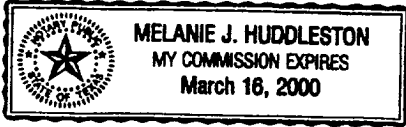




SUBSCRIBED AND SWORN TO before me this 6<sup>th</sup> day of May, 1998



Melanie J. Huddleston  
Notary Public - State of Texas

My Commission expires: 3/16/2000

FOR OIL CONSERVATION DIVISION USE ONLY:

VIII. CERTIFICATION OF APPROVAL:

This Application for Qualification of a Production Restoration Project is hereby approved and the above referenced Well is designated as a Production Restoration Project pursuant to the "Natural Gas and Crude Oil Production Incentive Act" (Laws 1995, Chapter 15, Sections 1 through 8). By copy of this Application and Certification of Approval, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that production was restored in this Production Restoration Project on:

9-12, 1997

[Signature]  
District Supervisor, District 1  
Oil Conservation Division **Geologist**  
Date: 5/12/98

IX. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT.  
DATE: \_\_\_\_\_

Submit 3 Copies  
to Appropriate  
District Office

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-103  
Revised 1-1-89

DISTRICT I  
P.O. Box 1980, Hobbs NM 88241-1980

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-08752
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	B-1732
7. Lease Name or Unit Agreement Name	HARRY LEONARD (NCT-D)
8. Well No.	1
9. Pool name or Wildcat	EUNICE; SEVEN RIVERS QUEEN, SOUTH
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3545'

**SUNDRY NOTICES AND REPORTS ON WELL**  
(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  
P.O. Box 1150, Midland, TX 79702

4. Well Location  
Unit Letter H : 1650 Feet From The NORTH Line and 330 Feet From The EAST Line  
Section 3 Township 22S Range 36E NMPM LEA County

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: _____ <input type="checkbox"/>		OTHER: <u>REPAIRED CSG</u> <input checked="" type="checkbox"/>	

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.

ISOLATED CSG LEAK 539' -570'. PPD 300 SX CL "C". CIRC CMT UP SURF. DRILLED CMT TO 595'. CIRC HOLE CLEAN. RIH W/PROD TBG. RETURNED WELL TO PRODUCTION.

WORK PERFORMED 9/9/97 - 9/12/97

RECEIVED

OCT 17 1997

MIDLAND

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

SIGNATURE J. K. Ripley TITLE TECHNICAL ASSISTANT DATE 9/22/97

TYPE OR PRINT NAME J. K. RIPLEY TELEPHONE NO. (915)687-7148

(This space for State Use)

Orig. Signed by  
Paul Kartz  
Geologist

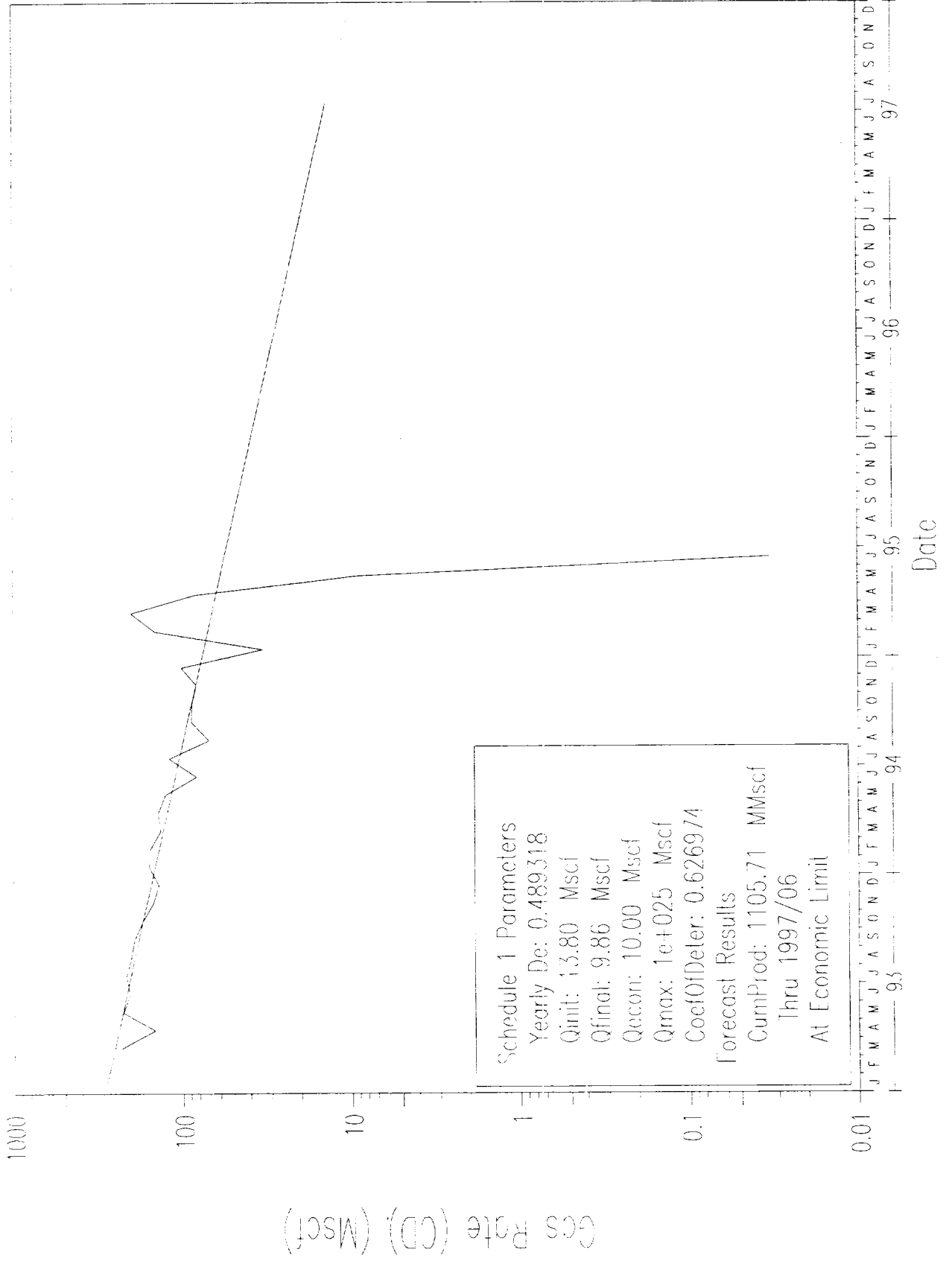
APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE OCT 07 1997

CONDITIONS OF APPROVAL, IF ANY:

NAME: EDWARDS UNIT D/ 1

WELL: LUNCI SOUTH

WELL: FA98120:01



Cum. Gas Production: 1105.71 MMscf

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SCHEDULE 1

Start Date: 1997/07  
 Monthly Effective Decline (De): 0.054462  
 Yearly Effective Decline (De): 0.489318

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DATE	AVERAGE DAILY RATE Mscf	MONTHLY FORECAST PROD. MMscf	CUM. PROD. MMscf
1997/07	13.42	0.42	1106.12
1997/08	12.69	0.39	1106.52
1997/09	12.00	0.36	1106.88
1997/10	11.35	0.35	1107.23
1997/11	10.73	0.32	1107.55
1997/12	10.14	0.31	1107.87

LEASE : LONARD H /NCT D/ 1

FIELD : EUNICE SOUTH

WELL: FA98120:01

