

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised August 1, 2011

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

WELL API NO. 30-015-40842
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name WEST SHUGART 2 19 30 STATE
8. Well Number 3H
9. OGRID Number 4323
10. Pool name or Wildcat BENSON; BONE SPRING (5200)

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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Chevron USA, Inc.	
3. Address of Operator 15 Smith Road Midland, TX 79705	
4. Well Location Unit Letter <u>D</u> : <u>1195'</u> feet from the <u>West</u> line and <u>150'</u> feet from the <u>West</u> line Section <u>2</u> Township <u>19S</u> Range <u>30E</u> NMPM County <u>Eddy</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3473' GR	

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

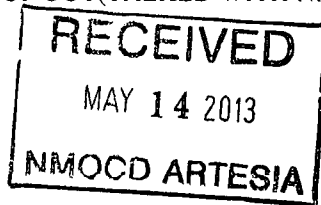
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: Spud Well/Set Surface Casing <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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

ON 5/6/2013, SPUD WELL W/LARGE DRILLING RIG @ 1630 HOURS.

DRILLED 17 1/2" HOLE TO 650'. MAKE UP SHOE TRACK : FS, 1 JT 13.375, FC AND 1 JT 13.375. WITH 2 BOWSPRING CENTS, TEST FLOAT, RUN 15 JTS OF 13.375, H-40, 48# CASING CENTRALIZING EVERY 4TH JT. NO RETURNS. R/U AND RUN CEMENT TEMP LOG ON WIRE LINE, TAGGED CEMENT INSIDE 13 3/8" CSG @ 320' NOTIFIED OCD OF TEMP. LOG RESULTS AND GOT THE OK TO DO TOP OUT (TALKED WITH NMOCDS LAURA TULK AND RANDY DADE @ 9:30 AM).

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Spud Date:

Rig Release Date:

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

SIGNATURE [Signature] TITLE Regulatory Specialist II DATE 05/13/2013

Type or print name Bryan Arrant (Agent for Chevron) E-mail address: bryan.arrant@chk.com PHONE: (405)935-3782

For State Use Only

APPROVED BY: [Signature] TITLE Dist H Supervisor DATE 5/15/2013

Conditions of Approval (if any):

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WEST SHUGART 2 19 30 STATE 3H  
UNIT D, SEC. 2, T-19-S R-30-E  
EDDY CO., NM  
30-015-40842

(SET SURFACE CASING, CONT.)

5/9/2013:

P/U 1" PIPE FOR CEMENT TOP JOB AND TAG CEMENT @ 472', SAFETY MEETING W/ SCHLUMBERGER, PUMP 15 BBLS OF FW, PUMPED 32 BBLS OF CEMENT (110 SKS OF CLASS C, 1.65 YIELD, MIX 8.6, 13.7 PPG) @ 1 BBL/MIN W/ 900 PSI, AND LOST RETURNS. TALKED WITH OCD (LAURA TULK) AT 11:50 AM WITH CEMENT TAG DEPTH WITH TOP OUT PIPE, CALLED AND LEFT A MESSAGE AT 1:45 PM OF NO RETURNS ON TOP OUT. DANIEL GIPSON SPOKE WITH OCD AND GOT THE OK TO DO SECOND TOP OUT.

P/U 1" FOR TOP JOB # 2 AND TAG CEMENT @ 296', SAFETY MEETING W/ SCHLUMBERGER, PUMP 30 BBLS OF FW, PUMPED 50 BBLS OF LEAD CEMENT (171 SKS OF CLASS C, 1.65 YIELD, MIX 8.6, 13.7 PPG) @ 1 BBL/MIN W/ 500 PSI. GOT 10 BBLS OF CEMENT TO SURFACE. CALLED OCD AND LEFT A MESSAGE AT 7:20 PM OF A GOOD CEMENT JOB.

5/10/2013 THROUGH 5/11/2013 (SUMMARY):

CHANGE OUT HRYDRIL CAP SEALS. TEST HYDRIL TO 250 LOW AND 3,500 HIGH TESTS GOOD. FILL PIPE, LINE UP CHOKE MANIFOLD, TEST CSG TO 1,200 PSI FOR 30 MINS. TEST GOOD. RESUME DRILLING OPEN HOLE @ 0930 HOURS ON 5/11/2013.