

DISTRICT I P.O. Box 1980, Hobbs, NM 88240
DISTRICT II P.O. Box Drawer DD, Artesia, NM 88210
DISTRICT III 1000 Rio Brazos Rd., Aztec, NM 87410

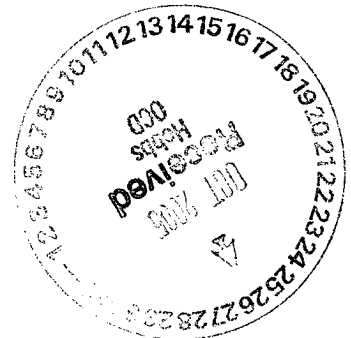
OIL CONSERVATION DIVISION P.O. Box 2088 Santa Fe, New Mexico 87504-2088

WELL API NO. 30-025-06816
5. Indicate Type of Lease STATE [] FEE [x]
6. State Oil / Gas Lease No.
7. Lease Name or Unit Agreement Name J.N. CARSON (NCT-A)
8. Well No. 10
9. Pool Name or Wildcat PENROSE SKELLY GRAYBURG
10. Elevation (Show whether DF, RKB, RT,GR, etc.) 3442' GL

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMI (FORM C-101) FOR SUCH PROPOSALS.
1. Type of Well: OIL WELL [x] GAS WELL [] OTHER []
2. Name of Operator CHEVRON USA INC
3. Address of Operator 15 SMITH RD, MIDLAND, TX 79705
4. Well Location Unit Letter J : 1980' Feet From The SOUTH Line and 2180' Feet From The EAST Line
Section 28 Township 21-S Range 37-E NMPM LEA COUNTY
10. Elevation (Show whether DF, RKB, RT,GR, etc.) 3442' GL

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data
NOTICE OF INTENTION TO:
PERFORM REMEDIAL WORK [] PLUG AND ABANDON []
TEMPORARILY ABANDON [] CHANGE PLANS []
PULL OR ALTER CASING []
OTHER: []
SUBSEQUENT REPORT OF:
REMEDIAL WORK [] ALTERING CASING []
COMMENCE DRILLING OPERATION [] PLUG AND ABANDONMENT []
CASING TEST AND CEMENT JOB []
OTHER: REPAIR CASING LEAK [x]

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.
9-30-05: MIRU. TIH W/BIT, X-O, 100 JTS PICKING UP 2 7/8" WS TO 3120.
10-03-05: TAG @ 5482, 175 JTS TOTAL. TIH TO 3656. SET PKR. TEST CSG TO 550#. OK. TIH TO 40903. SET PKR. NO HOLD. TIH TO 4650. SET PKR. NO HOLD. TIH TO 5440. SET PKR. HELD. TOP OF CSG GOOD @ 4044. BTM @ 5440.
10-04-05: TOH W/WS, RBP & PKR. TIH W/CMT RET TO 4044.
10-05-05: PUMP 100 SX CL C D903, 48#-D065, 70# D167, 23#-S001. PUMP @ 1.5 BBL MIN @ 1405#. HESITATE SQZ SHUTTING DN 4 TIMES TO 2550#. LEAVE 5 BBLS IN TBG. STING OUT OF CMT RET. WOC.
10-06-05: TIH W/BIT & TAG @ 3880. POOH UP TO 2882.
10-07-05: TIH W/BIT TO 3880. DRILL 3880-4044. POOH UP TO 2880.
10-10-05: TIH W/PPI TOOLS, 129 JTS OF WS.
10-11-05: TIH TO 3957. ACIDIZE 3656-3957 W/4400 GALS 15% ANTI-SLUDGE HCL.
10-12-05: WELL FLOWING. RU SWAB. PUMP SCALE CHEMICAL, FLUSH W/200 BBLS 8.6 BRINE.
10-13-05: PUMP 39 BBLS TO KILL WELL. LD 114 JTS.
10-14-05: TIH W/2 7/8" PROD TBG, 125 JTS. PU RODS. SPACE OUT RODS. LOAD & TEST TO 500#.
10-17-05: RIG DOWN. FINAL REPORT



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 10/25/2005
TYPE OR PRINT NAME Denise Pinkerton Telephone No. 432-687-7375

(This space for State Use)
APPROVED Gary W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER DATE NOV 09 2005
CONDITIONS OF APPROVAL, IF ANY: TITLE DATE