State of New Mexico

Energy, Minerals and Natural Resources Department

| | Form C-103 |
|---------|---------------|
| hopping | Revised 1-1-8 |

| DISTRICT | | Mrn ended |
|---------------------------------------|---|--------------------------------------|
| DISTRICT I | IL CONSERVATION DIVISION | WELL API NO. |
| P.O. Box 1980, Hobbs, NM 88240 | P.O. Box 2088 | 30-025-09935 |
| DISTRICT II | Santa Fe, New Mexico 87504-2088 | Indicate Type of Lease |
| P.O. Box Drawer DD, Artesia, NM 88210 | | STATE ☐ FEE ✔ |
| DISTRICT III | | 6. State Oil / Gas Lease No. |
| 1000 Rio Brazos Rd., Aztec, NM 87410 | | |
| | S AND REPORTS ON WELLS | |
| , · | SALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIR. USE "APPLICATION FOR PERMI | 7. Lease Name or Unit Agreement Name |
| | 1) FOR SUCH PROPOSALS. | CENTRAL DRINKARD UNIT |
| 1. Type of Well: OIL GAS WELL WELL | OTHER | |
| 2. Name of Operator | | 8. Well No. 163 |
| CHEVRON USA | INC | 103 |
| 3. Address of Operator 15 SMITH ROAD |), MIDLAND, TX 79705 | 9. Pool Name or Wildcat |
| 4. Well Location | | DRINKARD |
| | 10' Feet From The SOUTH Line and 330' | Feet From TheWESTLine |
| Section 29 To | ownship 21-S Range 37-E NI | MPM <u>LEA</u> COUNTY |
| | 0. Elevation (Show whether DF, RKB, RT,GR, etc.) | |
| 11. Check Appro | opriate Box to Indicate Nature of Notice, Report | or Other Data |

NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PLUG AND ABANDON PERFORM REMEDIAL WORK REMEDIAL WORK ☐ ALTERING CASING **CHANGE PLANS** COMMENCE DRILLING OPERATION PLUG AND ABANDONMENT **TEMPORARILY ABANDON** CASING TEST AND CEMENT JOB PULL OR ALTER CASING COMPLETE WELL AS PRESSURE MONITOR WELL ~ OTHER: OTHER:

PERMIT FOR HORIZONTAL OF THE SUBJECT WELL WAS APPROVED ON 11-10-03. (COPY ATTACHED)

THIS REQUEST IS ASKING FOR APPROVAL TO COMPLETE THE SUBJECT WELL AS A PRESSURE MONITOR WELL BEFORE STARTING THE HORIZONTAL WORK. CHEVRON U.S.A. PLANS TO LEAVE THE TUBING IN THE WELL AND HAVE ONGOING MONITORING OF PRESSURE BY SURFACE GAUGE AND SHOOTING FLUID LEVELS.

PER PHONE CONVERSATION BETWEEN DENISE WANN, ENGINEER FOR CHEVRON, AND CHRIS WILLIAMS, DIRECTOR OF NMOCD IN HOBBS:

MR. WILLIAMS HAS AGREED THAT THE WORK CAN BE DONE ON THE TERMS OF HAVING A CASING INTEGRITY TEST EVERY FIVE YEARS BY SETTING A CIBP & PRESSURE TESTING THE CASING TO 500 PSI.

ANY QUESTIONS SHOULD BE DIRECTED TO DENISE WANN AT (432)687-7380.

THANK YOU FOR YOUR CONSIDERATION.

NO PIT WILL BE USED. WE WILL ONLY USE CLOSED FRAC TANK AND/OR REVERSE PIT SYSTEM ABOVE GROUND.

| reby certify that the information above is true and complete to the use of m | TITLE Regulatory Specialist | DATE | /24/2004 |
|--|-----------------------------|---------------|-------------|
| PE OR PRINT NAME Denise Le | ake | Telephone No. | 915-687-737 |

CONDITIONS OF APPROVAL, IF ANY:

TITLE

PETROLEUM ENGINEER

DATE

^{12.} Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.