

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC029419A
2. Name of Operator CHEVRON USA INCORPORATED		6. If Indian, Allottee or Tribe Name
Contact: KANICIA CARRILLO E-Mail: kcarrillo@conchoresources.com		7. If Unit or CA/Agreement, Name and/or No. NMNM71030X
3a. Address 550 WEST TEXAS AVE MIDLAND, TX 79701	3b. Phone No. (include area code) Ph: 432-685-4332	8. Well Name and No. SKELLY UNIT 981
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T17S R31E NENE 330FNL 990FEL 32.82634 N Lat, 103.85159 W Lon		9. API Well No. 30-015-36516-00-X1
DEC - 2 2008 OCD-ARTESIA		10. Field and Pool, or Exploratory FREN
		11. County or Parish, and State EDDY COUNTY, NM

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Well Spud

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.)

10/30/08 Spud 17-1/2" @ 2:00am. TD 17-1/2" @ 445'. Ran 10jts 13-3/8 H40 48# @ 445'. Cmt w/ 475sx C. Circ 161sx. PD @ 9:15pm. WOC 18hrs. Tested BOP to 2000# for 10 min, ok.
11/01/08 TD 11" @ 1817'. Ran 45jts 8-5/8 J55 32# @ 1817'. Cmt w/500sx C, 200 sx C. Circ. 198sx. PD @ 9:00am. WOC 12hrs. Test BOP to 2000# for 10 min, ok.
11/13/08 TD 7-7/8" @ 6505'.
11/15/08 Ran 141jts 5-1/2 L80 17# @ 6505'. Cmt w/ 600sx C, 400sx C. Circ 172sx. PD @ 2:00am. WOC 12hrs. Tested csg to 600# for 20min, ok. RR.

Spud Notice

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #64998 verified by the BLM Well Information System For CHEVRON USA INCORPORATED, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 11/24/2008 (09KMS0381SE)	
Name (Printed/Typed) KANICIA CARRILLO	Title PREPARER
Signature (Electronic Submission)	Date 11/21/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 11/29/2008
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.		2008
Office Carlsbad		

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 as to any matter within its jurisdiction.