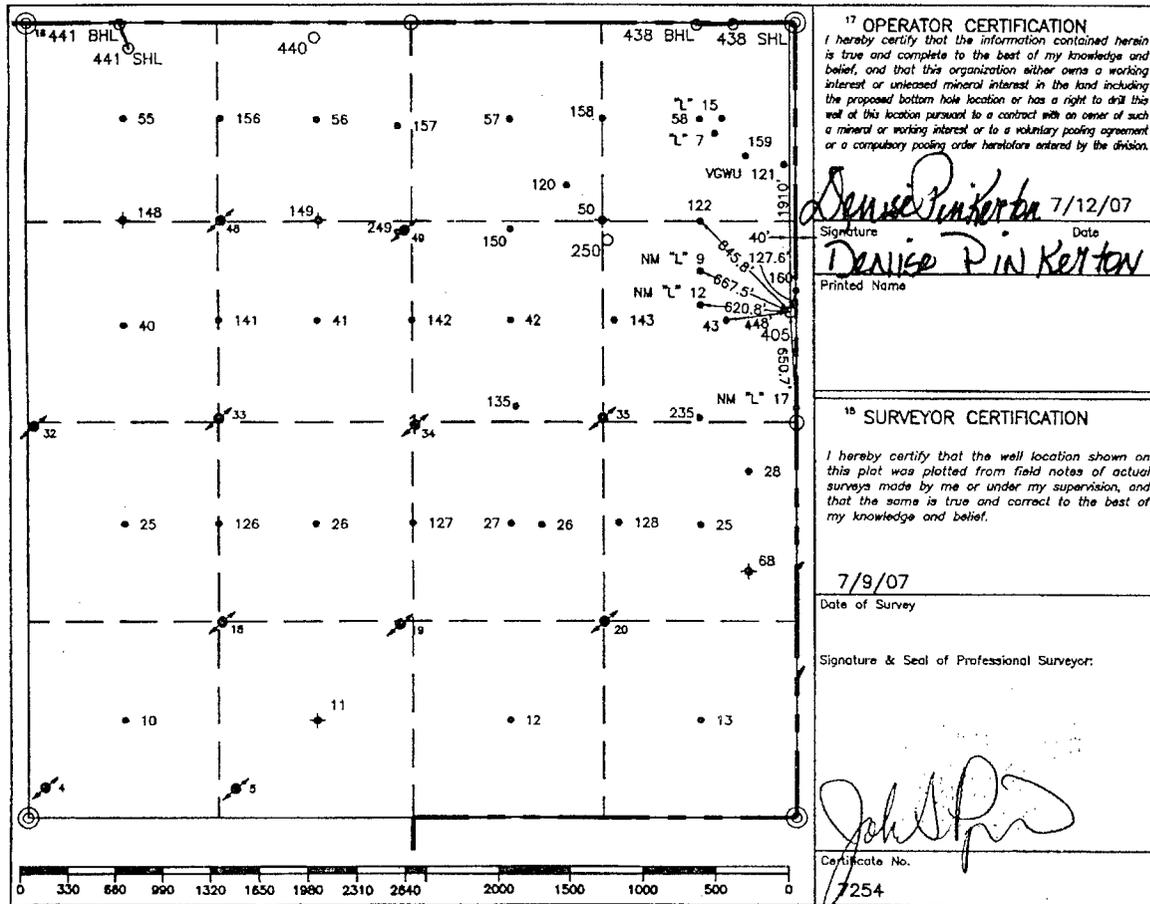
OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 62180		3 Pool Name Vacuum Grayburg San Andres			
4 Property Code		5 Property Name Vacuum Grayburg San Andres Unit			6 Well Number 405		
7 OGRID No. 4323		8 Operator Name CHEVRON USA, INC.			9 Elevation 3977'		
10 Surface Location							
UL or lot no. H	Section 1	Township 18-S	Range 34-E	Lot Idn	Feet from the North/South line 1910' North	Feet from the East/West line 40' East	7 County 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	7 County
12 Dedicated Acres 10		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.



17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Denise Pinerton 7/12/07
Signature Date
Denise Pinerton
Printed Name

18 SURVEYOR CERTIFICATION
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 knowledge and belief.

7/9/07
Date of Survey

Signature & Seal of Professional Surveyor:
John P...

Certificate No.
7254

○ = Staked Location ● = Producing Well ⊕ = Injection Well ⊙ = Water Supply Well ⊛ = Plugged & Abandon Well
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing	648138.25	Easting	795763.52
Latitude	32°46'44.507"	Longitude	103°30'19.832"
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983	0.99979647	Buckeye.Crd
Drawing File	VGSAU-Sec1.Dwg	Field Book	
		Lea #23, Pg. 76	

District I

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State of New Mexico
Energy, Minerals and Natural Resources

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-102
 Permit 61023

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code 62180	3. Pool Name VACUUM;GRAYBURG-SAN ANDRES
4. Property Code 30022	5. Property Name VACUUM GRAYBURG SAN ANDRES UNIT	6. Well No. 412
7. OGRID No. 4323	8. Operator Name CHEVRON U S A INC	9. Elevation 3983

10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	1	18S	34E		2196	S	296	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
I	1	18S	34E	I	2200	S	10	E	LEA
12. Dedicated Acres 10.00		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

	<p align="center">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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Title: Date:</p>
	<p align="center">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>Surveyed By: JOHN PIPER Date of Survey: 7/18/2007 Certificate Number: 7254</p>

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

DISTRICT II
1301 W. Grand Ave., Artesia, NM 88210

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1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

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

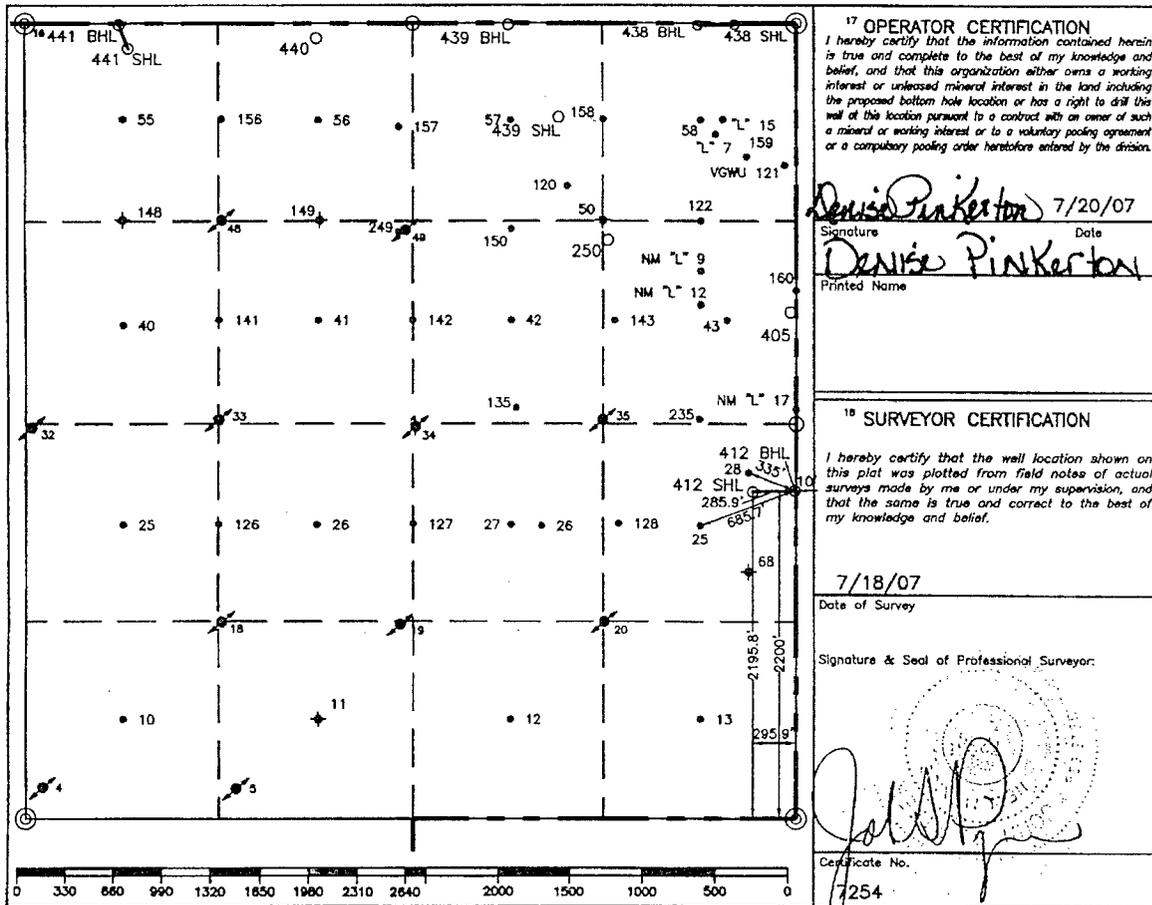
OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 62180		3 Pool Name Vacuum Grayburg San Andres					
Property Code		5 Property Name Vacuum Grayburg San Andres Unit			6 Well Number 412				
7 OGRID No. 4323		8 Operator Name CHEVRON USA, INC.			9 Elevation 3983'				
10 Surface Location									
UL or lot no. 1	Section 1	Township 18-S	Range 34-E	Lot Idn	Feet from the 2195.8'	North/South line South	Feet from the 295.9'	East/West line East	County Lea
11 Bottom Hole Location if Different From Surface									
UL or lot no. 1	Section 1	Township 18-S	Range 34-E	Lot Idn	Feet from the 2200'	North/South line South	Feet from the 10'	East/West line East	County Lea
12 Dedicated Acres 10		13 Joint or Infill		14 Consolidation Code		15 Order No.			

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District I

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 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico
 Energy, Minerals and Natural Resources**

**Oil Conservation Division
 1220 S. St Francis Dr.
 Santa Fe, NM 87505**

Form C-102
 Permit 61098

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code 62180	3. Pool Name VACUUM;GRAYBURG-SAN ANDRES
4. Property Code 30022	5. Property Name VACUUM GRAYBURG SAN ANDRES UNIT	6. Well No. 438
7. OGRID No. 4323	8. Operator Name CHEVRON U S A INC	9. Elevation 3986

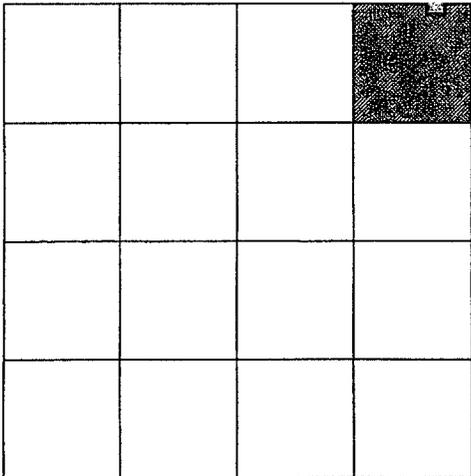
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	1	18S	34E		10	N	420	E	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 10.00		13. Joint or Infill		14. Consolidation Code			15. Order No.		

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	OPERATOR CERTIFICATION	
	<p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p>	
	<p>E-Signed By: Title: Date:</p>	
	SURVEYOR CERTIFICATION	
<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>Surveyed By: JOHN PIPER</p>		
<p>Date of Survey: 7/9/2007 Certificate Number: 7254</p>		

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

DISTRICT II
1301 W. Grand Ave., Artesia, NM 88210

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

DISTRICT IV
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

Submit to Appropriate District Office
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Fee Lease-3 copies

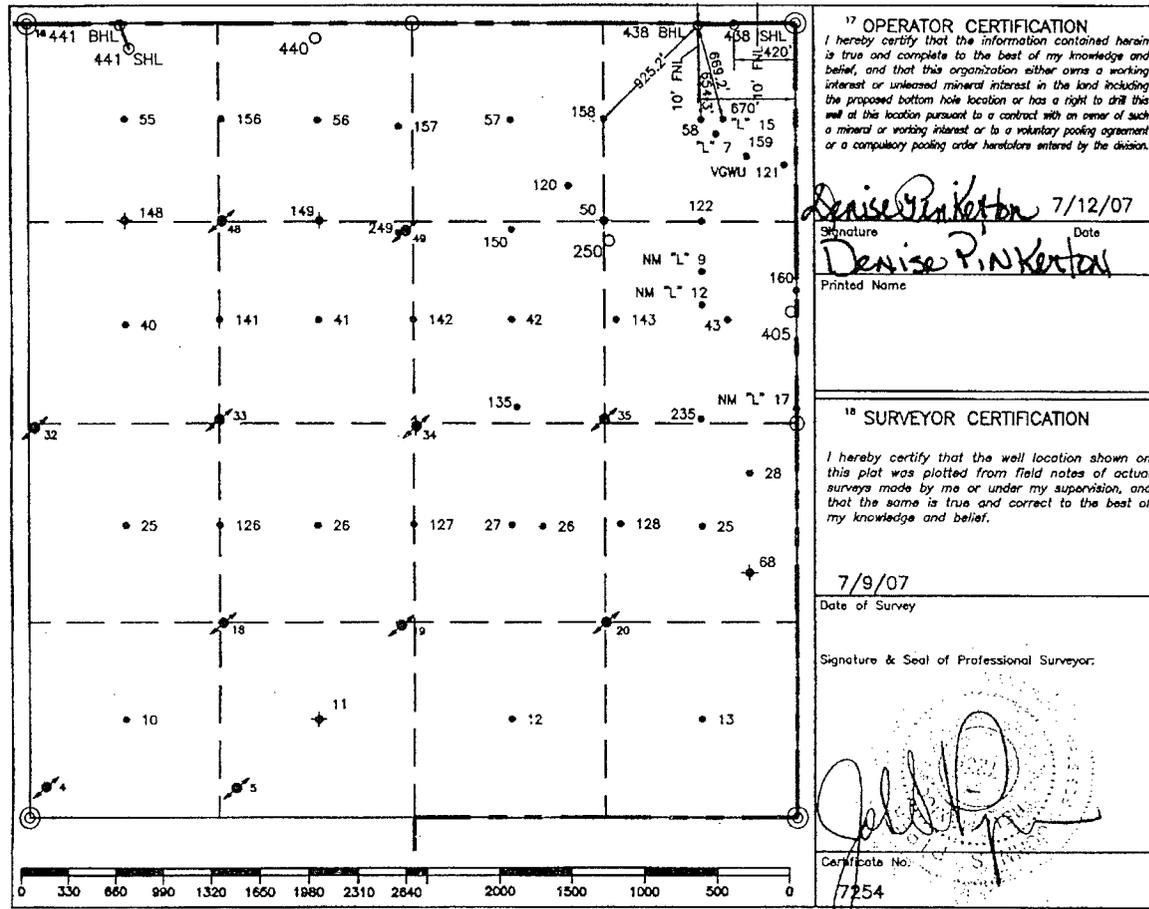
OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 62180		3 Pool Name Vacuum Grayburg San Andres			
4 Property Code		5 Property Name Vacuum Grayburg San Andres Unit			6 Well Number 438		
7 OGRID No. 4373		8 Operator Name CHEVRON USA, INC.			9 Elevation 3986'		
10 Surface Location							
UL or lot no. A	Section 1	Township 18-S	Range 34-E	Lot Idn	Feet from the North/South line 10' North	Feet from the East/West line 420' East	7 County Lea
11 Bottom Hole Location If Different From Surface							
UL or lot no. A	Section 1	Township 18-S	Range 34-E	Lot Idn	Feet from the North/South line 10' North	Feet from the East/West line 670' East	7 County Lea
12 Dedicated Acres 10		13 Joint or Infill		14 Consolidation Code		15 Order No.	

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Denise Pinkerton 7/12/07
Signature Date

Denise Pinkerton
Printed Name

18 SURVEYOR CERTIFICATION
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7/9/07
Date of Survey

Signature & Seal of Professional Surveyor:

[Signature]
Certificate No.: 7254

- = Staked Location ● = Producing Well ● = Injection Well ◊ = Water Supply Well ◆ = Plugged & Abandon Well
- ⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates		795560.95 SHL	
Northing 650029.86 BHL		Easting 795110.94 BHL	
Latitude 32°47'03.286" SHL 32°47'03.273" BHL		Longitude 103°30'24.374" SHL 103°30'27.302" BHL	
Zone	North American Datum	Combined Grid Factor	Coordinate File
East	1983	0.99979581	Buckeye.Crd
Drawing File VGS AU-Sec1.Dwg		Field Book Lea #23, Pg. 77	

District I

1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

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District III

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District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Form C-102
 Permit 61099

Oil Conservation Division

1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code 62180	3. Pool Name VACUUM;GRAYBURG-SAN ANDRES
4. Property Code 30022	5. Property Name VACUUM GRAYBURG SAN ANDRES UNIT	6. Well No. 439
7. OGRID No. 4323	8. Operator Name CHEVRON U S A INC	9. Elevation 3989

10. Surface Location

UL - Lot B	Section 1	Township 18S	Range 34E	Lot Idn	Feet From 634	N/S Line N	Feet From 1632	E/W Line E	County LEA
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 10.00	13. Joint or Infill		14. Consolidation Code			15. Order No.			

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	<p align="center">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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Title: Date:</p>
	<p align="center">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>Surveyed By: JOHN PIPER</p> <p>Date of Survey: 7/18/2007 Certificate Number: 7254</p>

DISTRICT I
1825 H. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Ave., Artesia, NM 88210

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

DISTRICT IV
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-1021
Revised October 12, 2005
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Fee Lease-3 copies

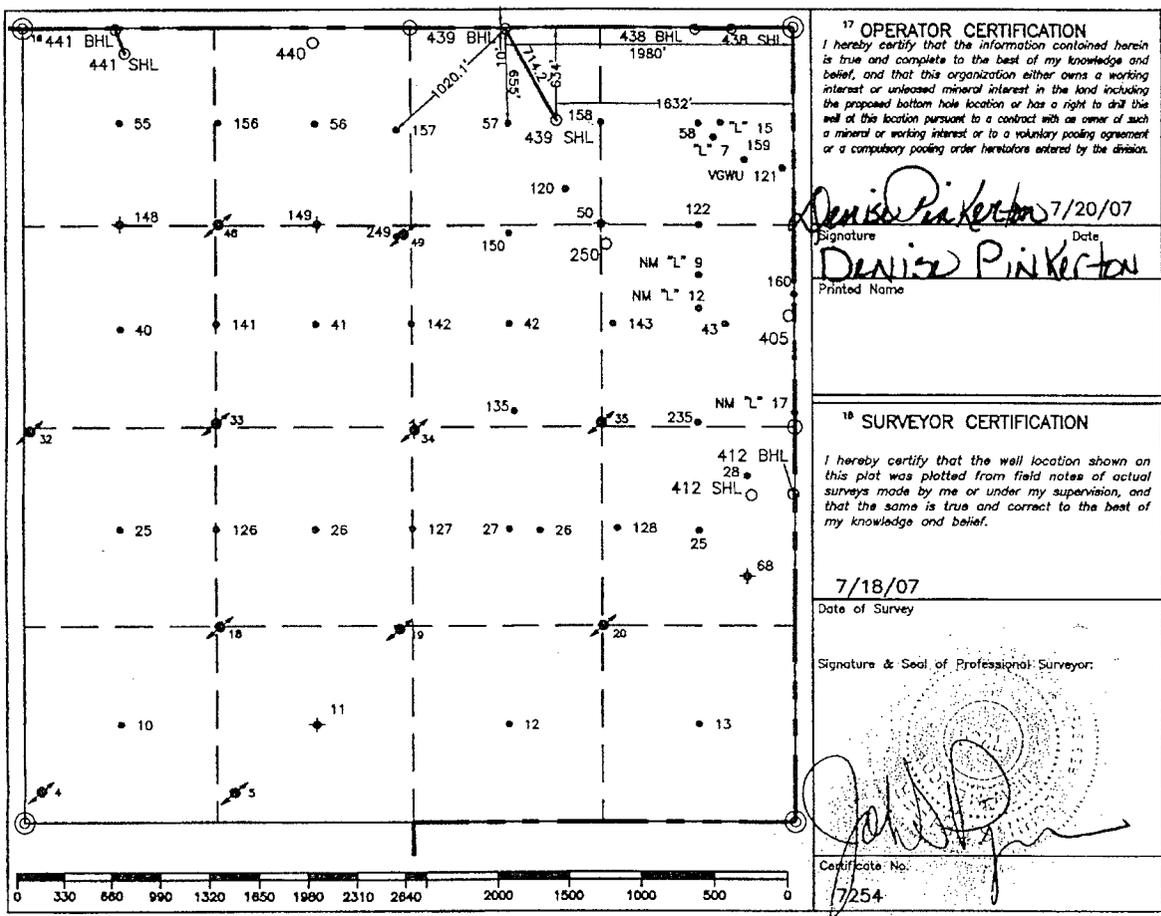
OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code		3 Pool Name					
		6218D		Vacuum Grayburg San Andres					
4 Property Code		5 Property Name			6 Well Number				
		Vacuum Grayburg San Andres Unit			439				
7 OGRID No.		8 Operator Name			9 Elevation				
4323		CHEVRON USA, INC.			3989'				
10 Surface Location									
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	7 County
B	1	18-S	34-E		634'	North	1632'	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	7 County
B	1	18-S	34-E		10'	North	1980'	East	Lea
12 Dedicated Acres		13 Joint or Infill		14 Consolidation Code		15 Order No.			
10									

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Denise Pinkerton 7/20/07
Signature Date

Denise Pinkerton
Printed Name

18 SURVEYOR CERTIFICATION
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7/18/07
Date of Survey

Signature & Seal of Professional Surveyor:

7254
Certificate No.

○ = Staked Location ● = Producing Well ⊙ = Injection Well ◊ = Water Supply Well ◆ = Plugger & Abandon Well
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates		704156.52 SHL	
649395.56 SHL		793801.03 BHL	
Northing 650012.77 BHL		Easting	
32°46'57.049" SHL		103°30'38.539" SHL	
Latitude 32°47'03.205" BHL		Longitude 103°30'42.646" BHL	
Zone North American Datum		Combined Grid Factor	
East 1983		0.99979581	
		Coordinate File	
		Buckeye.Crd	
Drawing File		Field Book	
VGSAU-Sec1.Dwg		Lea #24, Pg. 11	

District I

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State of New Mexico
Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

Form C-102
Permit 61100

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code 62180	3. Pool Name VACUUM;GRAYBURG-SAN ANDRES
4. Property Code 30022	5. Property Name VACUUM GRAYBURG SAN ANDRES UNIT	
6. Well No. 440		
7. OGRID No. 4323	8. Operator Name CHEVRON U S A INC	9. Elevation 3996

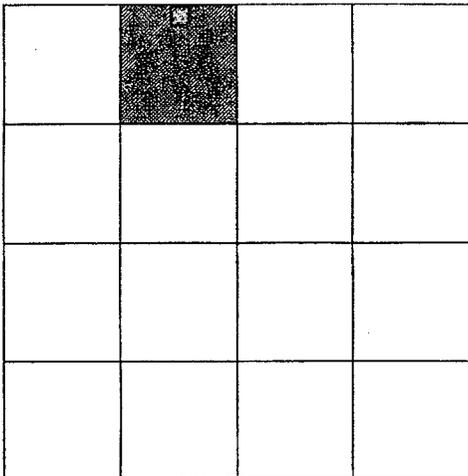
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
C	1	18S	34E		100	N	1980	W	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 10.00		13. Joint or Infill			14. Consolidation Code		15. Order No.		

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	<p style="text-align: center;">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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Title: Date:</p> <hr/> <p style="text-align: center;">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>Surveyed By: JOHN PIERER Date of Survey: 7/9/2007 Certificate Number: 7254</p>
---	---

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

DISTRICT II
1301 W. Grand Ave., Artesia, NM 88210

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

DISTRICT IV
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, NM 87505

Form C-1021
Revised October 12, 2005

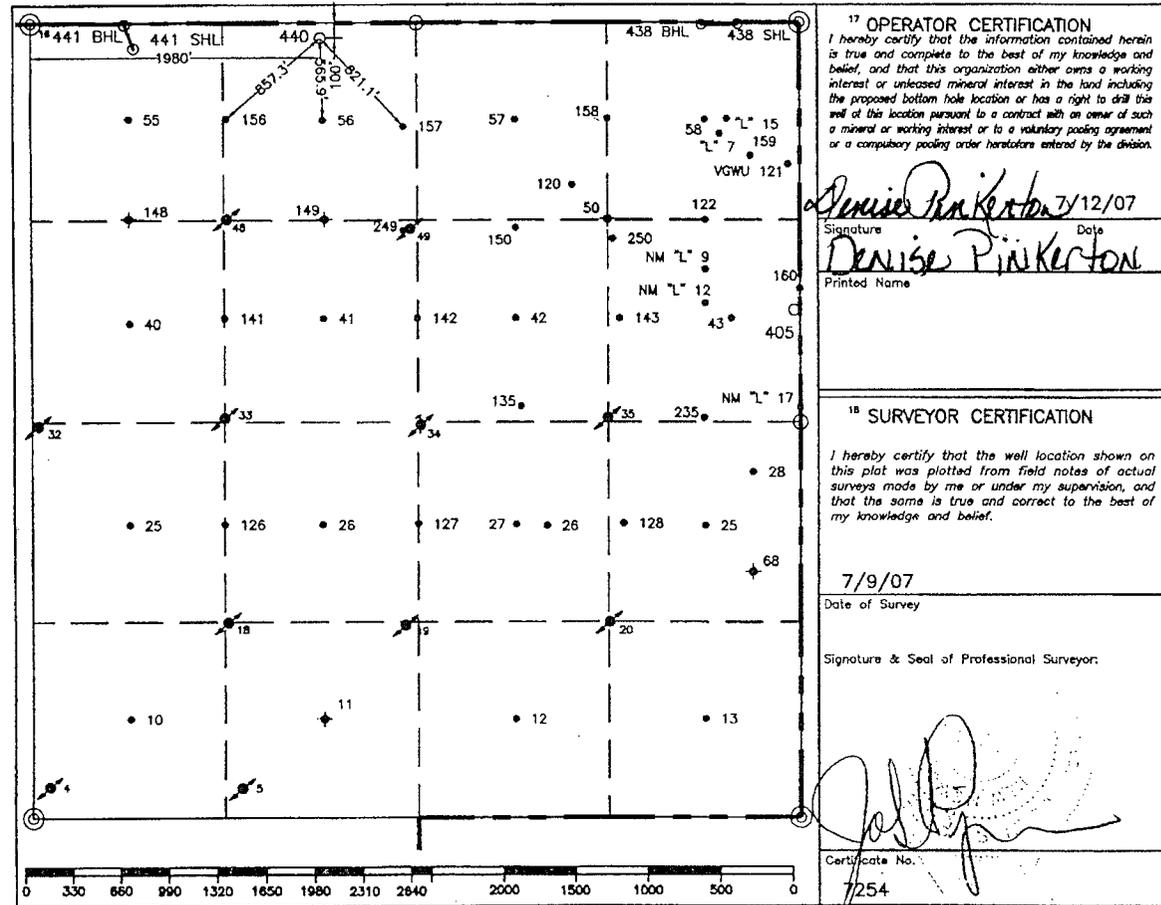
Submit to Appropriate District Office
State Lease-4 copies
Fee Lease-3 copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

1 API Number		2 Pool Code 62180		3 Pool Name Vacuum Grayburg San Andres	
Property Code		5 Property Name Vacuum Grayburg San Andres Unit			6 Well Number 440
7 OGRID No. 4323		8 Operator Name CHEVRON USA, INC.			9 Elevation 3996'
10 Surface Location					
UL or lot no. C	Section 1	Township 18-S	Range 34-E	Lot Idn	Feet from the North/South line 100' North
				Feet from the East/West line 1980' West	7 County 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	7 County
12 Dedicated Acres 10		13 Joint or Infill		14 Consolidation Code	
15 Order No.					

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17 OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Denise Pinkerton 7/12/07
Signature Date
Denise Pinkerton
Printed Name

18 SURVEYOR CERTIFICATION
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 knowledge and belief.

7/9/07
Date of Survey

Signature & Seal of Professional Surveyor:
[Signature]

Certificate No. 7254

○ = Staked Location ● = Producing Well ↻ = Injection Well ◇ = Water Supply Well ◆ = Plugged & Abandon Well
⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates			
Northing 649905.52	Easting 792481.78		
Latitude 32°47'02.245"	Longitude 103°30'58.108"		
Zone North American Datum	Combined Grid Factor	Coordinate File	
East 1983	0.99979368	Buckeye.Crd	
Drawing File	Field Book		
VGSAU-Sec1.Dwg	Lea #23, Pg. 79		

District I

1625 N. French Dr., Hobbs, NM 88240
 Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210
 Phone:(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
 Phone:(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
 Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Form C-102
 Permit 61101

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code 62180	3. Pool Name VACUUM;GRAYBURG-SAN ANDRES
4. Property Code 30022	5. Property Name VACUUM GRAYBURG SAN ANDRES UNIT	6. Well No. 441
7. OGRID No. 4323	8. Operator Name CHEVRON U S A INC	9. Elevation 4002

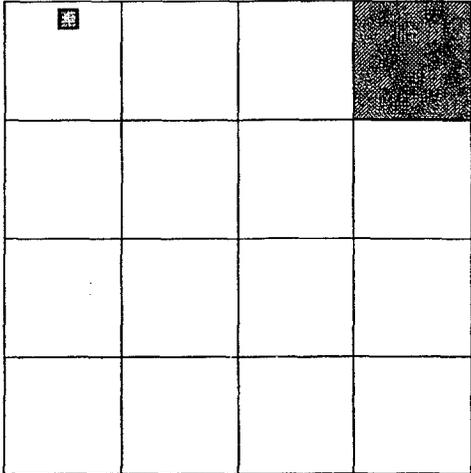
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
A	1	18S	34E		170	N	710	W	LEA

11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 10.00		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

	<p style="text-align: center;">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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>E-Signed By: Title: Date:</p> <hr/> <p style="text-align: center;">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>Surveyed By: JOHN PIPER</p>
	<p>Date of Survey: 7/9/2007 Certificate Number: 7254</p>

DISTRICT I
1825 N. French Dr., Hobbs, NM 88240

DISTRICT II
1301 W. Grand Ave., Artesia, NM 88210

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

DISTRICT IV
1220 St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised October 12, 2005

OIL CONSERVATION DIVISION
1220 South St. Francis Drive
Santa Fe, NM 87505

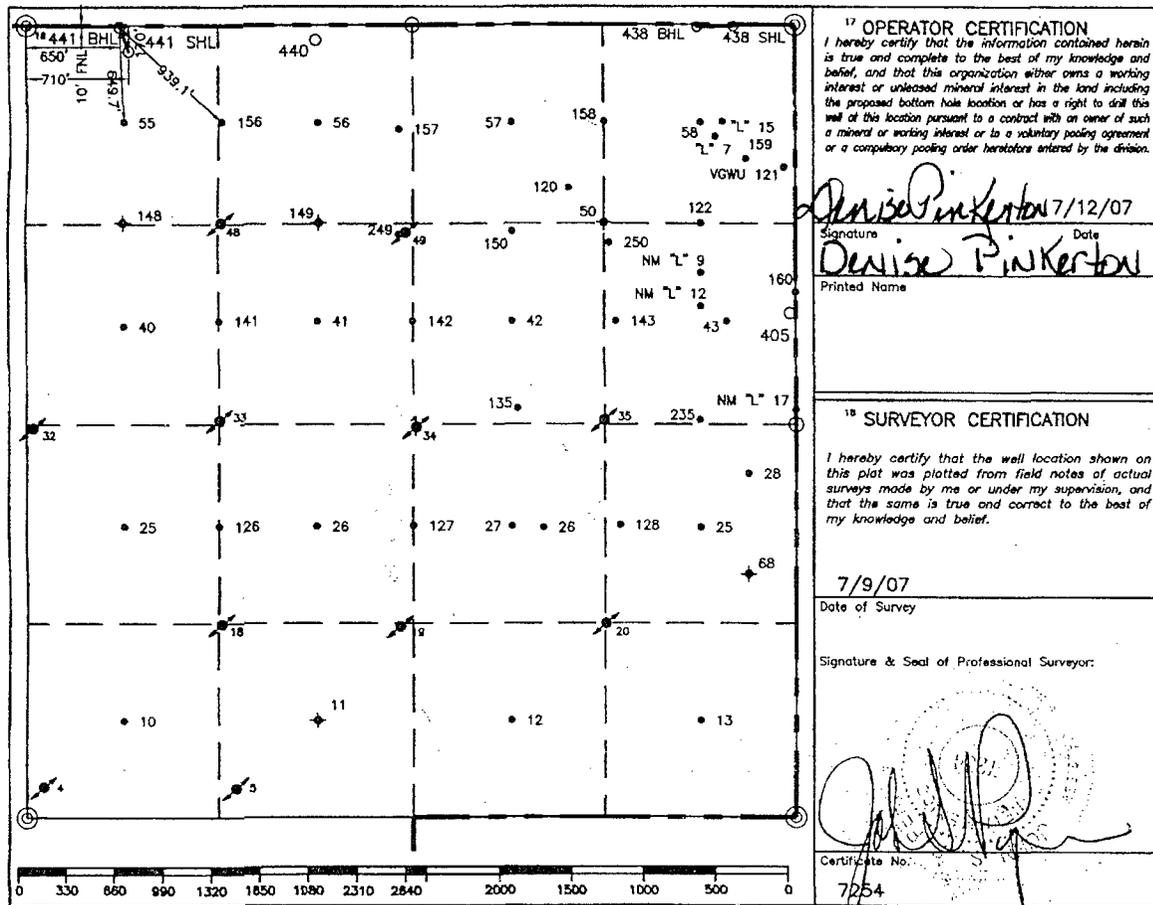
Submit to Appropriate District Office
State Lease-4 copies
Fee Lease-3 copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number		² Pool Code 62180		³ Pool Name Vacuum Grayburg San Andres			
⁴ Property Code		⁵ Property Name Vacuum Grayburg San Andres Unit			⁶ Well Number 441		
⁷ OGRID No. 4323		⁸ Operator Name CHEVRON USA, INC.			⁹ Elevation 4002'		
¹⁰ Surface Location							
UL or lot no. A	Section 1	Township 18-S	Range 34-E	Lot Idn	Feet from the North/South line 170'	Feet from the East/West line 710'	County Lea
¹¹ Bottom Hole Location If Different From Surface							
UL or lot no. A	Section 1	Township 18-S	Range 34-E	Lot Idn	Feet from the North/South line 10'	Feet from the East/West line 650'	County Lea
¹² Dedicated Acres 10	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.				

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¹⁷ OPERATOR CERTIFICATION
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Denise Pinkerton 7/12/07
Signature Date
Denise Pinkerton
Printed Name

¹⁸ SURVEYOR CERTIFICATION
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7/9/07
Date of Survey
Signature & Seal of Professional Surveyor:

Certificate No. 7254

- = Staked Location ● = Producing Well ⊕ = Injection Well ⊖ = Water Supply Well ⊕ = Plugged & Abandon Well
- ⊙ = Found Section Corner, 2 or 3" Iron Pipe & GLO B.C. ○ = Found 1/4 Section Corner, 1" Iron Pipe & GLO B.C.

ADDITIONAL INFORMATION ON THE LOCATION

State Plane Coordinates 649818.90 SHL		791212.83 SHL	
Northing 649978.08 BHL		Easting 791150.79 BHL	
Latitude 32°47'01.484" SHL 32°47'03.064" BHL		Longitude 103°31'12.979" SHL 103°31'13.692" BHL	
Zone East	North American Datum 1983	Combined Grid Factor 0.99979267	Coordinate File Buckeye.Crd
Drawing File VGS AU-Sec1.Dwg		Field Book Lea #23, Pg. 78	



Chevron

Lea County, NM (NAD 83 NME)

VGSAU #412

VGSAU #412

OH

Plan: Plan #1

Standard Planning Report

23 July, 2007



Scientific Drilling
Directional Drilling Operations



Scientific Drilling Planning Report



Database: EDM 2003.16 Single User Db Company: Chevron Project: Lea County, NM (NAD 83 NME) Site: VGSAU #412 Well: VGSAU #412 Wellbore: OH Design: Plan #1	Local Co-ordinate Reference: TVD Reference: MD Reference: North Reference: Survey Calculation Method:	Well VGSAU #412 WELL @ 0.00ft (Original Well Elev) WELL @ 0.00ft (Original Well Elev) Grid Minimum Curvature
--	--	--

Project	Lea County, NM (NAD 83 NME)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	VGSAU #412			
Site Position:	Northing:	646,943.09 ft	Latitude:	32° 46' 32.700 N
From: Map	Easting:	795,520.92 ft	Longitude:	103° 30' 22.782 W
Position Uncertainty:	0.00 ft	Slot Radius:	ft	Grid Convergence: 0.45 °

Well	VGSAU #412			
Well Position	+N/-S	0.00 ft	Northing:	646,943.09 ft
	+E/-W	0.00 ft	Easting:	795,520.92 ft
Position Uncertainty	0.00 ft	Wellhead Elevation:	ft	Ground Level: 0.00 ft

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	7/23/2007	8.06	60.82	49,397

Design	Plan #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	88.27

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,180.00	0.00	0.00	3,180.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,699.46	10.39	88.27	3,696.62	1.42	46.95	2.00	2.00	16.99	88.27	
5,024.57	10.39	88.27	5,000.00	8.63	285.80	0.00	0.00	0.00	0.00	PBHL-VGSAU #412



Scientific Drilling
Planning Report



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well VGSAU #412
Company:	Chevron	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Project:	Lea County, NM (NAD 83 NME)	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Site:	VGSAU #412	North Reference:	Grid
Well:	VGSAU #412	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

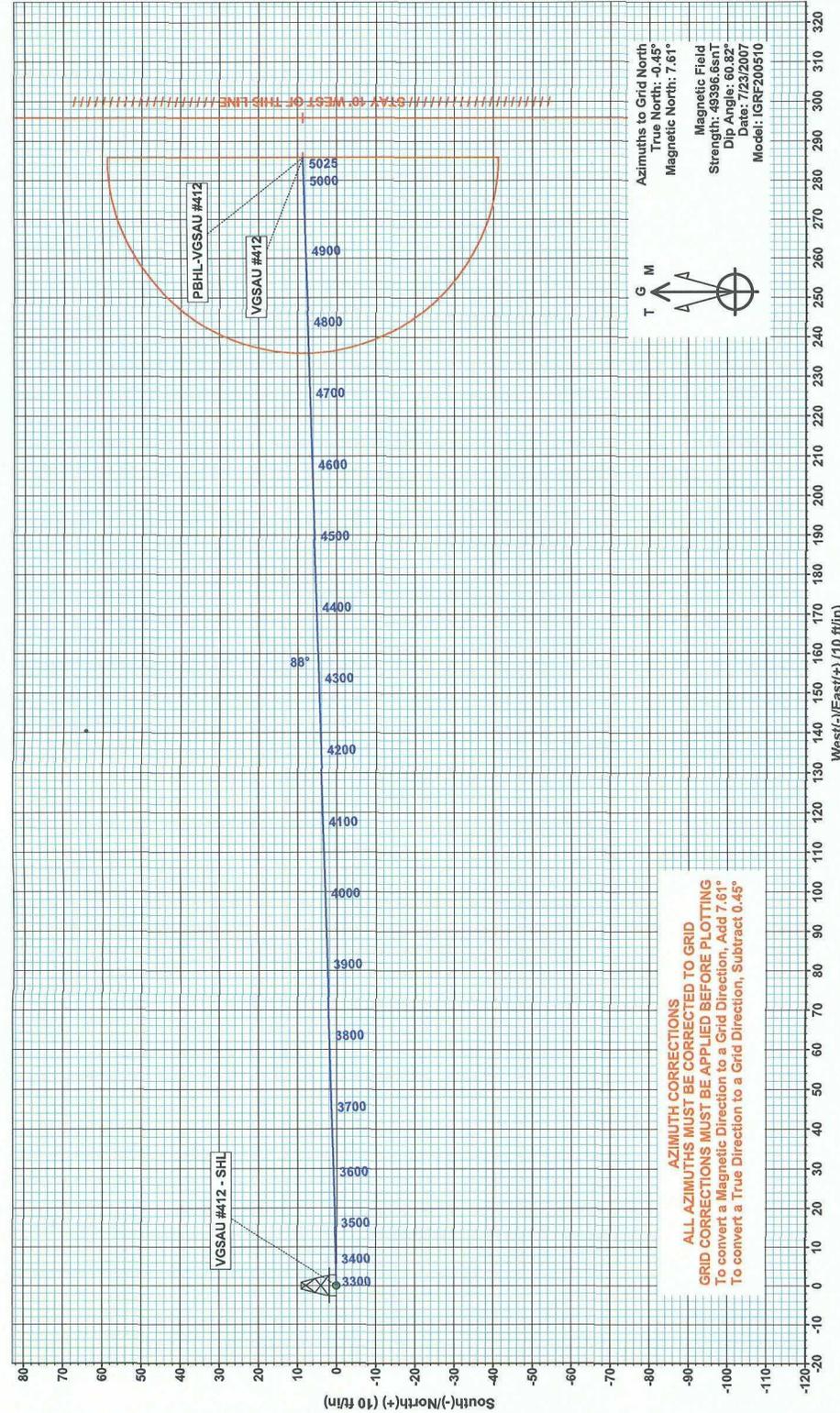
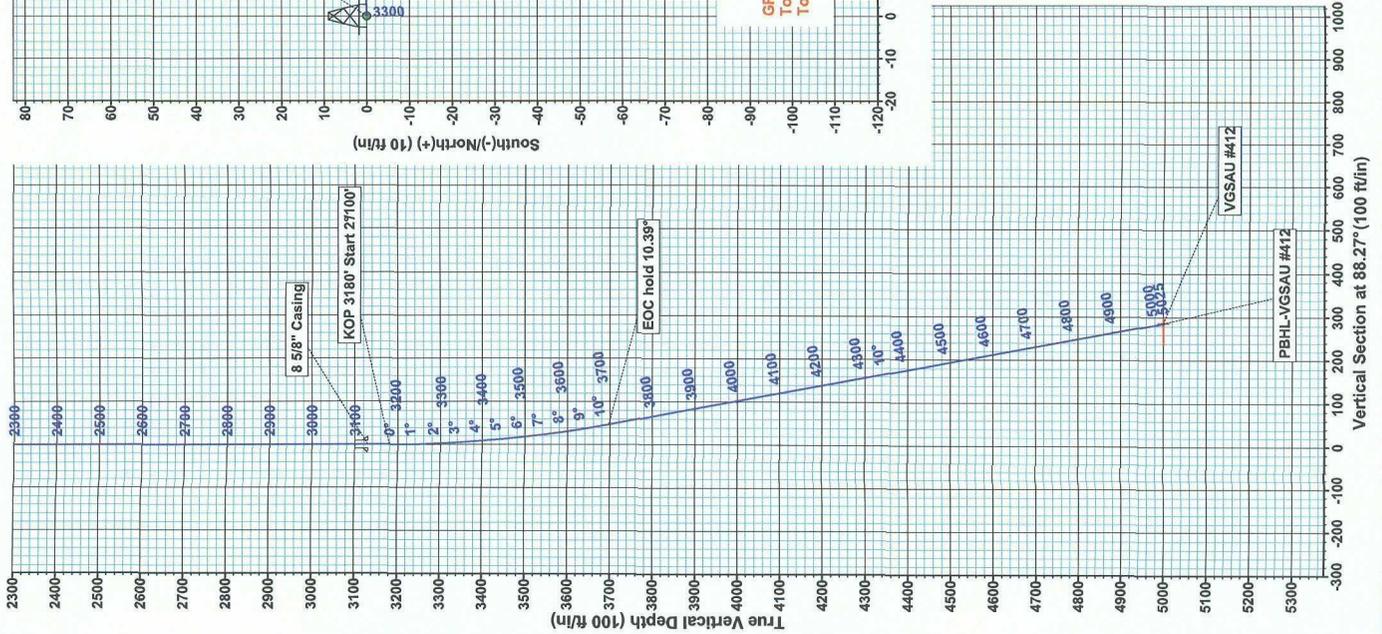
Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
EHL-VGSAU #412										
3,180.00	0.00	0.00	3,180.00	0.00	0.00	0.00	0.00	0.00	0.00	
KOP 3180' Start 2°/100'										
3,200.00	0.40	88.27	3,200.00	0.00	0.07	0.07	2.00	2.00	0.00	
3,300.00	2.40	88.27	3,299.96	0.08	2.51	2.51	2.00	2.00	0.00	
3,400.00	4.40	88.27	3,399.78	0.25	8.44	8.44	2.00	2.00	0.00	
3,500.00	6.40	88.27	3,499.33	0.54	17.85	17.85	2.00	2.00	0.00	
3,600.00	8.40	88.27	3,598.50	0.93	30.72	30.73	2.00	2.00	0.00	
3,699.46	10.39	88.27	3,696.62	1.42	46.95	46.97	2.00	2.00	0.00	
EOC hold 10.39°										
3,700.00	10.39	88.27	3,697.15	1.42	47.04	47.06	0.00	0.00	0.00	
3,800.00	10.39	88.27	3,795.51	1.96	65.07	65.10	0.00	0.00	0.00	
3,900.00	10.39	88.27	3,893.87	2.51	83.09	83.13	0.00	0.00	0.00	
4,000.00	10.39	88.27	3,992.23	3.05	101.12	101.16	0.00	0.00	0.00	
4,100.00	10.39	88.27	4,090.59	3.60	119.14	119.20	0.00	0.00	0.00	
4,200.00	10.39	88.27	4,188.95	4.14	137.17	137.23	0.00	0.00	0.00	
4,300.00	10.39	88.27	4,287.31	4.69	155.19	155.27	0.00	0.00	0.00	
4,400.00	10.39	88.27	4,385.67	5.23	173.22	173.30	0.00	0.00	0.00	
4,500.00	10.39	88.27	4,484.03	5.77	191.25	191.33	0.00	0.00	0.00	
4,600.00	10.39	88.27	4,582.39	6.32	209.27	209.37	0.00	0.00	0.00	
4,700.00	10.39	88.27	4,680.75	6.86	227.30	227.40	0.00	0.00	0.00	
4,800.00	10.39	88.27	4,779.11	7.41	245.32	245.43	0.00	0.00	0.00	
4,900.00	10.39	88.27	4,877.48	7.95	263.35	263.47	0.00	0.00	0.00	
5,000.00	10.39	88.27	4,975.84	8.50	281.37	281.50	0.00	0.00	0.00	
5,024.57	10.39	88.27	5,000.00	8.63	285.80	285.93	0.00	0.00	0.00	
PBHL-VGSAU #412										

Targets										
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude	
EHL-VGSAU #412 - hit/miss target - Shape	0.00	0.00	0.00	8.63	295.80	646,951.72	795,816.72	32° 46' 32.763 N	103° 30' 19.317 W	
- plan misses by 295.93ft at 0.00ft MD (0.00 TVD, 0.00 N, 0.00 E) - Rectangle (sides W200.00 H0.00 D0.00)										
PBHL-VGSAU #412 - plan hits target - Circle (radius 50.00)	0.00	0.00	5,000.00	8.63	285.80	646,951.72	795,806.72	32° 46' 32.763 N	103° 30' 19.434 W	

Plan Annotations					
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment	
		+N/-S (ft)	+E/-W (ft)		
3,180.00	3,180.00	0.00	0.00	KOP 3180' Start 2°/100'	
3,699.46	3,696.62	1.42	46.95	EOC hold 10.39°	



Scientific Drilling for Chevron
 Site: Lea County, NM (NAD 83 NME)
 Well: VGSAU #412
 Wellbore: OH
 Design: Plan #1



Azimuths to Grid North
 True North: -0.45°
 Magnetic North: 7.61°
 Magnetic Field
 Strength: 49396.68nT
 Dip Angle: 60.82°
 Date: 7/23/2007
 Model: IGRF200510

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/S	+E/W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	3180.00	0.00	0.00	3180.00	0.00	0.00	0.00	0.00	0.00	
3	3699.46	10.39	88.27	3696.62	1.42	46.95	2.00	88.27	46.97	PBHL-VGSAU #412
4	5024.57	10.39	88.27	5000.00	8.63	285.80	0.00	0.00	285.93	PBHL-VGSAU #412

WELL DETAILS: VGSAU #412

Name	TVD	+N/S	+E/W	Northing	Easting	Ground Level:	Latitude	Longitude	Slot
SHL-VGSAU #412	0.00	8.63	285.80	646943.09	795520.92	0.00	32° 46' 32.700 N	103° 30' 22.782 W	
PBHL-VGSAU #412	5000.00	8.63	285.80	646951.72	795606.72	32° 46' 32.763 N	103° 30' 19.434 W		

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)

Name	TVD	+N/S	+E/W	Northing	Easting	Latitude	Longitude	Shape
SHL-VGSAU #412	0.00	8.63	285.80	646951.72	795516.72	32° 46' 32.763 N	103° 30' 19.377 W	Rectangle (Sides: L200.00 W0.00)
PBHL-VGSAU #412	5000.00	8.63	285.80	646951.72	795606.72	32° 46' 32.763 N	103° 30' 19.434 W	Circle (Radius: 50.00)

PROJECT DETAILS: Lea County, NM (NAD 83 NME)
 Geodetic System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone: New Mexico Eastern Zone
 System Datum: Mean Sea Level

Plan: Plan #1 (VGSAU #412/OH)
 Created By: Julio Pina Date: 23-Jul-07
 Checked: _____ Date: _____
 Reviewed: _____ Date: _____
 Approved: _____ Date: _____



Chevron

Lea County, NM (NAD 83 NME)

VGSAU #438

VGSAU #438

OH

Plan: Plan #1

Standard Survey Report

23 July, 2007





Scientific Drilling Survey Report



Company:	Chevron	Local Co-ordinate Reference:	Well VGSAU #438
Project:	Lea County, NM (NAD 83 NME)	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Site:	VGSAU #438	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Well:	VGSAU #438	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 2003.16 Single User Db

Project	Lea County, NM (NAD 83 NME)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	VGSAU #438				
Site Position:	Northing:	650,033.17 ft	Latitude:	32° 47' 3.286 N	
From:	Map	Easting:	795,360.93 ft	Longitude:	103° 30' 24.374 W
Position Uncertainty:	0.00 ft	Slot Radius:	ft	Grid Convergence:	0.45 °

Well	VGSAU #438					
Well Position	+N/-S	0.00 ft	Northing:	650,033.17 ft	Latitude:	32° 47' 3.286 N
	+E/-W	0.00 ft	Easting:	795,360.93 ft	Longitude:	103° 30' 24.374 W
Position Uncertainty		0.00 ft	Wellhead Elevation:	ft	Ground Level:	0.00 ft

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	7/23/2007	8.06	60.83	49,402

Design	Plan #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	269.24

Survey Tool Program	Date 7/23/2007			
From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
0.00	3,180.00	Plan #1 (OH)	Keeper	Keeper Standard Rate Gyro
3,180.00	5,018.55	Plan #1 (OH)	MWD	MWD - Standard ISCWSA

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
NHL-VGSAU #438										
3,130.00	0.00	0.00	3,130.00	0.00	0.00	0.00	0.00	0.00	0.00	
8 5/8" Casing										
3,180.00	0.00	0.00	3,180.00	0.00	0.00	0.00	0.00	0.00	0.00	
KOP 3180' start 2°/100'										
3,200.00	0.40	269.24	3,200.00	0.00	-0.07	0.07	2.00	2.00	0.00	
3,300.00	2.40	269.24	3,299.96	-0.03	-2.51	2.51	2.00	2.00	0.00	
3,400.00	4.40	269.24	3,399.78	-0.11	-8.44	8.44	2.00	2.00	0.00	
3,500.00	6.40	269.24	3,499.33	-0.24	-17.85	17.85	2.00	2.00	0.00	
3,600.00	8.40	269.24	3,598.50	-0.41	-30.73	30.73	2.00	2.00	0.00	
3,624.84	8.90	269.24	3,623.05	-0.46	-34.46	34.47	2.00	2.00	0.00	



Scientific Drilling
Survey Report



Company:	Chevron	Local Co-ordinate Reference:	Well VGSAU #438
Project:	Lea County, NM (NAD 83 NME)	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Site:	VGSAU #438	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Well:	VGSAU #438	North Reference:	Grid
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	Plan #1	Database:	EDM 2003.16 Single User Db

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
EOC hold 8.90°										
3,700.00	8.90	269.24	3,697.31	-0.61	-46.09	46.09	0.00	0.00	0.00	
3,800.00	8.90	269.24	3,796.11	-0.81	-61.55	61.56	0.00	0.00	0.00	
3,900.00	8.90	269.24	3,894.90	-1.02	-77.02	77.02	0.00	0.00	0.00	
4,000.00	8.90	269.24	3,993.70	-1.22	-92.48	92.49	0.00	0.00	0.00	
4,100.00	8.90	269.24	4,092.50	-1.43	-107.94	107.95	0.00	0.00	0.00	
4,200.00	8.90	269.24	4,191.29	-1.63	-123.41	123.42	0.00	0.00	0.00	
4,300.00	8.90	269.24	4,290.09	-1.84	-138.87	138.88	0.00	0.00	0.00	
4,400.00	8.90	269.24	4,388.89	-2.04	-154.34	154.35	0.00	0.00	0.00	
4,500.00	8.90	269.24	4,487.69	-2.25	-169.80	169.82	0.00	0.00	0.00	
4,600.00	8.90	269.24	4,586.48	-2.45	-185.26	185.28	0.00	0.00	0.00	
4,700.00	8.90	269.24	4,685.28	-2.66	-200.73	200.75	0.00	0.00	0.00	
4,800.00	8.90	269.24	4,784.08	-2.86	-216.19	216.21	0.00	0.00	0.00	
4,900.00	8.90	269.24	4,882.87	-3.07	-231.66	231.68	0.00	0.00	0.00	
5,000.00	8.90	269.24	4,981.67	-3.27	-247.12	247.14	0.00	0.00	0.00	
5,018.55	8.90	269.24	5,000.00	-3.31	-249.99	250.01	0.00	0.00	0.00	
PBHL-VGSAU #438										

Targets										
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude	
PBHL-VGSAU #438 - hit/miss target - Shape	0.00	0.07	5,000.00	-3.31	-249.99	650,029.86	795,110.94	32° 47' 3.273 N	103° 30' 27.302 W	
- plan hits target - Circle (radius 50.00)										
NHL-VGSAU #438	0.00	0.08	0.00	6.69	-249.99	650,039.86	795,110.94	32° 47' 3.372 N	103° 30' 27.301 W	
- plan misses by 250.08ft at 0.00ft MD (0.00 TVD, 0.00 N, 0.00 E) - Rectangle (sides W0.00 H350.00 D0.00)										

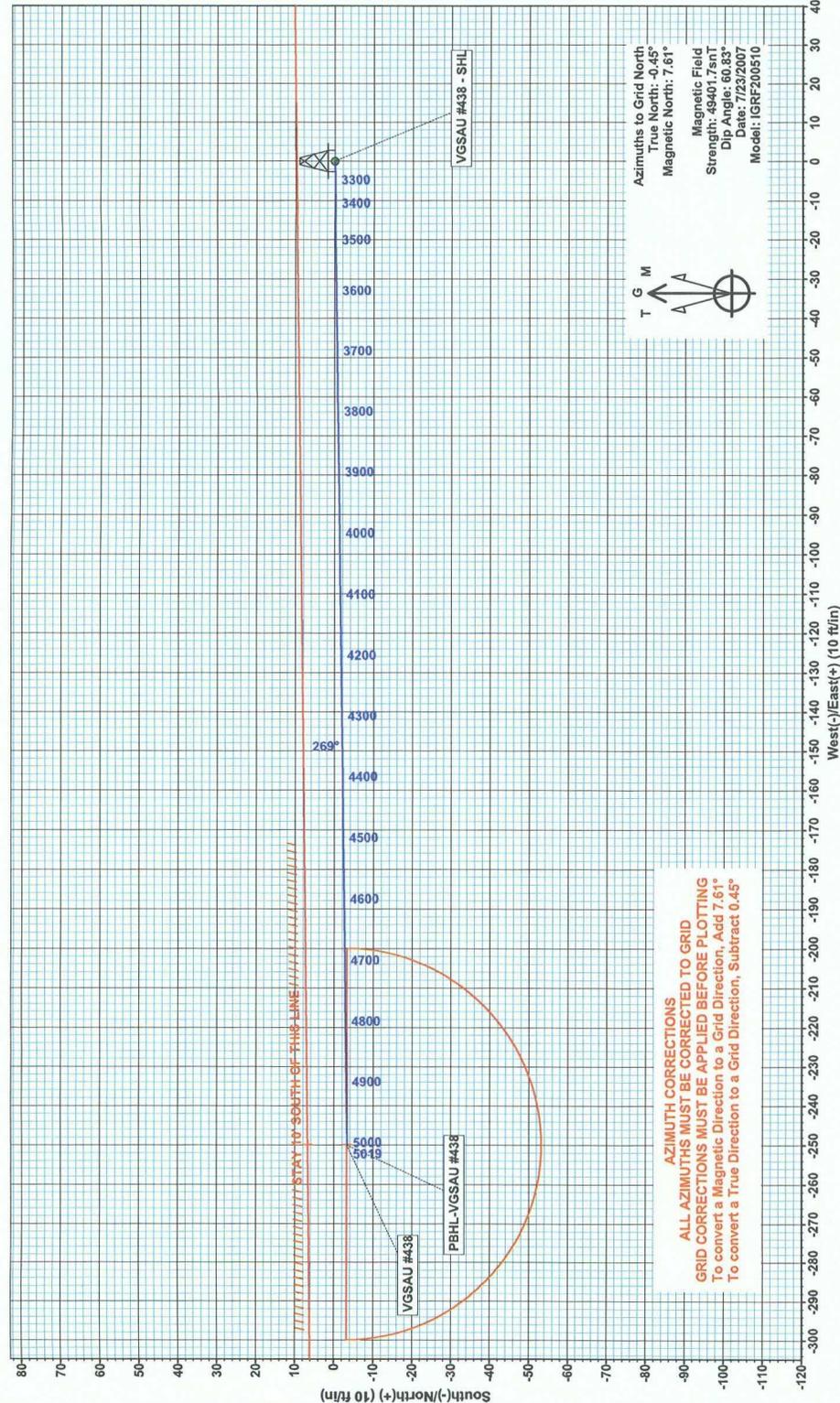
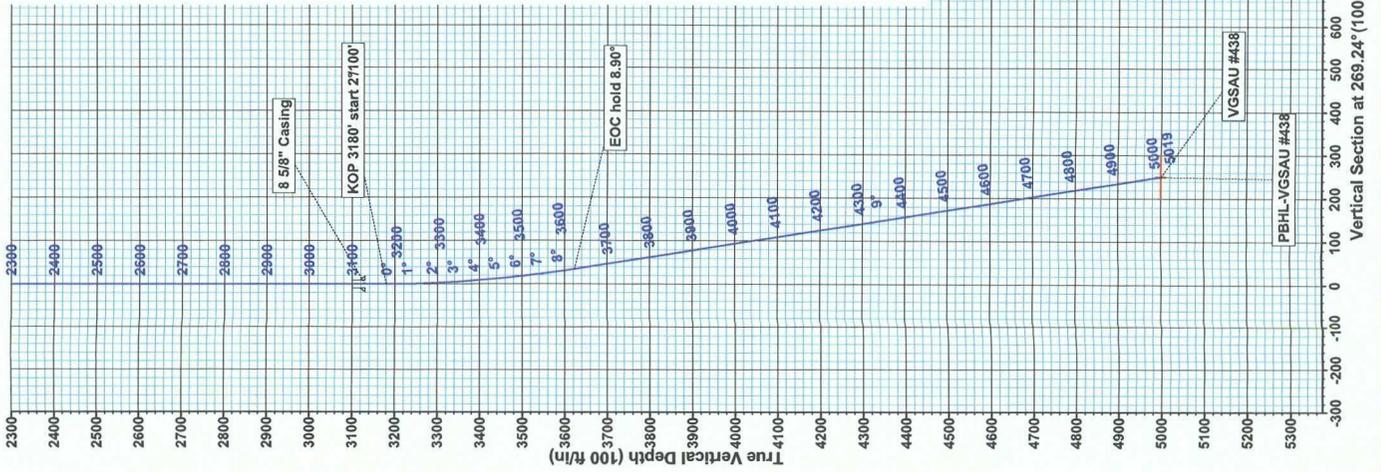
Casing Points					
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (ft)	Hole Diameter (ft)	
3,130.00	3,130.00	8 5/8" Casing	8.62500	12.25000	

Plan Annotations					
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment	
		+N/-S (ft)	+E/-W (ft)		
3,180.00	3,180.00	0.00	0.00	KOP 3180' start 2°/100'	
3,624.84	3,623.05	-0.46	-34.46	EOC hold 8.90°	

Checked By: _____ Approved By: _____ Date: _____



Scientific Drilling for Chevron
 Site: Lea County, NM (NAD 83 NME)
 Well: VGSAU #438
 Wellbore: OH
 Design: Plan #1



ALL AZIMUTHS MUST BE CORRECTED TO GRID
GRID CORRECTIONS MUST BE APPLIED BEFORE PLOTTING
 To convert a Magnetic Direction to a Grid Direction, Add 7.61°
 To convert a True Direction to a Grid Direction, Subtract 0.45°

SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	3180.00	0.00	0.00	3180.00	0.00	0.00	0.00	0.00	0.00	0.00
3	3624.84	8.90	269.24	3623.05	-0.46	-34.46	2.00	269.24	34.47	PBHL-VGSAU #438
4	5018.55	8.90	269.24	5000.00	-3.31	-249.99	0.00	0.00	250.01	PBHL-VGSAU #438

WELL DETAILS: VGSAU #438									
Name		Ground Level:		Latitude		Longitude		Slot	
+N/-S	+E/-W	Northing	Easting	32°47'	3.286 N	103°30'	2 4.374 W		
0.00	0.00	650033.17	795360.93						

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)									
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape	
NHL-VGSAU #438	0.00	6.69	-249.99	650039.86	795110.94	32°47'	3.301 W	Rectangle (Sides: 10.00 W 350.00)	
PBHL-VGSAU #438	5000.00	-3.31	-249.99	650029.86	795110.94	32°47'	3.275 W	Circle (Radius: 50.00)	

PROJECT DETAILS: Lea County, NM (NAD 83 NME)
Geodetic System: US State Plane 1983
Datum: North American Datum 1983
Ellipsoid: GRS 1980
Zone: New Mexico Eastern Zone
System Datum: Mean Sea Level

Plan: Plan #1 (VGSAU #438/OH)
 Created By: Julio Pina Date: 23-Jul-07
 Checked: _____ Date: _____
 Reviewed: _____ Date: _____
 Approved: _____ Date: _____



Chevron

Lea County, NM (NAD 83 NME)

VGSAU #439

VGSAU #439

OH

Plan: Plan #1

Standard Planning Report

23 July, 2007





Scientific Drilling
Planning Report



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well VGSAU #439
Company:	Chevron	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Project:	Lea County, NM (NAD 83 NME)	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Site:	VGSAU #439	North Reference:	Grid
Well:	VGSAU #439	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Project	Lea County, NM (NAD 83 NME)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	VGSAU #439			
Site Position:	Northing:	649,393.38 ft	Latitude:	32° 46' 57.049 N
From: Map	Easting:	794,156.52 ft	Longitude:	103° 30' 38.539 W
Position Uncertainty: 0.00 ft	Slot Radius:	ft	Grid Convergence:	0.45 °

Well	VGSAU #439			
Well Position	+N/-S	0.00 ft	Northing:	649,393.38 ft
	+E/-W	0.00 ft	Easting:	794,156.52 ft
Position Uncertainty		0.00 ft	Wellhead Elevation:	ft
			Latitude:	32° 46' 57.049 N
			Longitude:	103° 30' 38.539 W
			Ground Level:	0.00 ft

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
			(°)	(°)	(nT)
	IGRF200510	7/23/2007	8.00	60.85	49,414

Design	Plan #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction
	(ft)	(ft)	(ft)	(°)
	0.00	0.00	0.00	330.15

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,150.00	0.00	0.00	3,150.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,629.26	23.96	330.15	3,615.41	85.66	-49.16	5.00	5.00	-6.23	330.15	
5,144.45	23.96	330.15	5,000.00	619.39	-355.49	0.00	0.00	0.00	0.00	PBHL-VGSAU #439



Scientific Drilling
Planning Report



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well VGSAU #439
Company:	Chevron	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Project:	Lea County, NM (NAD 83 NME)	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Site:	VGSAU #439	North Reference:	Grid
Well:	VGSAU #439	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NHL-VGSAU #439										
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8 5/8" Casing										
3,150.00	0.00	0.00	3,150.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KOP 3150' Start 5°/100'										
3,200.00	2.50	330.15	3,199.98	0.95	-0.54	1.09	5.00	5.00	0.00	0.00
3,300.00	7.50	330.15	3,299.57	8.50	-4.88	9.80	5.00	5.00	0.00	0.00
3,400.00	12.50	330.15	3,398.02	23.56	-13.52	27.16	5.00	5.00	0.00	0.00
3,500.00	17.50	330.15	3,494.58	46.00	-26.40	53.04	5.00	5.00	0.00	0.00
3,600.00	22.50	330.15	3,588.52	75.65	-43.42	87.23	5.00	5.00	0.00	0.00
3,629.26	23.96	330.15	3,615.41	85.66	-49.16	98.77	5.00	5.00	0.00	0.00
EOC hold 23.96°										
3,700.00	23.96	330.15	3,680.05	110.58	-63.47	127.50	0.00	0.00	0.00	0.00
3,800.00	23.96	330.15	3,771.43	145.81	-83.68	168.11	0.00	0.00	0.00	0.00
3,900.00	23.96	330.15	3,862.81	181.03	-103.90	208.73	0.00	0.00	0.00	0.00
4,000.00	23.96	330.15	3,954.20	216.26	-124.12	249.34	0.00	0.00	0.00	0.00
4,100.00	23.96	330.15	4,045.58	251.48	-144.33	289.96	0.00	0.00	0.00	0.00
4,200.00	23.96	330.15	4,136.96	286.71	-164.55	330.57	0.00	0.00	0.00	0.00
4,300.00	23.96	330.15	4,228.34	321.93	-184.77	371.19	0.00	0.00	0.00	0.00
4,400.00	23.96	330.15	4,319.72	357.16	-204.99	411.80	0.00	0.00	0.00	0.00
4,500.00	23.96	330.15	4,411.10	392.38	-225.20	452.42	0.00	0.00	0.00	0.00
4,600.00	23.96	330.15	4,502.48	427.61	-245.42	493.03	0.00	0.00	0.00	0.00
4,700.00	23.96	330.15	4,593.86	462.83	-265.64	533.64	0.00	0.00	0.00	0.00
4,800.00	23.96	330.15	4,685.24	498.06	-285.85	574.26	0.00	0.00	0.00	0.00
4,900.00	23.96	330.15	4,776.62	533.28	-306.07	614.87	0.00	0.00	0.00	0.00
5,000.00	23.96	330.15	4,868.00	568.51	-326.29	655.49	0.00	0.00	0.00	0.00
5,100.00	23.96	330.15	4,959.38	603.73	-346.50	696.10	0.00	0.00	0.00	0.00
5,144.45	23.96	330.15	5,000.00	619.39	-355.49	714.15	0.00	0.00	0.00	0.00
PBHL-VGSAU #439										

Targets										
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude	
PBHL-VGSAU #439	0.00	0.07	5,000.00	619.39	-355.49	650,012.77	793,801.03	32° 47' 3.205 N	103° 30' 42.646 W	
- hit/miss target										
- Shape										
- plan hits target										
- Circle (radius 50.00)										
NHL-VGSAU #439	0.00	0.07	0.00	629.39	-355.49	650,022.77	793,801.03	32° 47' 3.304 N	103° 30' 42.646 W	
- plan misses by 722.85ft at 0.00ft MD (0.00 TVD, 0.00 N, 0.00 E)										
- Rectangle (sides W0.00 H500.00 D0.00)										

Casing Points					
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (ft)	Hole Diameter (ft)	
3,100.00	3,100.00	8 5/8" Casing	8.62500	12.25000	



Scientific Drilling
Planning Report



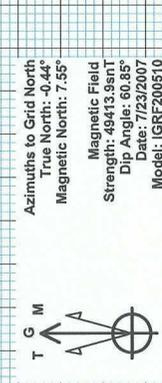
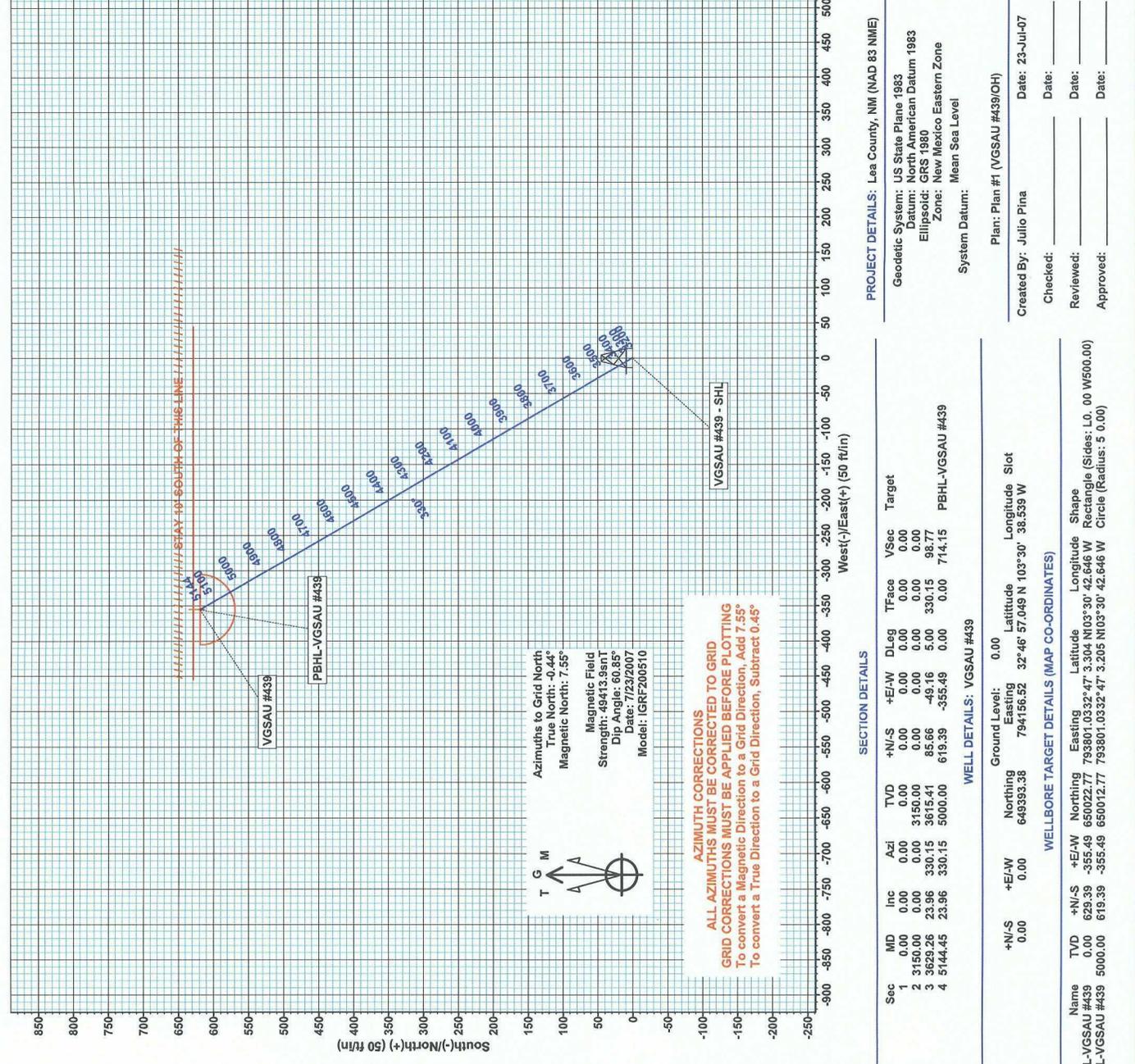
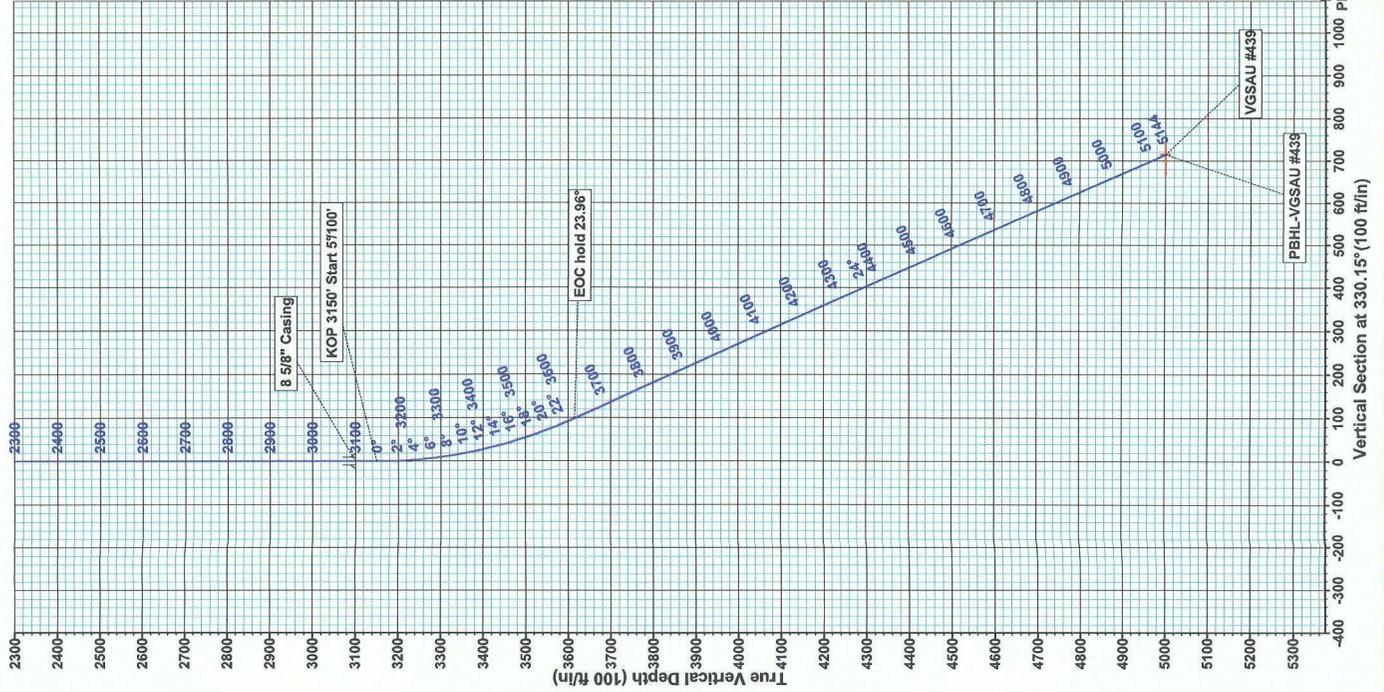
Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well VGSAU #439
Company:	Chevron	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Project:	Lea County, NM (NAD 83 NME)	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Site:	VGSAU #439	North Reference:	Grid
Well:	VGSAU #439	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
3,150.00	3,150.00	0.00	0.00	KOP 3150' Start 5°/100'
3,629.26	3,615.41	85.66	-49.16	EOC hold 23.96°



Scientific Drilling for Chevron
 Site: Lea County, NM (NAD 83 NME)
 Well: VGSAU #439
 Wellbore: OH
 Design: Plan #1



Azimuths to Grid North
 True North: -0.44°
 Magnetic North: 7.55°
 Magnetic Field
 Strength: 49413.9nT
 Dip Angle: 60.85°
 Date: 7/23/2007
 Model: IGRF200510

AZIMUTH CORRECTIONS
 ALL AZIMUTHS MUST BE CORRECTED TO GRID
 GRID CORRECTIONS MUST BE APPLIED BEFORE PLOTTING
 To convert a Magnetic Direction to a Grid Direction, Add 7.55°
 To convert a True Direction to a Grid Direction, Subtract 0.45°

PROJECT DETAILS: Lea County, NM (NAD 83 NME)
 Geodetic System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone: New Mexico Eastern Zone
 Mean Sea Level
 System Datum:
 Plan: Plan #1 (VGSAU #439/OH)
 Created By: Julio Pina Date: 23-Jul-07
 Checked: Date:
 Reviewed: Date:
 Approved: Date:

Sec	MD	Inc	Azi	TVD	+N/S	+E/W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	3150.00	0.00	0.00	3150.00	0.00	0.00	0.00	0.00	0.00	0.00
3	3629.26	23.96	330.15	3615.41	85.66	-49.16	5.00	330.15	98.77	0.00
4	5144.45	23.96	330.15	5000.00	619.39	-355.49	0.00	0.00	714.15	PBHL-VGSAU #439

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)			
Name	TVD	+N/S	+E/W
NHL-VGSAU #439	0.00	629.39	-355.49
PBHL-VGSAU #439	5000.00	619.39	-355.49

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)			
Ground Level:	Latitude	Longitude	Slot
0.00	32° 46' 57.049 N	103° 30' 38.539 W	



Chevron

Lea County, NM (NAD 83 NME)

VGSAU #441

VGSAU #441

OH

Plan: Plan #1

Standard Planning Report

23 July, 2007





Scientific Drilling
Planning Report



Database:	EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well VGSAU #441
Company:	Chevron	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Project:	Lea County, NM (NAD 83 NME)	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Site:	VGSAU #441	North Reference:	Grid
Well:	VGSAU #441	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	Plan #1		

Project	Lea County, NM (NAD 83 NME)		
Map System:	US State Plane 1983	System Datum:	Mean Sea Level
Geo Datum:	North American Datum 1983		
Map Zone:	New Mexico Eastern Zone		

Site	VGSAU #441				
Site Position:		Northing:	649,818.90 ft	Latitude:	32° 47' 1.484 N
From:	Map	Easting:	791,212.83 ft	Longitude:	103° 31' 12.979 W
Position Uncertainty:	0.00 ft	Slot Radius:	ft	Grid Convergence:	0.44 °

Well	VGSAU #441					
Well Position	+N/-S	0.00 ft	Northing:	649,818.90 ft	Latitude:	32° 47' 1.484 N
	+E/-W	0.00 ft	Easting:	791,212.83 ft	Longitude:	103° 31' 12.979 W
Position Uncertainty		0.00 ft	Wellhead Elevation:	ft	Ground Level:	0.00 ft

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF200510	7/19/2007	8.00	60.85	49,415

Design	Plan #1			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	338.71

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,150.00	0.00	0.00	3,150.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,435.77	5.72	338.71	3,435.29	13.27	-5.17	2.00	2.00	-7.45	338.71	
5,008.29	5.72	338.71	5,000.00	159.18	-62.04	0.00	0.00	0.00	0.00	PBHL-VGSAU #441



Scientific Drilling Planning Report



Database: EDM 2003.16 Single User Db	Local Co-ordinate Reference:	Well VGSAU #441
Company: Chevron	TVD Reference:	WELL @ 0.00ft (Original Well Elev)
Project: Lea County, NM (NAD 83 NME)	MD Reference:	WELL @ 0.00ft (Original Well Elev)
Site: VGSAU #441	North Reference:	Grid
Well: VGSAU #441	Survey Calculation Method:	Minimum Curvature
Wellbore: OH		
Design: Plan #1		

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
NHL-VGSAU #441										
3,100.00	0.00	0.00	3,100.00	0.00	0.00	0.00	0.00	0.00	0.00	
8 5/8" Casing										
3,150.00	0.00	0.00	3,150.00	0.00	0.00	0.00	0.00	0.00	0.00	
KOP 3150' start 2°/100'										
3,200.00	1.00	338.71	3,200.00	0.41	-0.16	0.44	2.00	2.00	0.00	
3,300.00	3.00	338.71	3,299.93	3.66	-1.43	3.93	2.00	2.00	0.00	
3,400.00	5.00	338.71	3,399.68	10.16	-3.96	10.90	2.00	2.00	0.00	
3,435.77	5.72	338.71	3,435.29	13.27	-5.17	14.24	2.00	2.00	0.00	
EOG hold 5.72°										
3,500.00	5.72	338.71	3,499.21	19.23	-7.49	20.64	0.00	0.00	0.00	
3,600.00	5.72	338.71	3,598.71	28.51	-11.11	30.60	0.00	0.00	0.00	
3,700.00	5.72	338.71	3,698.21	37.79	-14.73	40.55	0.00	0.00	0.00	
3,800.00	5.72	338.71	3,797.72	47.07	-18.34	50.51	0.00	0.00	0.00	
3,900.00	5.72	338.71	3,897.22	56.34	-21.96	60.47	0.00	0.00	0.00	
4,000.00	5.72	338.71	3,996.72	65.62	-25.58	70.43	0.00	0.00	0.00	
4,100.00	5.72	338.71	4,096.22	74.90	-29.19	80.39	0.00	0.00	0.00	
4,200.00	5.72	338.71	4,195.73	84.18	-32.81	90.35	0.00	0.00	0.00	
4,300.00	5.72	338.71	4,295.23	93.46	-36.43	100.31	0.00	0.00	0.00	
4,400.00	5.72	338.71	4,394.73	102.74	-40.04	110.27	0.00	0.00	0.00	
4,500.00	5.72	338.71	4,494.24	112.02	-43.66	120.22	0.00	0.00	0.00	
4,600.00	5.72	338.71	4,593.74	121.30	-47.27	130.18	0.00	0.00	0.00	
4,700.00	5.72	338.71	4,693.24	130.57	-50.89	140.14	0.00	0.00	0.00	
4,800.00	5.72	338.71	4,792.74	139.85	-54.51	150.10	0.00	0.00	0.00	
4,900.00	5.72	338.71	4,892.25	149.13	-58.12	160.06	0.00	0.00	0.00	
5,000.00	5.72	338.71	4,991.75	158.41	-61.74	170.02	0.00	0.00	0.00	
5,008.29	5.72	338.71	5,000.00	159.18	-62.04	170.84	0.00	0.00	0.00	
PBHL-VGSAU #441										

Targets										
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude	
NHL-VGSAU #441	0.00	0.07	0.00	169.18	-62.04	649,988.08	791,150.79	32° 47' 3.163 N	103° 31' 13.691 W	
- plan misses by 180.20ft at 0.00ft MD (0.00 TVD, 0.00 N, 0.00 E)										
- Rectangle (sides W0.00 H300.00 D0.00)										
PBHL-VGSAU #441	0.00	0.07	5,000.00	159.18	-62.04	649,978.08	791,150.79	32° 47' 3.064 N	103° 31' 13.692 W	
- plan hits target										
- Circle (radius 50.00)										

Casing Points					
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (ft)	Hole Diameter (ft)	
3,100.00	3,100.00	8 5/8" Casing	8.62500	12.25000	



Scientific Drilling
Planning Report

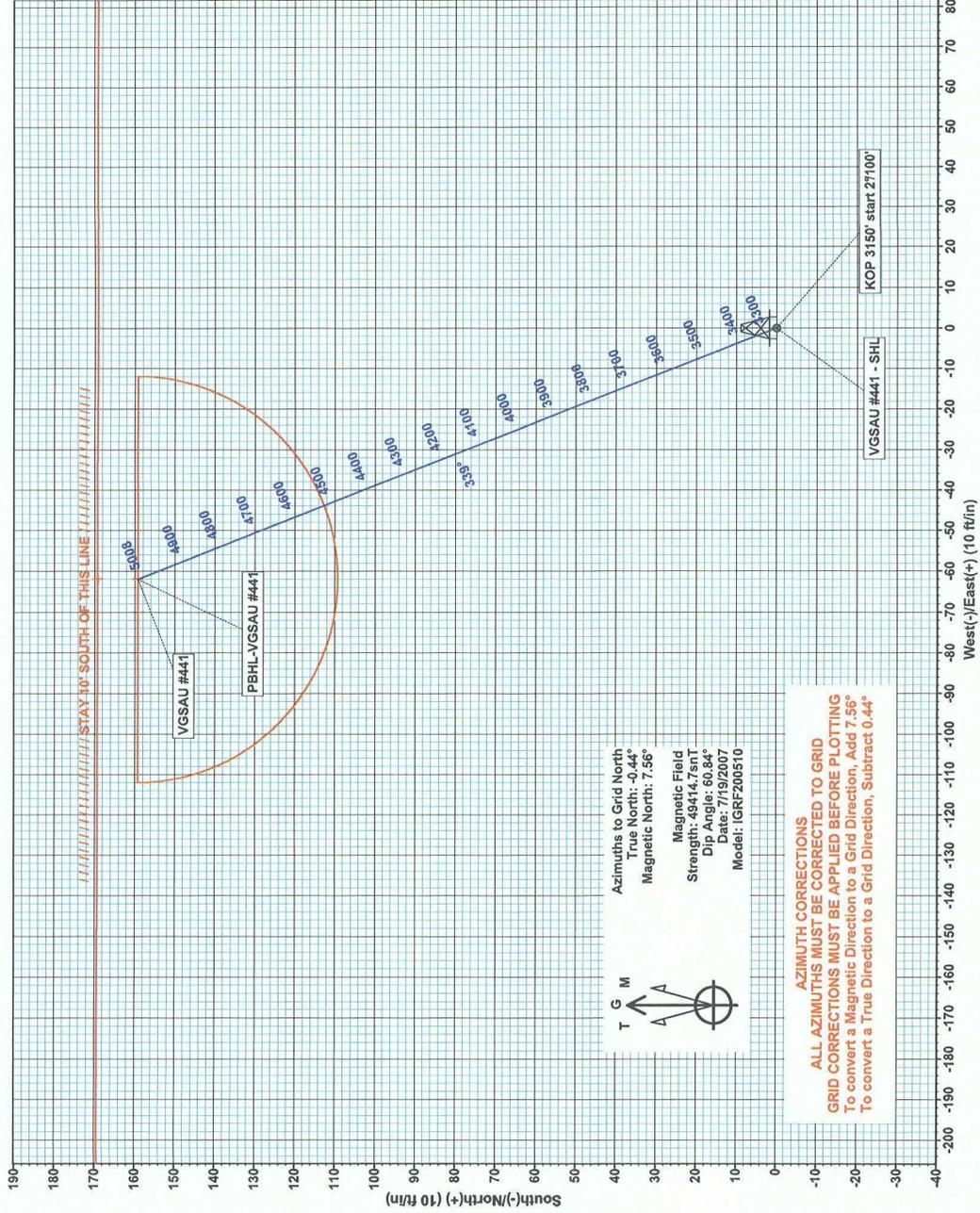
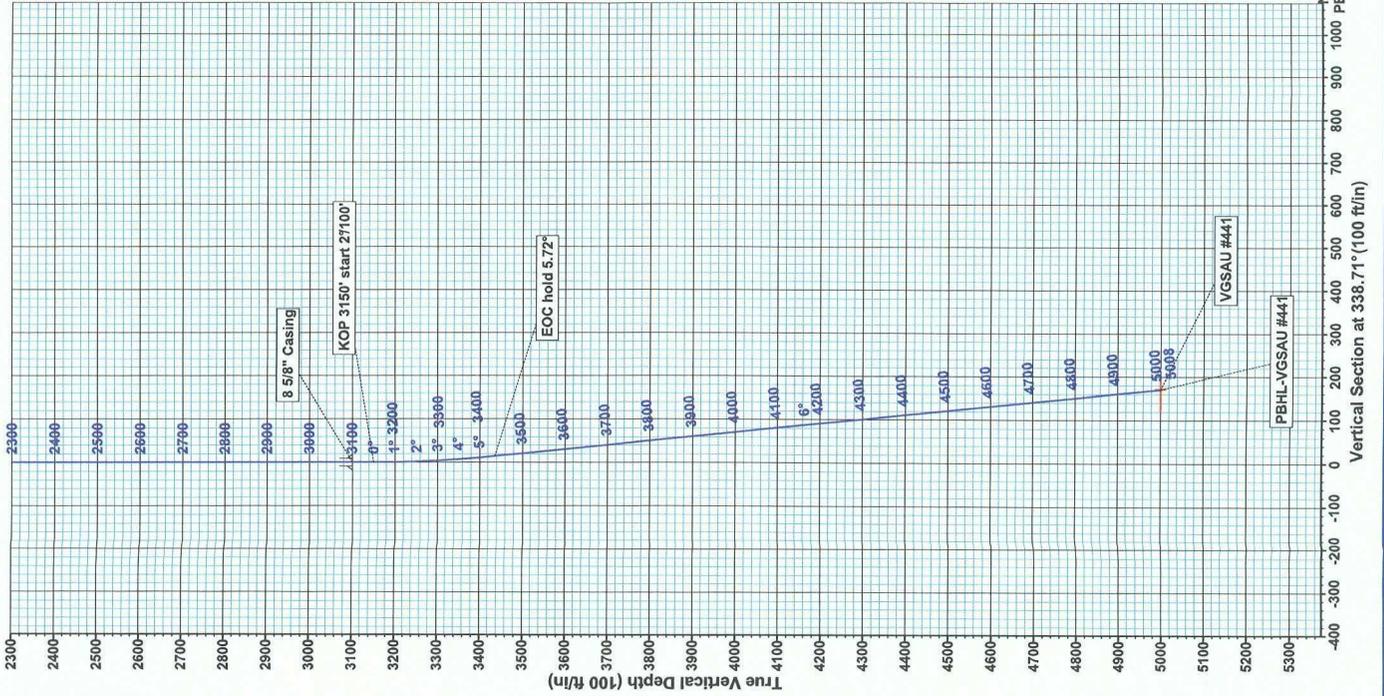


Database: EDM 2003.16 Single User Db	Local Co-ordinate Reference: Well VGSAU #441
Company: Chevron	TVD Reference: WELL @ 0.00ft (Original Well Elev)
Project: Lea County, NM (NAD 83 NME)	MD Reference: WELL @ 0.00ft (Original Well Elev)
Site: VGSAU #441	North Reference: Grid
Well: VGSAU #441	Survey Calculation Method: Minimum Curvature
Wellbore: OH	
Design: Plan #1	

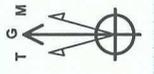
Plan Annotations				
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
3,150.00	3,150.00	0.00	0.00	KOP 3150' start 2"/100'
3,435.77	3,435.29	13.27	-5.17	EOC hold 5.72°



Scientific Drilling for Chevron
 Site: Lea County, NM (NAD 83 NME)
 Well: VGSAU #441
 Wellbore: OH
 Design: Plan #1



Azimuths to Grid North
 True North: -0.44°
 Magnetic North: 7.56°
Magnetic Field
 Strength: 49414.7 nT
 Dip Angle: 60.84°
 Date: 7/19/2007
 Model: IGRF200510



AZIMUTH CORRECTIONS
 ALL AZIMUTHS MUST BE CORRECTED TO GRID
 GRID CORRECTIONS MUST BE APPLIED BEFORE PLOTTING
 To convert a Magnetic Direction to a Grid Direction, Add 7.56°
 To convert a True Direction to a Grid Direction, Subtract 0.44°

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/S	+E/W	Dleg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	3150.00	0.00	0.00	3150.00	0.00	0.00	0.00	0.00	0.00	0.00
3	3435.77	5.72	338.71	3435.29	13.27	-5.17	2.00	338.71	14.24	170.84
4	5008.29	5.72	338.71	5000.00	159.18	-62.04	0.00	0.00	170.84	PBHL-VGSAU #441

WELL DETAILS: VGSAU #441

Name	TVD	+N/S	+E/W	Northing	Easting	Latitude	Longitude	Slot
NHL-VGSAU #441	0.00	169.18	-62.04	64988.08	791150.79	32°47'1.484\"/>		

WELLBORE TARGET DETAILS (MAP CO-ORDINATES)

Name	TVD	+N/S	+E/W	Northing	Easting	Latitude	Longitude	Shape
NHL-VGSAU #441	0.00	169.18	-62.04	64988.08	791150.79	32°47'1.484\"/>		

PROJECT DETAILS: Lea County, NM (NAD 83 NME)

Geodetic System: US State Plane 1983
 Datum: North American Datum 1983
 Ellipsoid: GRS 1980
 Zone: New Mexico Eastern Zone
 System Datum: Mean Sea Level

Plan: Plan #1 (VGSAU #441/OH)
 Created By: Julio Pina
 Date: 19-Jul-07

Checked: _____ Date: _____
 Reviewed: _____ Date: _____
 Approved: _____ Date: _____

Brooks, David K., EMNRD

From: Jones, William V., EMNRD
Sent: Wednesday, February 20, 2008 3:36 PM
To: PEQUENO, DANIEL
Cc: Brooks, David K., EMNRD
Subject: RE: OLS-044246 - VGSAU Vertical Expansion & Lease Line Agreement - Lea County, NM

Daniel:
I copied this to David Brooks.

Injection applications are separate from NSL applications as you know and should be sent in under separate cover.
David Brooks handles NSLs and I am doing injection applications.

I do have a couple of packages on the VGSAU to evaluate and will try to get to them next week. I don't think they will be a problem.

Take Care,

William V. Jones PE
New Mexico Oil Conservation Division
1220 South St. Francis
Santa Fe, NM 87505
505-476-3448

From: PEQUENO, DANIEL [mailto:PEQD@chevron.com]
Sent: Wednesday, February 20, 2008 2:57 PM
To: PMartinez@slo.state.nm.us
Cc: Jones, William V., EMNRD
Subject: OLS-044246 - VGSAU Vertical Expansion & Lease Line Agreement - Lea County, NM

Mr. Martinez,

This is to acknowledge your telephone message of February 20, 2008, left on my answering machine advising of the following information:

1. State Land Office has granted preliminary approval to the Vertical Expansion for the Vacuum Grayburg San Andres Unit in Lea County, New Mexico as requested by our letter of January 31, 2008 along with all proper attachments.
2. State Land Office has also granted approval of the Amendment to Vacuum Area Cooperative Lease Line Agreement and approval of Chevron's plan to drill our Vacuum Grayburg San Andres Unit Well Nos. 405 & 412 as lease line producers between the Central Vacuum Unit and the Vacuum Grayburg San Andres Unit as requested by our letter of January 24, 2008.

You further advised that final approval will be granted when the NMOCD approves the Order for the Vertical Expansion.

Mr. Jones, I don't know if your are handling the administrative approval for the NSL order for the lease line wells submitted as a package to Mr. Mark E. Fesmire by letter of January 28, 2008. Mr. Fesmire was also copied on

2/21/2008

the Application for the Vertical Expansion of the Vacuum Grayburg San Andres Unit. If you are not handling this matter, please forward this E-mail to the proper authority in the NMOCD who is reviewing this matter.

Thank you both for your help regarding the above matters. If I can be of further assistance, please let me know by calling me at the listed below.

Thanks,

Daniel Pequeno, CPL/ESA
Land Representative

MidContinent/Alaska SBU

15 Smith Rd., RM-2235

Midland, Texas 79707

Tel 432 687 7461

Fax 432 687 7871

peqd@chevron.com

This inbound email has been scanned by the MessageLabs Email Security System.

Brooks, David K., EMNRD

From: Brooks, David K., EMNRD
Sent: Thursday, February 21, 2008 4:55 PM
To: 'PEQD@chevron.com'
Cc: Jones, William V., EMNRD
Subject: Chevron Vacuum Grayburg San Andres Unit ## 131,145,438,439,440 and 441

Dear Mr. Pequeno:

I have reviewed the non-standard location applications for these wells and have the following observations:

1. Simultaneous dedication approval is not required. It would not be required in any case except for the #405, because in all other cases, there will be no more than four wells in a 40-acre unit. However, I do not believe simultaneous dedication approval is required even for the #405, because the 4-wells per 40 acres limitation does not apply in an active secondary recovery unit. For the new injection wells, of course, injection permitting is required, and that will be handled separately. I will be processing the non-standard location applications.
2. Our notice rule requires notice of this application to all working interest owners in the Central Vacuum Unit, since Chevron is the operator of both units. You indicate that you have secured approval of the Lease Line Agreement by all of these working interest owners. However, you have not furnished their signed consents with your application, and only Chevron signed the agreement. We must either be furnished with ratifications of the Amendment to the Lease Line Agreement signed by all of the working interest owners, or with proof of notice to them of the filing of the NSL application.

Please contact me by phone or email if you have questions.

Sincerely

David K. Brooks
505-476-3450



Daniel Pequeno, CPL/ESA
Land Representative

MidContinent/Alaska BU
North American Exploration
and Production Company
15 Smith Road, RM-2235
Midland, Texas 79705
Tel 432 687 7461
Fax 432 687 7871
peqd@chevron.com

January 24, 2008

Mr. Pete Martinez
State of New Mexico
Commissioner of Public Lands
P. O. Box 1148
Santa Fe, New Mexico 87504-1148

**RE: REQUEST FOR APPROVAL OF AMENDMENT TO VACUUM AREA
COOPERATIVE LEASE LINE AGREEMENT – VACUUM GRAYBURG
SAN ANDRES UNIT & CENTRAL VACUUM UNIT - LEA COUNTY,
NEW MEXICO (QLS-046074, 153177 & 044246)**

Dear Mr. Martinez,

Chevron U.S.A. Inc. ("Chevron") is the Operator of the Vacuum Grayburg San Andres Unit and the Central Vacuum Unit in Lea County, New Mexico. Chevron hereby respectfully requests the State of New Mexico's approval of our plan to drill our Vacuum Grayburg San Andres Unit Well Nos. 405 and 412 as lease line producers between the Central Vacuum Unit and the Vacuum Grayburg San Andres Unit. For your convenience, I am enclosing the following documentation:

1. Original copy of the Amendment to Vacuum Area Cooperative Lease Line Agreement dated November 19, 2007, but Effective December 1, 2007;
2. Copies of the executed Ratifications for all the Royalty Owners in the Central Vacuum Unit; and
3. Copy of the **previously submitted** Vacuum Area Cooperative Lease Line Agreement dated March 1, 1996 for the originally approved and drilled VGSAU Well No. 159 located 572' FNL & 78' FEL of Section 1-18S-34E as lease line producer.

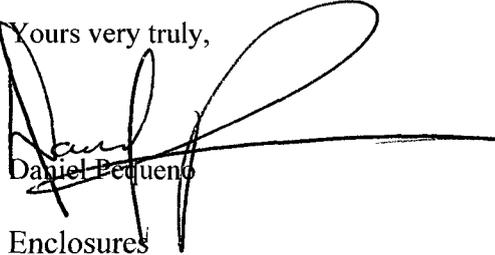
The legal description and locations of the both wells are contained in the Amendment noted in item 1 above. **You will also note that the Amendment includes four (4) additional wells which are intended to be water injection wells, but which may initially flow hydrocarbons to the surface for a period of time. Therefore, Chevron has provided for the operation of these additional wells in said Amendment.** Each Unit will be sharing equally in the production from these wells.

We estimate that the Vacuum Grayburg San Andres Unit Well Nos. 405 & 412 will produce 206,000 and 107,000 barrels of oil respectfully. The State of New Mexico is the sole owner of the royalty in the Vacuum Grayburg San Andres Unit and a royalty owner, among others, in the Central Vacuum Unit. As a royalty owner under both Units, the State of New Mexico would receive its proportionate part of any royalties from the production allocated to each Unit.

In accordance with Division Rule 104, Chevron will be requesting administrative approval of the unorthodox locations for all the wells from the New Mexico Oil Conservation Division simultaneously with this request. Therefore, we respectfully request the State of New Mexico's approval for the drilling of the above-mentioned lease line well producers at your earliest convenience.

If you have any questions regarding this matter, you may call me at (432) 687-7461.

Yours very truly,

A handwritten signature in black ink, appearing to read 'Daniel Pequeno', is written over a horizontal line. The signature is stylized with a large loop at the end.

Enclosures

Nancy Cayce
Technical Assistant
Permian Basin

Mid-Continent Business Unit
Chevron Corporation
15 Smith Rd.
Midland, Texas 79705
Tel 432-687-7455
Fax 432-687-7871
cayn@chevron.com

January 22, 2008

NEW DRILL – INJECTION WELLS
LEA COUNTY, NEW MEXICO

Vacuum Grayburg San Andres Unit Offset Operators:

For your information as an offset operator, Chevron U.S.A., Inc. hereby gives notice of their intent to file an application with the New Mexico Oil Conservation Division to drill the following wells in Lea County, New Mexico:

Well #	Sec-Twn-Rnge	Unit Letter	Surface Location	Bottom Hole Location
131	2-18S-34E	G	2604.9' FNL & 2085' FEL	2630' FSL & 1980' FEL
145	2-18S-34E	C	1286.5' FNL & 1831.1' FWL	1310' FNL & 1980' FWL
438	1-18S-34E	A	10' FNL & 420' FEL	10' FNL & 670' FEL
439	1-18S-34E	B	634' FNL & 1632' FEL	10' FNL & 1980' FEL
440	1-18S-34E	C	100' FNL & 1980' FWL	same
441	1-18S-34E	A	170' FNL & 710' FWL	10' FNL & 650' FWL

Attached is an OCD Form C-108 with information relative to the water injection in the referenced wells. A copy of the legal notice to be posted in the Hobbs News-Sun is included. The enclosed map highlights the location of the subject wells in relation to your offset operations.

Sincerely,

Nancy Cayce
Technical Assistant

Attachments

Nancy Cayce
Technical Assistant
Permian Basin

Mid-Continent Business Unit
Chevron Corporation
15 Smith Rd.
Midland, Texas 79705
Tel 432-687-7455
Fax 432-687-7871
cayn@chevron.com

January 22, 2008

**APPLICATION FOR AUTHORIZATION TO INJECT
OCD FORM C-108
VACUUM - GRAYBURG SAN ANDRES POOL
LEA COUNTY, NEW MEXICO**

State of New Mexico
Energy and Minerals Dept.
Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

Attention: Mark E. Fesmire, P.E., Director

Chevron U.S.A., Inc. requests your approval of the subject application to inject water, produced gas and CO2 into the Vacuum Grayburg San Andres Unit wells listed below:

Well #	Sec-Twn-Rnge	Unit Letter	Surface Location	Bottom Hole Location
131	2-18S-34E	G	2604.9' FNL & 2085' FEL	2630' FSL & 1980' FEL
145	2-18S-34E	C	1286.5' FNL & 1831.1' FWL	1310' FNL & 1980' FWL
438	1-18S-34E	A	10' FNL & 420' FEL	10' FNL & 670' FEL
439	1-18S-34E	B	634' FNL & 1632' FEL	10' FNL & 1980' FEL
440	1-18S-34E	C	100' FNL & 1980' FWL	same
441	1-18S-34E	A	170' FNL & 710' FWL	10' FNL & 650' FWL

Chevron plans to inject water, CO2, and produced gas into these newly drilled injection wells to enhance production of the VGSAU tertiary recovery project.

Attached is an OCD Form C-108 with information relative to the injection in the referenced wells. A copy of the letter sent to this project's surface land owner, the New Mexico Department of Public Lands, along with certified documentation is included in the attachments.

Your prompt consideration and approval of this application will be greatly appreciated. If additional information is required, please contact me at (432) 687-7455 or Scott Ingram, Sr. Staff Geologist at (432) 687-7212.

Sincerely,

Nancy Cayce

Attachments

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: Secondary Recovery Pressure Maintenance Disposal Storage
Application qualifies for administrative approval? Yes No

II. OPERATOR: Chevron U.S.A., Inc.

ADDRESS: 15 Smith Rd., Midland, TX 79705

CONTACT PARTY: Nancy Cayce PHONE: 432-687-7455

III. WELL DATA: Complete the data required on the reverse side of this form for each well proposed for injection.
Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? Yes No
If yes, give the Division order number authorizing the project: Order #R4442-B

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review. **ATTACHED**

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail. **ATTACHED**

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and,
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.). **ATTACHED**

*VIII. Attach appropriate geologic data on the injection zone including appropriate lithologic detail, geologic name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval. **ATTACHED**

IX. Describe the proposed stimulation program, if any. **ATTACHED**

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted).
Will be submitted as soon as received.

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken. **Previously submitted**

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground sources of drinking water. **ATTACHED**

XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form. **ATTACHED**

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Nancy Cayce TITLE: Engineering Tech. Assistant

SIGNATURE: _____ DATE: _____

E-MAIL ADDRESS: cayn@chevron.com

* If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstances of the earlier submittal: **SEE ATTACHMENT**

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

ATTACHED

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and the name of the next higher and next lower oil or gas zone in the area of the well, if any. **ATTACHED**

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and,
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, New Mexico 87505, within 15 days. **ATTACHED**

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

Newspaper Legal Notice confirmation will be forwarded as soon as received.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

ATTACHMENT TO FORM C-108

RE: Vacuum Grayburg San Andres Unit #131, 145, 438, 439, 440, 441

- PART I Chevron Corporation plans to drill the above referenced wells as injection wells in the Grayburg San Andres formation.
- PART II Chevron Corporation
15 Smith Rd
Midland, TX 79705
- PART III Well Data Sheets attached
- PART IV This is an expansion of an existing project. Order #R-4442-B
- PART V Map attached designating ½ mile and 2 mile radius of review area.
- PART VI Well tabulation and P&A Schematics are attached.
- PART VII 1) Anticipated injection rates could be as high as 3,000 barrels of water per day per well, or 10 million cubic feet of CO₂ per day for each well.
- 2) This will be a closed system.
- 3) Water, produced gas & CO₂ will be injected into the Grayburg San Andres pool of the Vacuum field. Water injection in each well will be at an expected maximum rate of 3,000 barrels of water per day and an expected maximum surface pressure of 1850 psi. CO₂ and produced gas injection per well will be at an expected maximum rate of 10 MMCF per day and an expected maximum surface pressure of 1850 psi.
- 4,5) This data has been previously submitted under NMOCD Order No. R-4442 dated November 27, 1972 and amendment R-4442-A dated August 8, 2001.
- PART VIII This data has been previously submitted under NMOCD Order No. R-4442 dated November 27, 1972 and amendment R-4442-A dated August 8, 2001.
- PART IX The stimulation program will be ~8,000 gallons 15% HCL acid plus rock salt as a diverter.
- PART X Logs will be submitted as soon as possible after the well is drilled.

PART XI This data has been previously submitted under NMOCD Order No. R-4442 dated November 27, 1972 and amendment R-4442-A dated August 8, 2001.

PART XII Chevron Corporation has examined available geologic and engineering data and finds no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

PART XIII Copies of the OCD Form C-108, the Well Data Sheet and map have been sent to the offset operators and surface owner as per the listing below.

Marathon Oil Company
5555 San Felipe Road
Houston, Texas 77056-2723

Chesapeake Energy Corporation
P.O. Box 18496
Oklahoma City, OK 73154-0496
(405) 848-8000

Conoco Phillips
4001 Penbrook
Odessa, TX 79762

McGowan Working Partners
PO Box 55809
Jackson, MS 39296-5809

Mobil Producing TX & NM
PO Box 1760
Denver City, TX 79323
806-592-7800

Surface Owner: State of New Mexico

A copy of the Legal Notice as published in the Hobbs News-Sun is attached to this filing. Certified copy will be forwarded as soon as it is received in this office.

INJECTION WELL DATA SHEET

OPERATOR: Chevron U.S.A., Inc.

WELL NAME & NUMBER: Vacuum Grayburg San Andres Unit 438

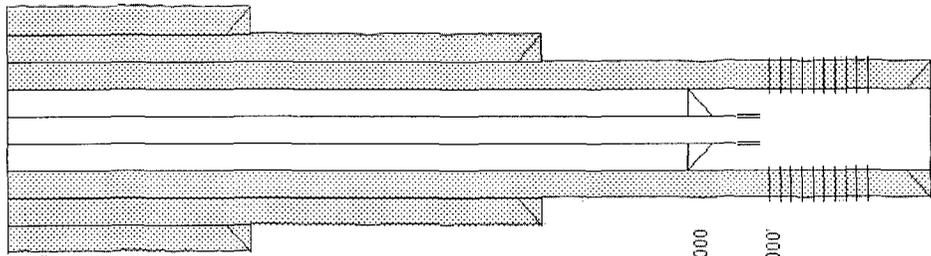
WELL LOCATION: 10' FNL 420' FEL FOOTAGE LOCATION A UNIT LETTER 1 SECTION 18S TOWNSHIP 34E RANGE

WELLBORE SCHEMATIC

Surface Casing
 Size: 11 3/4"
 Depth: 350'
 Sxs Cmt: 385
 Hole Size: 14 3/4"

Intermediate Casing
 Size: 8 5/8"
 Depth: 2800'
 Sxs Cmt: 960
 Hole Size: 11"

Production Casing
 Size: 5 1/2"
 Depth: 5200'
 Sxs Cmt: 935
 Hole Size: 7 7/8"



Packer @ 4000

Perfs @ 4200'-5000'

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 14.75" Casing Size: 11.75"
 Cemented with: 385 sx. or ft³
 Top of Cement: Surface Method Determined: Circulation
Intermediate Casing

Hole Size: 11" Casing Size: 8.625"
 Cemented with: 960 sx. or ft³
 Top of Cement: Surface Method Determined: Circulation

Production Casing

Hole Size: 7.875" Casing Size: 5.5"
 Cemented with: 935 sx. or ft³
 Top of Cement: Surface Method Determined: Circulation

Total Depth: 5200'

Injection Interval

3902 feet to 5000 feet

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8" Lining Material: Fiberglass

Type of Packer: 10K Arrow Set 1X packer with on-off tool; nickel-plated

Packer Setting Depth: ~4000'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? Yes No

If no, for what purpose was the well originally drilled? _____

2. Name of the Injection Formation: Grayburg San Andres

3. Name of Field or Pool (if applicable): Vacuum

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. _____ NO _____

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: _____

Yates - 2800', Grayburg - 3990', San Andres - 4255', Glorieta - 5820', Blinebry - 6300', Drinkard - 7500', Abo - 7900', Wolfcamp - 9350', Canyon - 10,540', Strawn - 10,750', Atoka - 10,880', Morrow - 11,160', Mississippian - 11,300', Woodford - 12,000'

There are no known producing zones below the Devonian within the area of review

INJECTION WELL DATA SHEET

OPERATOR: Chevron U.S.A., Inc.

WELL NAME & NUMBER: 634' FNL 1632' FEL _____ Vacuum Grayburg San Andres Unit 439

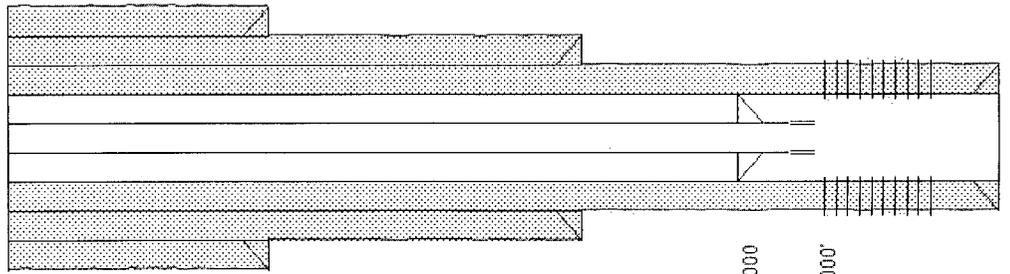
WELL LOCATION: FOOTAGE LOCATION _____ UNIT LETTER B SECTION 1 TOWNSHIP 18S RANGE 34E

WELLBORE SCHEMATIC

Surface Casing
 Size: 11 3/4"
 Depth: 350'
 Sxs Cmt: 385
 Hole Size: 14 3/4"

Intermediate Casing
 Size: 8 5/8"
 Depth: 2800'
 Sxs Cmt: 960
 Hole Size: 11"

Production Casing
 Size: 5 1/2"
 Depth: 5200'
 Sxs Cmt: 935
 Hole Size: 7 7/8"



Packer @ 4000'

Perfs @ 4200'-5000'

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 14.75" Casing Size: 11.75"
 Cemented with: 385 sx. or ft³
 Top of Cement: Surface Method Determined: Circulation

Intermediate Casing

Hole Size: 11" Casing Size: 8.625"
 Cemented with: 960 sx. or ft³
 Top of Cement: Surface Method Determined: Circulation

Production Casing

Hole Size: 7.875" Casing Size: 5.5"
 Cemented with: 935 sx. or ft³
 Top of Cement: Surface Method Determined: Circulation

Total Depth: 5200'

Injection Interval

3902 feet to 5000 feet

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8" Lining Material: Fiberglass

Type of Packer: 10K Arrow Set 1X packer with on-off tool; nickel-plated

Packer Setting Depth: ~4000'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? Yes No

If no, for what purpose was the well originally drilled? _____

2. Name of the Injection Formation: Grayburg San Andres

3. Name of Field or Pool (if applicable): Vacuum

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. _____ NO

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area: _____

Yates – 2800', Grayburg – 3990', San Andres – 4255', Glorieta – 5820', Blinebry – 6300', Drinkard – 7500', Abo – 7900', Wolfcamp – 9350', Canyon – 10,540', Strawn – 10,750', Atoka – 10,880', Morrow – 11,160', Mississippian – 11,300', Woodford – 12,000'

There are no known producing zones below the Devonian within the area of review

INJECTION WELL DATA SHEET

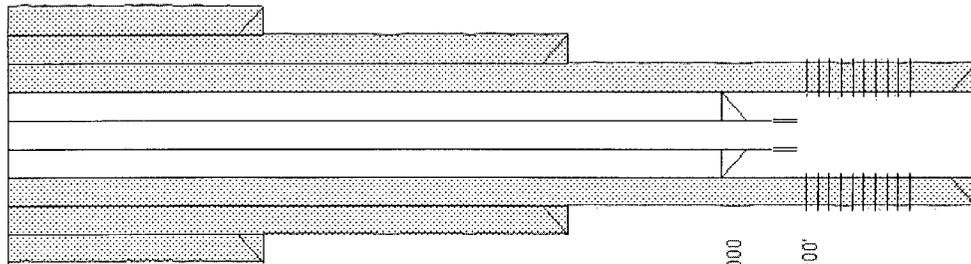
OPERATOR: Chevron U.S.A., Inc.

WELL NAME & NUMBER: Vacuum Grayburg San Andres Unit 440

WELL LOCATION: 100'' FNL 1980' FEL UNIT LETTER C SECTION 1 TOWNSHIP 18S RANGE 34E

WELLBORE SCHEMATIC

Surface Casing	Size: 11 3/4"
Depth: 350'	Sxs Cmt: 385
Hole Size: 14 3/4"	
Intermediate Casing	Size: 8 5/8"
Depth: 2800'	Sxs Cmt: 960
Hole Size: 11"	
Production Casing	Size: 5 1/2"
Depth: 5200'	Sxs Cmt: 935
Hole Size: 7 7/8"	



Packer @ 4000

Perfs @ 4200'-5000'

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 14.75" Casing Size: 11.75"
 Cemented with: 385 sx. *or* ft³
 Top of Cement: Surface Method Determined: Circulation
Intermediate Casing

Hole Size: 11" Casing Size: 8.625"
 Cemented with: 960 sx. *or* ft³
 Top of Cement: Surface Method Determined: Circulation
Production Casing

Hole Size: 7.875" Casing Size: 5.5"
 Cemented with: 935 sx. *or* ft³
 Top of Cement: Surface Method Determined: Circulation
 Total Depth: 5200'

Injection Interval

3902 feet to 5000 feet

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8" Lining Material: Fiberglass

Type of Packer: 10K Arrow Set IX packer with on-off tool; nickel-plated

Packer Setting Depth: ~4000'

Other Type of Tubing/Casing Seal (if applicable):

Additional Data

- 1. Is this a new well drilled for injection? Yes No

If no, for what purpose was the well originally drilled?

2. Name of the Injection Formation: Grayburg San Andres

3. Name of Field or Pool (if applicable): Vacuum

- 4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. NO

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

Yates - 2800', Grayburg - 3990', San Andres - 4255', Glorieta - 5820', Blinbry - 6300', Drinkard - 7500', Abo - 7900', Wolfcamp - 9350', Canyon - 10,540', Strawn - 10,750', Atoka - 10,880', Morrow - 11,160', Mississippian - 11,300', Woodford - 12,000'

There are no known producing zones below the Devonian within the area of review

INJECTION WELL DATA SHEET

OPERATOR: Chevron U.S.A., Inc.

WELL NAME & NUMBER: 170' FNL 710' FWL A 1 18S 34E

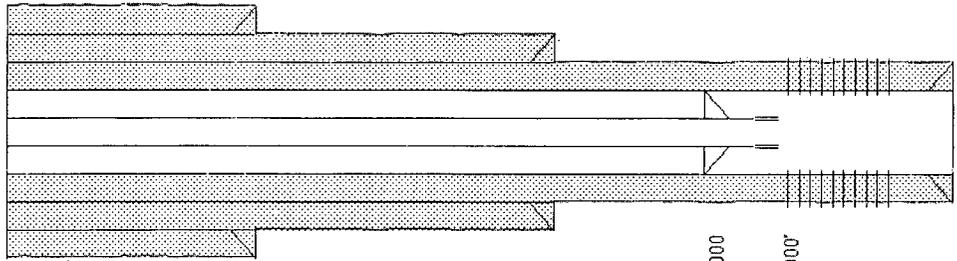
FOOTAGE LOCATION UNIT LETTER SECTION TOWNSHIP RANGE

WELLBORE SCHEMATIC

Surface Casing
Size: 11 3/4"
Depth: 350'
Sxs Cmt: 385
Hole Size: 14 3/4"

Intermediate Casing
Size: 6 5/8"
Depth: 2800'
Sxs Cmt: 960
Hole Size: 11"

Production Casing
Size: 5 1/2"
Depth: 5200'
Sxs Cmt: 935
Hole Size: 7 7/8"



Packer @ 4000

Perfs @ 4200'-5000'

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 14.75" Casing Size: 11.75"

Cemented with: 385 sx. or ft³

Top of Cement: Surface Method Determined: Circulation

Intermediate Casing

Hole Size: 11" Casing Size: 8.625"

Cemented with: 960 sx. or ft³

Top of Cement: Surface Method Determined: Circulation

Production Casing

Hole Size: 7.875" Casing Size: 5.5"

Cemented with: 935 sx. or ft³

Top of Cement: Surface Method Determined: Circulation

Total Depth: 5200'

Injection Interval

3902 feet to 5000 feet

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8" Lining Material: Fiberglass

Type of Packer: 10K Arrow Set 1X packer with on-off tool; nickel-plated

Packer Setting Depth: ~4000'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is this a new well drilled for injection? Yes No

If no, for what purpose was the well originally drilled? _____

2. Name of the Injection Formation: Grayburg San Andres

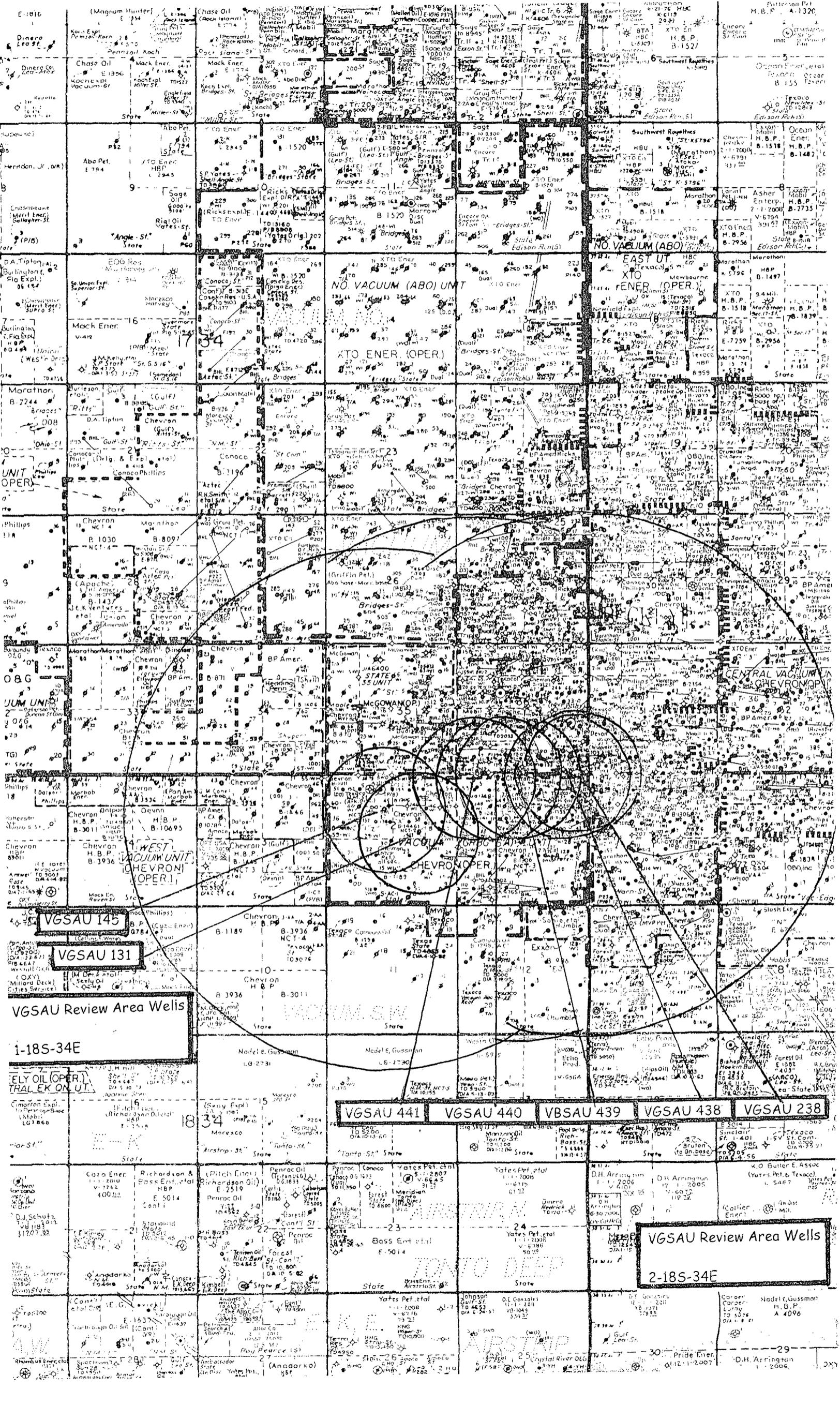
3. Name of Field or Pool (if applicable): Vacuum

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. NO

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injection zone in this area:

Yates - 2800', Grayburg - 3990', San Andres - 4255', Glorieta - 5820', Blinbry - 6300', Drinkard - 7500', Abo - 7900', Wolfcamp - 9350', Canyon - 10,540', Strawn - 10,750', Atoka - 10,880', Morrow - 11,160', Mississippian - 11,300', Woodford - 12,000'

There are no known producing zones below the Devonian within the area of review



E-1816
Dinero
Chase Oil
Mack Ener

Abol Pet
Rial Oil
Sage Oil

MOCK ENER
Marathon
Chevron

UNIT OPER
Phillips
Chevron

OBG
JUM UNIP
TG

Phillips
Chevron
Marathon

VGS AU 145
VGS AU 131
VGS AU Review Area Wells

1-185-34E
ELY OIL (OPER)
TRALE OIL (UT)

Coro Ener
Richardson & Bass Ent. et al
Penrac Oil

Yates Pet et al
Johnson
D.E. Conzales

NO VACUUM (ABO) UNIT
XTO ENER (OPER)

WEST VACUUM UNIT (CHEVRON) (OPER)

CENTRAL VACUUM UNIT (CHEVRON) (OPER)

VGS AU 441
VGS AU 440
VBS AU 439
VGS AU 438
VGS AU 238

VGS AU Review Area Wells
2-185-34E

Yates Pet et al
Johnson
D.E. Conzales

NO VACUUM (ABO) UNIT
XTO ENER (OPER)

WEST VACUUM UNIT (CHEVRON) (OPER)

CENTRAL VACUUM UNIT (CHEVRON) (OPER)

VGS AU 441
VGS AU 440
VBS AU 439
VGS AU 438
VGS AU 238

VGS AU Review Area Wells
2-185-34E

Yates Pet et al
Johnson
D.E. Conzales

NO VACUUM (ABO) UNIT
XTO ENER (OPER)

WEST VACUUM UNIT (CHEVRON) (OPER)

CENTRAL VACUUM UNIT (CHEVRON) (OPER)

VGS AU 441
VGS AU 440
VBS AU 439
VGS AU 438
VGS AU 238

VGS AU Review Area Wells
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VGS AU 238

VGS AU Review Area Wells
2-185-34E

Yates Pet et al
Johnson
D.E. Conzales

Nancy Cayce
Technical Assistant
Permian Basin

Mid-Continent Business Unit
Chevron Corporation
15 Smith Rd.
Midland, Texas 79705
Tel 432-687-7455
Fax 432-687-7871
cayn@chevron.com

January 22, 2008

REQUEST TO PUBLISH LEGAL NOTICE

Vacuum Grayburg San Andres Unit #131, 145, 438, 439, 440, 441
Hobbs News-Sun
201 N. Thorp
Hobbs, NM 88240

Attention: Classified Department

Chevron U.S.A., Inc. requests that you publish the attached notice in your newspaper, one time only, as soon as possible.

Please mail the invoice for this legal notice to the letterhead address above, attention: Nancy Cayce, Room 2237. Please attach a copy of the notice as it was published in your newspaper and an affidavit certifying publication of the attached notice and the date of publication.

Your prompt assistance in this matter will be greatly appreciated. Questions may be directed to me at (432) 687-7455.

Sincerely,

Nancy Cayce
Technical Assistant

Attachment

Legal Notice

Chevron U.S.A., Inc. has applied to the Oil Conservation Division of the State of New Mexico for approval to drill and complete the Vacuum Grayburg San Andres Unit #131, 145, 438, 439, 440, and 441 as injection wells. Injection into these wells is designed to enhance production from the Vacuum Grayburg San Andres Unit. These wells are in the following locations in Lea County, New Mexico:

Well #	Sec-Twn-Rnge	Unit		Bottom Hole Location
		Letter	Surface Location	
131	2-18S-34E	G	2604.9' FNL & 2085' FEL	2630' FSL & 1980' FEL
145	2-18S-34E	C	1286.5' FNL & 1831.1' FWL	1310' FNL & 1980' FWL
438	1-18S-34E	A	10' FNL & 420' FEL	10' FNL & 670' FEL
439	1-18S-34E	B	634' FNL & 1632' FEL	10' FNL & 1980' FEL
440	1-18S-34E	C	100' FNL & 1980' FWL	same
441	1-18S-34E	A	170' FNL & 710' FWL	10' FNL & 650' FWL

Water, produced gas & CO₂ will be injected into the Grayburg San Andres pool of the Vacuum field. Water injection in each well will be at an expected maximum rate of 3,000 barrels of water per day and an expected maximum surface pressure of 1850 psi. CO₂ and produced gas injection per well will be at an expected maximum rate of 10 MMCF per day and an expected maximum surface pressure of 1850 psi. Persons wanting to contact Chevron U.S.A. should direct their inquiries to Nancy Cayce, Chevron U.S.A., 15 Smith Road, Midland, TX 79705; telephone (432) 687-7455.

Interested Parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505, within 15 days of this notice.