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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:

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