Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

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

RECEIVED
FEB 16 2011
HOBBSOCD

Form C-103
June 19, 2008

WELL API NO. 30-025-10313	
5. Indicate Type of Lease STATE ☒ FEE ☐	
6. State Oil & Gas Lease No.	
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.)	7. Lease Name or Unit Agreement Name R.E. COLE NCT-A
1. Type of Well: Oil Well ☒ Gas Well ☐ Other	8. Well Number 1
2. Name of Operator CHEVRON	9. OGRID Number 4323
3. Address of Operator 15 SMITH ROAD, MIDLAND, TEXAS 79705	10. Pool name or Wildcat PENROSE SKELLY; GRAYBURG
4. Well Location Unit Letter P: 660 feet from the SOUTH line and 660 feet from the EAST line Section 16 Township 22-S Range 37-E NMPM County LEA	
	11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*

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

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: INTENT TO TEMPORARILY ABANDON		OTHER:	

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

CHEVRON U.S.A.INC. INTENDS TO TEMPORARILY ABANDON THE SUBJECT WELL UNTIL IT CAN BE UTILIZED AS FUTURE HORIZONTAL OPPORTUNITY.

PLEASE FIND ATTACHED, THE INTENDED PROCEDURE AND WELLBORE DIAGRAM

Spud Date: Rig Releas

Condition of Approval: Notify OCD Hobbs office 24 hours prior to running MIT Test & Chart

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 02-15-2011

Type or print name DENISE PINKERTON E-mail address: leakejd@chevron.com PHONE: 432-687-7375

For State Use Only

APPROVED BY: TITLE STAFF MGR DATE 2-17-2011

Conditions of Approval (if any):

Cole A # 1 **February 14, 2011**
Penrose Skelly Field
T22S, R37E, Section 16
Cost Center: U490600
Job: TA Grayburg

Procedure:

1. ***This procedure is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of 2/14/2011. Verify what is in the hole with the well file in the Eunice Field office. Discuss w/ WEO Engineer, Workover Rep, OS, ALS, and FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.***

1. Displace flowline with fresh water. Have field specialist close valve at header. Pressure line according to the type of line. Buried fiberglass lines will be tested with 300 psi. All polypipe (SDR7 and SDR11) will be tested w/100 psi. All steel lines will be tested w/500 psi. If a leak is found, contact Donnie Ives for repair/replacement. If test is good, bleed off pressure and **open valve** at header. Document this process in the morning report. . **Note: Prior to performing this step of the procedure, ensure that all valves, pipe, and fittings that will be exposed to test pressure are rated higher than the planned test pressure.**

2. MI & RU pulling unit. Bleed pressure from well, if any. Pump down casing with 8.6 PPG cut brine water, if necessary to kill well. POH LD rods and pump. ND WH. Release TAC. NU BOP and test it. POH with 2 7/8" production tubing string. Send rods to 1788. Talley tbg out of the hole. LD tbg ancor & BHA. **NOTE: No tbg/rod details and logs can be found in the Midland files. 2 7/8" tbg is being assumed please be prepared for 2 3/8" tbg.**

3. GIH with 7" 23# w/ CIBP and 2 7/8" tbg string to 3200'. Set CIBP at +/- 3250'. **(within ~ 100 ft of csg shoe).** Reverse circulate well clean from 3200' using corrosion inhibited fresh water. Pressure test csg and CIBP to 500 psi. POH LD 2 7/8" tbg string.

5. ND BOP's and NU WH. Install tapped bullplug, ½" ball valve and pressure gauge in top of wellhead.

6. Notify NMOCD of MIT Test, at least 48 hrs in advance. Pressure test 7" csg to 500 psi and record chart for NMOCD. Send charts to Denise Pinkerton, (JLBM@chevron.com), along w/ daily WO report for filing w/ NMOCD.

NS
02/14/2011

WELL DATA SHEET

FIELD: Penrose Skelly | WELL NAME: R.E. Cole A #1 | FORMATION: Grayburg

LOC: 660' FSL & 660' FEL
TOWNSHIP: 22S
RANGE: 37E
LOT: P

SEC: 16
COUNTY: Lea
STATE: NM

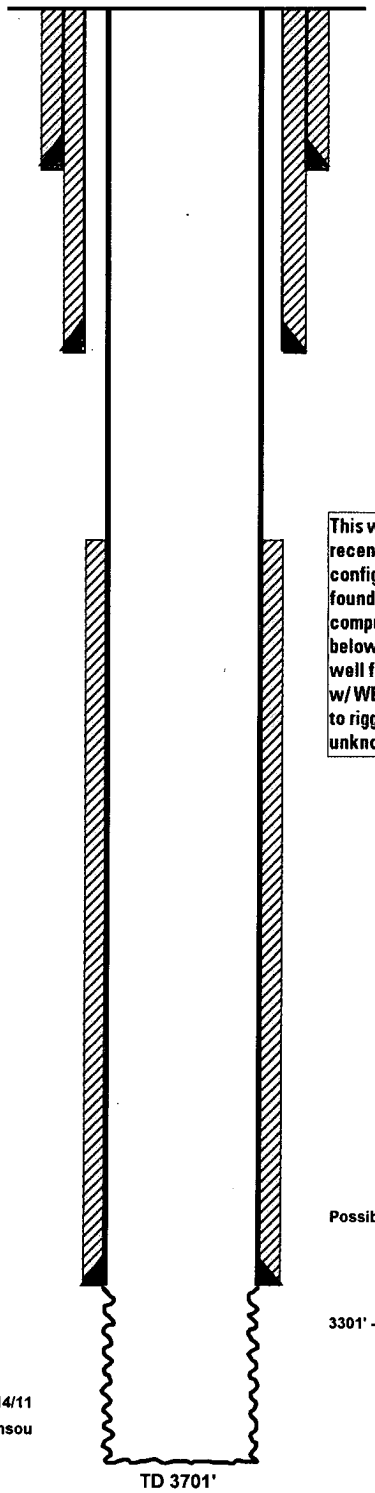
GL:
KB to GL:
DF to GL:

CURRENT STATUS:
API NO: 30-025-10313
REFNO: FB1307

Date Completed: 7-6-37
Initial Formation: Grayburg

13-3/8", 27.8# Csg
Set @ 32' Cmt w/ 40 sxs

8-5/8", 32# Csg
Set @ 1131' w/ 600 sx
Circulated.



This wellbore diagram is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of the update date below. Verify what is in the hole with the well file in the Eunice Field Office. Discuss w/ WEO Engineer, WO Rep, OS, ALS, & FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.

Possible 5 1/2" liner

7", 22# Csg
Set @ 3301' w/ 125 sx
TOC @ 1860' calc.

3301' - 3701' OPEN HOLE

2/14/11
nsou

TD 3701'