

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

Form C-103
May 27, 2004

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

WELL API NO. 30-045-33426
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No. RCVD NOV 20 '07
7. Lease Name or Unit Agreement Name Tafoya L2 (302866 Property Code)
8. Well Number 3 OIL CONS. DIV.
9. OGRID Number 241333 DIST. 3
10. Pool name or Wildcat Basin Fruitland Coal (71629)

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)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator
Chevron Midcontinent, L.P.

3. Address of Operator
15 Smith Road Midland, Texas 79705 (c/o Alan W. Bohling, Room 4205)

4. Well Location
Unit Letter E : 1617 feet from the North line and 747 feet from the West line
Section 35 Township 32-N Range 13-W NMPM San Juan County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
5,892' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. 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 ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Well Records-New Well Completion ☒

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 Midcontinent, L.P. respectfully submits this Subsequent Report for your approval for work done on this new well completion in the Basin Fruitland Coal per the following and/or attached Continuation Page 2 and Wellbore Diagram:

8/31/2007 - RU SCHLUMBERGER ; RAN RST/GR/CCL LOG ; TAG BTM AT 2237' ; RAN LOG F/ 2228' TO 1400' ; POOH ; WIH W/ CBL/ GR/ CCL. RAN CBL F/ 2228' TO SURFACE W/OUT PSI ; TOP OF CEMENT = + 900' COULD BE HIGHER , MADE 1000# PSI PASS F/ 2228' TO SURFACE ; NO CHANGE IN CEMENT ; WIH W/ 6.25" GAUGE RING W/ 3.125" CCL F/ 2229' TO 1650' ; POOH & RD SCH INSTALLED 7 1/16" - 5M RENTAL HEAD W/ 7 1/16" FRAC VALVE; TESTED VOID TO 3000# ; OK ; TESTED VALVE & CASING TO 4500# - OK ;

9/14/2007 - MIRU SCHLUMBERGER E-LINE SERVICE. PU LUBRICATOR, ARM GUNS, RIH W/ PERF GUNS TIE IN TO RST LOG, PUT GUNS ON DEPTH, PERF F/ 2157'-2142', & F/ 2128'-2142', (TOTAL 116, .41" HOLES). POOH RU HES FRAC EQUIPMENT. FRAC THE LOWER COAL AS FOLLOWS, TEST LINES TO 5000 PSI, PUMPED 1500 GAL 15% HCL ACID, FRAC W/ 107,625 GALS GEL CARRYING 171,583# 20/40 BRADY SAND PU LUB, RIH W/ 6.1" GR TO 2060', POOH, PU 7" CBP, RIH & SET AT 2050' ELM, POOH, TEST CBP TO 4000 PSI, TEST GOOD, PU PERF GUNS & PERFORATE F/ 2030'-32' & 2020'-27', & 2010'-15', (TOTAL 56 , .41" HOLES). POOH, FRAC THE MIDDLE COAL AS FOLLOWS, PUMP 500 GAL 15% HCL, FRAC W/ 45,505 GALS GEL CARRYING 65,069# 20/40 BRADY SAND.

9/15/2007 - CHECK WELL - 0 PSI (VAC), PU LUBRICATOR, RIH W/ 6 10 GAUGE RING TO 1970' ELM, POOH, PU 7" WEATHERFORD CBP, RIH W/ SAME, SET AT 1960' ELM POOH, TEST CBP TO 3000 PSI. TEST GOOD, BLEED DOWN, PU & RIH W/ PERF GUNS PUT GUNS ON DEPTH, PERF THE UPPER COAL F/ 1930'-35' & F/ 1896'-1901' (TOTAL 40, .41" HOLES). POOH, RDMO SCHLUMBERGER FRAC THE UPPER COAL AS FOLLOWS PUMP 500 GAL 15% HCL, FRAC W/ 28,359 GALS GEL CARRYING 35,226# 20/40 BRADY SAND RDMO HES

(Please see attached Continuation Page 2 and Wellbore Diagram)

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 11/15/2007

Type or print name: Alan W. Bohling E-mail address: ABohling@chevron.com Telephone No. 432-687-7158

For State Use Only

APPROVED BY: H. Villanueva TITLE Deputy Oil & Gas Inspector, District #3 DATE 11/21/07
Conditions of Approval (if any):

TAFOYA L2 # 3
(API # 30-045-33426)
1617' FNL & 747' FWL
UL E, Sec. 35, T-32-N, R-13-W
San Juan County, New Mexico

9/19/2007 - MOVING EQUIP, TEMPORARILY DROP FROM REPORT

11/1/2007 - MOVE IN & RU RIG & EQUIP. WELL ON VACUUM. ND FRAC VALVE. INSTALL 2 7/8" HANGER IN HEAD. NU BOP RIG UP BOP TESTER. TEST PIPE & BLIND RAMS 2000 PSI HIGH / 250 PSI LOW. RIG UP PUMP LINES. RACK OUT 2 7/8" WORK STRING

11/2/2007 - TIH W/ 6 1/8" MILL, BIT SUB, SN & 2 7/8" WS. TAG FILL @ 1832' KB (CBP @ 1960' KB) RU POWER SWIVEL. START UP FOAM UNIT, DRILL & CIRC OUT SAND DOWN TO CBP @ 1960' KB. DRILL OUT CBP @ 1960' KB POOH. MU TBG. RIH & TAG FILL @ 2028' KB NOTE: NEXT CBP @ 2050' KB LD 1 JT, STAND BACK POWER SWIVEL. PUH W/ TBG- EOT @ 1827' KB, ABOVE PERFS.

11/5/2007 - OPEN WELL W/ 320 PSI SICP. BLOW DOWN TO TANK. RIH, RU POWER SWIVEL, BREAK CIRC W/ AIR-FOAM UNIT TAG REMAINS OF CBP AT 2028'. DO CBP & CIRC OUT FRAC SAND TO 2042'. CIRC BTMS UP WASH DOWN TO 2050', TAGGED CBP DO TOP OF CBP & PLUG FELL RIH & TAGGED CBP AT 2066'. DRILLED UP CBP CONTINUE WASHING OUT FRAC SAND TO PBTD AT 2238'. CIRC HOLE CLEAN PUH W/ TBG TO ABOVE PERFS.

11/6/2007 - OPEN WELL W/ 130 PSI. BLOW DOWN TO TANK. RIH W/ TBG TO PBTD. ONLY 0.5' OF FILL. POOH & LD 2 7/8" WS. RIH W/ 1 STD 2 7/8" TBG. RU SL UNIT & LUB. INSTALL TRACER SURVEY TOOL ON SL. RIH W/ TOOL AT 200' PER MIN TO 2235'. RAN SPECTRASCAN LOG FROM 2235' TO 1500'. LOG GOODS OK RD SL UNIT PU BAKER 7" RBP & SETTING TOOL, RIH & SET RBP AT 935'. RELEASE FROM IT. FILL 7" CSG W/ 37 BBL 2% KCL WATER. TEST PLUG TO 500 PSI. OK. POOH W/ 2 7/8" WS. LD SETTING TOOL ND BOPS. ND FRAC WH. NU TBG HD TEST RING GROOVE VOID TO 2800 PSI. NU BOPS. TEST WH, BOPS AGAINST RBP TO 1150 PSI OK

11/7/2007 - OPEN WELL 0 PSI. PU RETRIEVING TOOL, RIH TO RBP. INSTALL TIW IN TBG LATCH RBP. OPEN BY PASS. WELL WENT ON VACUUM. LD 10 JTS 2 7/8" WS. WELL STARTED BLOWING. PUMP 35 BBL WATER. WELL HAD A WEAK BLOW CONTINUE LD 2 7/8" WS. LD 7" RBP CHANGE PIPE RAMS TO 2 3/8" RU BOP TESTERS. TEST PIPE & BLIND RAMS TO 250/2500 PSI OK CHANGE TBG TONGS TO 2 3/8". PU 30' MS, SN, & 70 JTS 2 3/8" TBG, RIH & TAG PBTD AT 2238'. NO FILL. PUH. LD 3 JTS 2 3/8" TBG PU 2-10' PUP JTS. PU TBG HGR LAND HGR. EOT @ 2183' KB. RD FLOOR & TONGS. ND BOPS. NU WH

11/8/2007 - OPEN WELL W/ 140 PSI BLOW DOWN WELL. REMOVE TIW VALVE. INSTALL RADIGAN BOP, PUMPING TEE, BALL VALVES. PU & RIH W/ 2" X 1 1/2" X 24' RWACZDV ROD PUMP, SINKER BARS, & RODS. FILL TBG. TEST TBG AGAINST PUMP TO 500 PSI OK. CHECK PUMPING ACTION OK RD RIG & EQUIPMENT.



Tafoya L2-3
San Juan County, New Mexico
Current Well Schematic as of 11-9-2007
API: 30-045-33426

API: 30-045-33426
Legals: 35-32N-13W
Field: Basin

KB 16'
KB Elev 5908'
Gr Elev 5892'

Geologic Tops:

Ojo Alamo
Kirtland
Fruitland Coal 1893'
Pictured Cliffs 2180'

Spud 8/21/07
Tbg Landed 11/7/07

Surface Casing:

9-5/8", 36#, J-55, 8-Rd, LT&C @ 363' in 12-1/4" Hole
TOC = 0' w/ 225 sks (48 bbls) Type "G" Cement
(circulated 20 bbls (48 sks) to surface)

Tubing Design

1 Jt 2-3/8", 4.7#, J55 (31.6')
2 x 2-3/8" Pup Jts (10' & 10')
66 Jts 2-3/8", 4.7#, J55 (2084')
Seating Nipple (1.1')
Mule Shoe (30')
EOT = 2183.2'

Rod Design

1-1/4" Polished Rod (26')
2 x 3/4" Pony Rods (4' & 8')
76 x 3/4" Rods (1900')
8 x 1-1/4" Sinker Bars (200')
2" Stabilizer Bar (3.25')
Rod Pump (24')
EOR = 2165.25'

Perfs: 4 SPF, 3-1/8: HEGS, 90 degree phasing
1896' - 1901', 1930' - 1935' (40 shots, 0.41")

Frac: 500 gals 15% HCL
Sep-07 35,226 lbs of 20/40 Brady Sand (coated w/ Sand Wedge)
28,359 gals of fluid
Max psi = 2195 psi; Frac gradient = 1.06 psi/ft

Perfs: 4 SPF, 3-1/8: HEGS, 90 degree phasing
2010' - 2015', 2020' - 2027', 2030' - 2032' (56 shots, 0.41")

Frac: 500 gals 15% HCL
Sep-07 65,069 lbs of 20/40 Brady Sand (coated w/ Sand Wedge)
45,505 gals of fluid
Max psi = 2288 psi; Frac gradient = 1.23 psi/ft

Perfs: 4 SPF, 3-1/8: HEGS, 90 degree phasing
2128' - 2157' (116 shots, 0.41")

Frac: 1500 gals 15% HCL
Sep-07 171,583 lbs of 20/40 Brady Sand (coated w/ Sand Wedge)
107,625 gals of fluid
Max psi = 3375 psi; Frac gradient = 1.72 psi/ft

Production Casing: Hole size = 8-3/4" to 2365'

42 jts, 7", 23#, N-80, LT&C (1840.80)
21.68', 7", 23#, N-80 marker joint (31.67' above top of FC)
5 jts, 7", 23#, N-80, LT&C (221.18')
21.05', 7", 23#, N-80 marker joint
3 jts, 7", 23#, N-80, LT&C (133.75')
FC @ 2238.5'
1 jt, 7", 23#, N-80, LT&C (shoe joint) (44.61')
FS @ 2285'

Cmt'd with 210 bbls (907 sks) lead cement, 13.5 ppg, 1.3 cu-ft/sk
TOC = 1100' by CBL ; Returns were 20 bbls to surface

PBTD = 2238.6'

TD = 2365'

Prepared by: James Carpenter
Date: 9/4/2007

Revised by: Joshua Veigel
Date: 11/9/2007