

Submit 1 Copy To Appropriate District Office  
 District I - (575) 393-6161  
 1625 N. French Dr., Hobbs, NM 88240  
 District II - (575) 748-1283  
 811 S. First St., Artesia, NM 88210  
 District III - (505) 334-6178  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 District IV - (505) 476-3460  
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
 Energy, Minerals and Natural Resources

Form C-103  
 Revised August 1, 2011

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

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|---|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(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.)          |  | WELL API NO.<br>30-015-40842  |
| 1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>  |  | 5. Indicate Type of Lease<br>STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator<br>Chevron USA, Inc.  |  | 6. State Oil & Gas Lease No.  |
| 3. Address of Operator<br>15 Smith Road<br>Midland, TX 79705  |  | 7. Lease Name or Unit Agreement Name<br>WEST SHUGART 2 19 30 STATE                                  |
| 4. Well Location<br>Unit Letter <u>D</u> : 1195' feet from the <u>West</u> line and <u>150'</u> feet from the <u>West</u> line<br>Section <u>2</u> Township <u>19S</u> Range <u>30E</u> NMPM County <u>Eddy</u> |  | 8. Well Number <u>3H</u>  |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.)<br>3473' GR  |  | 9. OGRID Number<br>4323   |
|   |  | 10. Pool name or Wildcat<br>BENSON; BONE SPRING (5200)  |

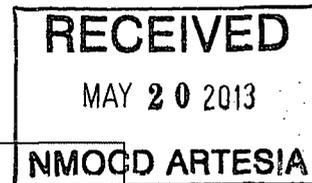
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

|  |  |  |  |
|--|--|--|--|
| <b>NOTICE OF INTENTION TO:</b><br>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/><br>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/><br>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/><br>DOWNHOLE COMMINGLE <input type="checkbox"/> |  | <b>SUBSEQUENT REPORT OF:</b><br>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/><br>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/><br>CASING/CEMENT JOB <input type="checkbox"/> |  |
| OTHER: <input type="checkbox"/>  |  | OTHER: Set Intermediate Casing <input checked="" type="checkbox"/>   |  |

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.

ON 5/13/2013, DRILLED INTERMEDIATE HOLE TO 3510'. M/U SHOE, 1 JT, FLOAT, AND TEST FLOAT. RUN 80 JTS OF 9 5/8" 40#, J-55, LTC, CSG TO 3,510' WITH 20 CENTRALIZERS TOTAL. CIRCULATE AND RECIPROCATATE PIPE WHILE R/D CSG CREW, AND HAVE PJSM AND R/U SCHLUMBERGER. INSTALL CEMENT HEAD, FILL LINES, PRESSURE TEST TO 3500 PSI, CEMENT 9 5/8" CASING: SPACER 40 BBL FW, LEAD - 209 BBL, 650 SX, YIELD 1.81, 12.3 PPG, TAIL - 73 BBL, 300 SX, YIELD 1.38, @ 14.2 PPG (2 PPB CEMENT) SHUT DOWN, DROP DART WASH UP, DISPLACE WITH 40 BBL F/W, 60BBL BW, 40 BBL FW, 123 BBL BW (262 TOTAL), BUMP PLUG 500 OVER @ 1100 PSI, SET ACP W/ 1950 PSI, BLEED OFF PSI, PRESSURE UP AND HOLD 2200 PSI, BLEED OFF ACP TOOK .5 BBLs, DROP BOMB & WAIT 10 MINS. PSI UP TO 911 PSI AND OPEN DV TOOL CIRC BOTTOMS UP. CIRC 30 BBL CEMENT TO SURFACE. FULL RETURNS.

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Spud Date: 05/06/2013

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bryan Arrant TITLE Regulatory Specialist II DATE 05/17/2013

Type or print name Bryan Arrant (Agent for Chevron) E-mail address: bryan.arrant@chk.com PHONE: (405)935-3782

For State Use Only

APPROVED BY: [Signature] TITLE Dist # Sparr DATE 5/24/13

Conditions of Approval (if any):

WEST SHUGART 2 19 30 STATE 3H  
UNIT D, SEC. 2, T-19-S R-30-E  
EDDY CO., NM  
30-015-40842

(SET INTERMEDIATE CASING, CONT.)

WAIT ON CEMENT WHILE CIRC THRU DV TOOL WITH RIG PUMPS. NO LOSSES. HOLD PJSM  
PUMP 40 BBL FRESH WATER, PUMP LEAD CEMENT (1200 SKS, 387 BBLs, YIELD 1.81, @ 12.3  
PPG), TAIL - (300 SKS, 73 BBLs, YIELD 1.35, @ 14.2 PPG), DISPLACE W/ 138 BBL FW BUMP PLUG  
W/ 1500 OVER @ 2200 PSI AND CLOSE DV TOOL. BLEED 1.5 BBLs BACK, FLOAT HELD, 120 BBL  
CMT BACK TO PIT. FULL RETURNS. WOC. WASH THUR STACK, AND RIG DOWN  
SCHLUMBERGER. WOC. PJSM, R/U TESTER, TEST BOPS, AND CHOKE 250 PSI LOW AND 5,000  
PSI HIGH. TEST HYDRIL AND BACK TO MP'S 250 PSI LOW AND 3,500 PSI HIGH. R/D TESTER. FILL  
PIPE, LINE UP AND PUMP THUR CHOKE, TEST CSG T/1,500 PSI FOR 30 MINUTES. TEST GOOD.  
TO RESUME DRILLING ON 5/17/2013.