

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTOil Cons.
N.M. DIV-Dist. 2
1301 W. Grand Avenue
Artesia, NM 88210FORM APPROVED
OMB No. 1004-0135
Expires January 31, 2004**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

ChevronTexaco

3a. Address

15 Smith Rd, Midland, TX 79701

3b. Phone No. (include area code)

432-687-7331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Section 22, T17S - R31E

#940 - 990' FNL & 330' FWL #941 - 990' FNL & 1650' FWL

5. Lease Serial No.

NM-98122

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Skelly Unit Nos. 940 & 941

9. API Well No.

30-015-32599 & 30-015-32600

10. Field and Pool, or Exploratory Area

FREN Paddock

11. County or Parish, State

Eddy, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☒ Notice of Intent☐ Subsequent Report☐ Final Abandonment Notice☐ Acidize☐ Alter Casing☐ Casing Repair☐ Change Plans☐ Convert to Injection☐ Deepen☐ Fracture Treat☐ New Construction☐ Plug and Abandon☐ Plug Back☐ Production (Start/Resume)☐ Reclamation☐ Recomplete☐ Temporarily Abandon☐ Water Disposal☐ Water Shut-Off☐ Well Integrity☒ Other TemporaryFlaring of
Casinghead gas

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

~200MCF of

ChevronTexaco intends to flare/casinghead gas from its Skelly Unit Wells 940 & 941. The wells were recently completed but we are unable to sell the gas due to the CO₂ content of 6%. The Maljamar Frontier plant has refused to take the gas until it reaches contract specs of 4%. The wells need to be produced to reduce the CO₂ content of the gas. Additionally, 180 BOPD is shut in. We expect the flaring to last up to 20 days.

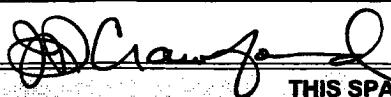
14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

J. D. Crawford

Title

SR. Petroleum Engineer

Signature



Date

12-18-03

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

(ORIG. SGD.) ALEXIS C. SWOBODA

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

PETROLEUM ENGINEER

Date

DEC 22 2003

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations or to any matter within its jurisdiction.

(Instructions on reverse)

Accepted for record - 11/18/03