

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

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address Chevron U.S.A. Inc. 15 Smith Road Midland, TX 79705		OGRID Number 4323
		API Number 30-25-36355
Property Code 30022	Property Name VACUUM GRAYBURG SAN ANDRES UNIT	Well No. 233

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	1	18S	34E		2630	S	660	W	Lea

Proposed Pools

VACUUM;GRAYBURG-SAN ANDRES 62180

Work Type New Well	Well Type Injection	Cable/Rotary	Lease Type State	Ground Level Elevation 3997
Multiple N	Proposed Depth 4850	Formation San Andres Formation	Contractor	Spud Date 8/11/2003

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	1550	1200	0
Prod	7.875	5.5	15.5	4850	850	0

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Pipe	3000	1500	Shaffer
Blind	3000	1500	Shaffer

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Edward Van Reet

Title: Manager

Date: 8/6/2003

Phone: 915-687-7329

OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 8/7/2003

Expiration Date: 8/7/2004

Conditions of Approval:

There are conditions. See Attached.

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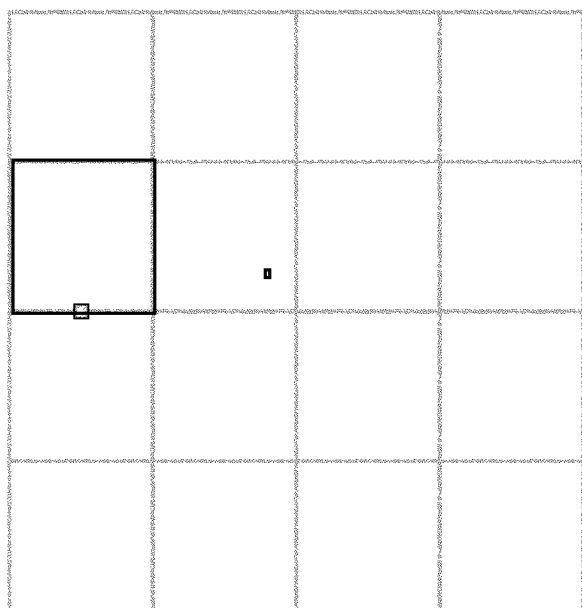
Oil Conservation Division
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WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-25-36355	Pool Name VACUUM;GRAYBURG-SAN ANDRES	Pool Code 62180
Property Code 30022	Property Name VACUUM GRAYBURG SAN ANDRES UNIT	Well No. 233
OGRID No. 4323	Operator Name Chevron U.S.A. Inc.	Elevation 3997

Surface And Bottom Hole Location

UL or Lot L	Section 1	Township 18S	Range 34E	Lot Idn	Feet From 2630	N/S Line S	Feet From 660	E/W Line W	County Lea
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No.			



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Electronically Signed By: Edward Van Reet

Title: Manager

Date: 8/6/2003

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 belief.

Electronically Signed By: John Piper

Date of Survey: 8/4/2003

Certificate Number: 7254

APD Conditions Of Approval

Operator: 4323 Chevron U.S.A. Inc.
Well: VACUUM GRAYBURG SAN ANDRES UNIT 233

OCD Reviewer	Condition
PKAUTZ	Drilling Fluid Surface Casing. 1) Fresh water or fresh water spud mud shall be used to drill to surface casing depth. 2) Non-toxic or biodegradable water based polymers, drilling paper, starch and gels may be used in the mud system in order to retard seepage into red beds. 3) Caustics and Lime shall not be used in the red beds but may be added when the Rustler Fm is reached. However, sodium carbonate maybe used for alkalinity or ph control while drilling the redbeds above the Rustler Fm.
PKAUTZ	Surface casing should be set at least 25 feet into the top of the Rustler Anhydrite and cement circulated to the surface.