

Office
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

RECEIVED
NOV 19 2010
HOBBSOCD

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

WELL API NO. 30-025-39804
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name CENTRAL DRINKARD UNIT
8. Well Number 440
9. OGRID Number 4323
10. Pool name or Wildcat DRINKARD

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well Gas Well Other

2. Name of Operator
CHEVRON U.S.A. INC.

3. Address of Operator
15 SMITH ROAD, MIDLAND, TEXAS 79705

4. Well Location
Unit Letter N: 959 feet from the SOUTH line and 2519 feet from the WEST line
Section 29 Township 21-S Range 37-E NMPM County LEA

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- DOWNHOLE COMMINGLE
- PLUG AND ABANDON
- CHANGE PLANS
- MULTIPLE COMPL

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- COMMENCE DRILLING OPNS.
- CASING/CEMENT JOB
- ALTERING CASING
- P AND A

OTHER: INTENT TO SET RBP

OTHER: T/A STATUS

13. 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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

CHEVRON U.S.A. INC. HAS RECEIVED VERBAL APPROVAL FROM MR. E.L. GONZALES & MR. PAUL KAUTZ, NMOC, TO SET AN RBP IN THE SUBJECT WELL. THE INTENDED PROCEDURE IS AS FOLLOWS:

- 1) POOH W/MILLING BHA.
- 2) M/U AND RIH W/RETRIEVING HEAD AND 8 5/8" RBP.
- 3) SET RBP IN 8 5/8" SURFACE CASING @ 1135'.
- 4) PULL UP FROM RBP, CIRCULATE PACKER FLUID.
- 5) CONDUCT PRESSURE TEST TO VERIFY PERFORMANCE OF RBP.
- 6) FOLLOWING SUCCESSFUL TEST, POOH W/RETRIEVING HEAD. SECURE WELL.
- 7) PROVIDE MINIMUM 24 HOURS ADVANCE NOTICE TO NMOC TO WITNESS NMOC STANDARD PRES TEST.
- 8) CONDUCT NMOC STANDARD PRESSURE TEST AT NO LESS THAN MINIMUM 500 PSI FOR 30 MINUTES.

Spud Date:

[Empty box for Spud Date]

Rig Release Date:

[Empty box for Rig Release Date]

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

SIGNATURE Denise Pinkerton TITLE REGULATORY SPECIALIST DATE 11-10-2010

Type or print name DENISE PINKERTON E-mail address: leakejd@chevron.com PHONE: 432-687-7375
For State Use Only

APPROVED BY: [Signature] TITLE STAFF MGR DATE 11-22-10
Conditions of Approval (if any):

Well: CDU #440

Field: Central Drinkard Unit

Operator: Chevron

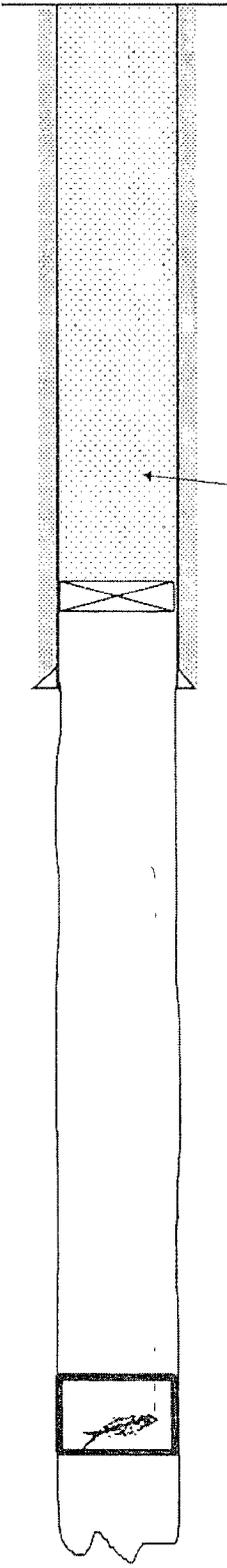
Proposed Wellbore Diagram

Location:
 959' FSL & 2519' FWL
 Unit Letter: N
 Section: 29
 Township: 21S
 Range: 37E
 County: Lea State: NM

Well ID Info:
 API No: 30-025-39804
 Spud Date: 10/4/2010

Elevations:
 GL: 3467'
 KB:
 DF:

FORMATIONS
 Top of Salt
 T/Yates
 T/San Andres
 T/Glenneta



Packer Fluid

Surface Csg: 8-5/8"
 Set: @ 1244' w/ 490 sx cmt
 Hole Size: 12-1/4" hole
 Circ: Yes TOC: Surf
 TOC By: Circ

RBP @ 1185'

Overshot Bowl,
 Grapple, Guide
 Shoe Pieces and
 Logging Tool @
 6511'
 Estimated bottom
 of Fish at 6585'

PBTD: 6511'
 TD: 6775'

Updated: 11/8/2010

By: Bob Hail