INEQUEST FOR EXCEPTION TO RULE 303-A FOR WELLS LOCATED IN PRE-APPROVED POOLS OR AREAS

Operator

Chevron U.S.A., Inc. 15 Smith Road Midland, TX 79705

Lease Name and Well Number

Baxter Culp 31 # 5 330' FSL & 330' FEL, Unit Letter P Section 31, T19S, R37E Lea County, New Mexico

Division Order

Pre-approved pools or area established by Division Order No. R-11363.

Pools To Be Commingled In Baxter Culp 31# 5

(47090) Monument; Tubb (97060) Monument; Drinkard (46970) Monument; Abo

Perforated Intervals

Monument; Tubb (6334' - 6584') (Wellbore diagrams attached) Monument; Drinkard (6802' - 6942') Monument; Abo (7284' - 7379')

Location Plat

Attached

Well Test Report & Production Plots

Attached.

Duaduation Allocation

Product Characteristics And Value

Previous commingling of these zones by Chevron and other operators in the area have shown that the produced fluids are compatible and commingling will not cause formation damage or producing problems. Also, the price received by Chevron for products from these zones is very similar, so value will not be adversely affected.

BOPD	BWPD	MCFPD	Estimation Method
14	38	13	Well Test Report 6/2002
7.2	28.8	15	Calculated from Swab Test, 2/20/2002
54	306	608	Calculated from Swab Test, 2/18/2002
75.2	372.8	636	
<u>Oil %</u>	Water %	<u>Gas %</u>	Remarks
18.62	10.19	2.04	Calculated using above production volumes.
9.57	7.73	2.36	Calculated using above production volumes.
71.81	82.08	95.60	Calculated using above production volumes.
100.00	100.00	100.00	-
	14 7.2 54 75.2 0il % 18.62 9.57 71.81	14 38 7.2 28.8 54 306 75.2 372.8 Oil % Water % 18.62 10.19 9.57 7.73 71.81 82.08	14 38 13 7.2 28.8 15 54 306 608 75.2 372.8 636 Oil % Water % Gas % 18.62 10.19 2.04 9.57 7.73 2.36 71.81 82.08 95.60

Ownership

Ownership of all zones is identical so correlative rights will not be compromised.

State / Federal Land Notification

Well is on a fee lease.