| Submit 1 Copy To Appropriate District  | State of New Mexico           |                     |  | Form C-103              |
|--|-------------------------------|---------------------|--|-------------------------|
| Office District 1 – (575) 393-6161  Energy, Minerals and Natural Resources   |                               | ral Resources       |  | Revised July 18, 2013   |
| 1625 N. French Dr., Hobbs, NM 88240  |                               |                     | WELL API NO.   |                         |
| District II – (575) 748-1283<br>811 S. First St. Artesia, NM 88210 63888 OIL CONSERVATION DIVISION   |                               |                     | 30-025-33466   | CI                      |
| District III – (505) 334-6178 HOBBS OCD 1220 South St. Francis Dr.   |                               |                     | 5. Indicate Type of STATE  | FEE 🛛                   |
| 1000 Rio Brazos Rd., Aztec, NM 87410 Santa Fe, NM 87505  |                               | 6. State Oil & Gas  |  |                         |
| District IV – (505) 476-3460<br>1220 S. St. Francis Dr., Santa Fe, NMEC 1 3  | 3 2013 Santa 1 6, 1111 67     | 303                 | o. State Off & Gas   | s Lease No.             |
| 8/303  | S AND REPORTS ON WELLS        |                     | 7 I nose Nome on   | Unit Agreement Name     |
| (DO NOT USE THIS FORM FOR PROPESSION   |                               |                     | 7. Lease Name of   | Ollit Agreement Name    |
| DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH  |                               |                     | SV CHIPSHOT  |                         |
| PROPOSALS.)  |                               |                     | 8. Well Number   | #1                      |
| 1. Type of Well: Oil Well Gas Well Other   |                               |                     | 9. OGRID Numbe   |                         |
| 2. Name of Operator CHEVRON USA INC  |                               |                     | 4323   | 51                      |
| 3. Address of Operator   |                               |                     | 10. Pool name or Wildcat   |                         |
| 15 SMITH RD, MIDLAND, TX 79705   |                               |                     | LOVINGTON,W  | OLFCAMP,N(GAS)          |
| 4. Well Location   |                               |                     |  |                         |
| Unit Letter K: 2164 feet from the SOUTH line and 1362 feet from the WEST line  |                               |                     |  |                         |
| Section 11 Township 16S Range 36E NMPM County LEA  |                               |                     |  |                         |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)   |                               |                     |  |                         |
|  |                               | -                   |  |                         |
|  |                               |                     |  | <b></b>                 |
| 12. Check Ap   | propriate Box to Indicate N   | ature of Notice,    | Report or Other  | Data                    |
| NOTICE OF INTENTION TO: SUB  |                               |                     | SEQUENT REI  | PORT OF:                |
| PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ REMEDIAL WOF  |                               |                     | RK ALTERING CASING   |                         |
| TEMPORARILY ABANDON  |                               |                     | LLING OPNS.□   | P AND A                 |
| PULL OR ALTER CASING   MULTIPLE COMPL   CASING/CEMENT  |                               |                     | T JOB 🔲  |                         |
| DOWNHOLE COMMINGLE   |                               |                     |  |                         |
| CLOSED-LOOP SYSTEM   |                               |                     |  | _                       |
| OTHER:   |                               |                     | L MIT CHART ATT  |                         |
| 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.  This Approval of Temporary 12/12/16   |                               |                     |  |                         |
| Chevron has TA'd well and chart attached with Procedure as follows:  Abandonment Expires   |                               |                     |  |                         |
| 06/20/13 Bleed down well 20 PSI, work tubing hanger loose at wellhead, tried to work stuck pump, could not get pump  |                               |                     |  |                         |
| Lose, talked to Engineer, Pump 120 bbls 2% K Cl. down casing tried to work strick in the strick of t |                               |                     |  |                         |
| 10 West off vacuum work stick nimp no movement Plantable (RW/WC) and north-line 25 to the  |                               |                     |  |                         |
| Bbls movement, RU pump truck, spot 1000 Gal 15% HCL down tubing, let soak 40 min, work stuck pipe no pump came   |                               |                     |  |                         |
| Lise Copuling 02, 15, 51, 51, 51, 51, 51, 51, 51, 51, 51   |                               |                     |  |                         |
| 06/24/13 Bleed well, RU spooler, Fin POOH w/tubing and ESP Pump, came out with half of ESP, Left I seal, 2 motors  |                               |                     |  |                         |
| minor, Top 1 lange on Seat 9.30 VID. RD Spooler: LD ENP notified planner of what equipment ages in balanceing a c. c.  |                               |                     |  |                         |
| receiped action with the Still |                               |                     |  |                         |
| 06/25/13 Bleed well to Frac tank, waited on Response from Planner and Engineer, Prep and new tools, POOH w/KS, TIH   |                               |                     |  |                         |
| Will de la   |                               |                     |  |                         |
| mill, RIH w/Kill String SDON.  06/26/13. Bleed well, POOH w/Kill String, Working mill in tight spot, LD Mill, TIH w 4 11/16' OD Shoe, Jars, 6-3 ½,   |                               |                     |  |                         |
| 06/26/13 Bleed well, POOH w/Kill   | String, Working mill in tight | spot, LD Mill, TH   | I w 4 11/16' OD SI   | noe. Jars. 6-3 1/2      |
| Drin contais and tubing, tagged (a) I  | 0562 Rig up power swivel cut  | over top of fish, R | D power swivel, s  | fart out of hole w/shoe |
| Let kill string in hole SDON.  |                               |                     | to the state of th |                         |
| Spud Date:   | Rig Release Da                | ate:                |  |                         |
|  |                               |                     |  |                         |
|  |                               |                     |  |                         |
| I hereby certify that the information above is true and complete to the best of my knowledge and belief.   |                               |                     |  |                         |
| SIGNATURE CINCAL MINISTER TO THE PERMITTING SPECIALIST DATE 12/11/2013   |                               |                     |  |                         |
| SIGNATURE  |                               |                     |  |                         |
| Type or print name <u>CINDY HERRERA-MURILLO</u> E-mail address: <u>Cherreramurillo@chevron.com</u> PHONE: <u>575-263-0431</u>  |                               |                     |  |                         |
| For State Use Only   |                               |                     |  |                         |
| APPROVED BY: Majure Trown TITLE Compliance Officer Date 1/7/2014   |                               |                     |  |                         |
| Conditions of Approval (if any)  |                               |                     |  |                         |
| · · · · · · · · · · · · · · · · · · ·  |                               |                     | JANU   | Q                       |

SV Chipshot #1 API# 30-025-33466

06/27/13 Bleed well, FIN POOH w/tubing, LD Shoe, PU Turn down overshot 4 11/16' OD with 4' grap, RIH w/overshot and tubing, work over fish and catch @10562, Work stuck fish no movement, RU Petroplex, spot 14 bbls X-25 w/20 bbls BW, Let soak overnight, Secure well SDON.

06/28/13 Pump 20 bbw down casing, beat down on fish for 3 hrs, worked loose, worked up and down wellbore 60' while pumping BW @ 3 BPM, Work up through perfs and POOH with fish hanging up in casing collars. POOH to 910' Unable to work fish through Casing collar, work to get through collar for 1hr, Secure well SDOWE.

07/01/13 Bleed well to Frac Tank, try to work by tight spot, unsuccessfull, PU string Mill, RIH w/ String mill, Ream from 885-1014, Small torq @ 971, Did not hang up, POOH w/mill, attempt to fish still hanging @ 910, Try to work past tight spot, No luck, Secure well, SDON.

07/02/13 Repair brakes on PU #319, found multiple problems with brake system on rig, Key will PU all rig time for brake repairs, SDON.

07/03/13 PU 4 ¾' string mille, 2-3 ½ DC, 4 11/16 string swage, TIH w/tubing and mill, ream out tight spots @ 401, 458, 495,655, 971, TOOH, LD Swage and mill, drag fish out of hole, LD rest of ESP Pump and DC, RIH with Kill String.

07/08/13 Open well, POOH w/KS, RU wireline (BWWC), RIH w/ 4.5 gage ring, tagged @ 11026, POOH with gage ring, had 2 bands and 7' of armor, RIH w/3.65 gage ring, tagged again @ 11026, POOH w/gage ring, RD wireline PU 3 ¾' Bulldog bailer, cleaned out from 11026'-11047', Could not make any more hole, POOH w/10 stds, Secure well, SDON.

07/09/13 Open well, Attempted to clean out, No Luck, Rig up Power Swivel, Worked and clean out from 11047'-11112' (Very Hard), Continued to clean out to 11450, POOH, LD Bailer and DC. RIH w/Kill String, Secure well, SDON.

07/10/13 Open well, POOH w/Kill string, RU BWWC wireline truck, Run 4.34' Gage Ring to 11432' felt it hanging up, POOH w/gage ring, RIH 3 ½ Dump Bailer, Tag @ 11447' Dump 28' Cement, Run CIBP and set @ 10496\_Dump 52' cement on top, load and test to 500 PSI for 30 Min, No leaks, SDON

07/11/13 Open well, ND annular to Lower floor, TIH w/tubing, RU Pump Truck, Pumped 245 BRRL, Displace hole w/ 4% KCL Pkr Fluid, RD Pump Truck, LD all Prod tubing SDON.

