Oil Cons. N.M. DIV-Dist. 2 1301 W. Grand Avenue Artesia, NM 88210

UNITED STATES Form 3160-5 Budget Bureau No. 1004-0135 (June 1990) DEPARTMENT OF THE INTERIOR Expires: March 31 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. NM-98122 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals 7. If Unit or CA, Agreement Designation SUBMIT IN TRIPLICATE l Type of Well Nell Well 8. Well Name and No. Well Name of Operator Skelly Unit #938 Chevron USA Inc. 9. API Well No. 3. Address and Telephone No. 8 30-015-32597 P.O. Box 960, Artesia, NM 88211-096@ 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, Sec., T. R., M. or Survey Description) Fren Paddock 11. County or Parish, State 330 FNL & 1650 FEL, Sec. 21 T17S R31E, B Eddy, NM 12 CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Change of Plans Abandonment Recompletion New Construction Subsequent Report Non-Routine Fracturing Plugging Back Water Shut-Off Casing Repair Final Abandonment Notice Altering Casing Conversion to Injection Completion (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 13 Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)* 06/28/2003 Drill out DV tool. 06/30/2003 Perforated 4870.5-5141.5' 107 holes. 07/01/2003 Acidized w/2000gals 15% NEFE. 07/02/2003 Reacidized w/32,000 gals 20%, 54,000 gals 40# gel, 5000 gals 15% acid and 2500 gals fresh water flush. 07/03/2003 RIH w/169 joints 2 7/8" EUE 8rd tubing SN @ 5169', RIH w/2 1/2 x 2 x 16' pump. ACCEPTED FOR RECORD SEP - 10 2003 ALEXIS C. SWOE PETROLEUM ENGINEER 14. I hereby certify that the foregoing is true and correct 9/4/2003 Production Analyst Title Signed (This space for Federal or State office use)

Title 18 U.S.C. Section 1001, makes 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 as to any matter within its jurisdiction