

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. 30-015-34066 |
| 5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No. 33471 (Property Code) |
| 7. Lease Name or Unit Agreement Name Mead (33471 Property Code) |
| 8. Well Number 7 |
| 9. OGRID Number 241333 |
| 10. Pool name or Wildcat Carlsbad; Morrow, South (Pro Gas) 73960 |

| | | |
|--|--|---|
| 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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> | | RECEIVED JUL 17 2006 CORP-ARTESIA |
| 2. Name of Operator Chevron Midcontinent, L.P. (Formerly Pure Resources, L. P.-150628) | | |
| 3. Address of Operator 15 Smith Road Midland, Texas 79705 | | |
| 4. Well Location Unit Letter B : 1080 feet from the North line and 1980 feet from the East line Section 8 Township 22-S Range 27-E NMPM County EDDY | | |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,106' GR | | |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> | | |
| 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: | | SUBSEQUENT REPORT OF: | |
| PERFORM REMEDIAL WORK <input type="checkbox"/> | PLUG AND ABANDON <input type="checkbox"/> | REMEDIAL WORK <input type="checkbox"/> | ALTERING CASING <input type="checkbox"/> |
| TEMPORARILY ABANDON <input type="checkbox"/> | CHANGE PLANS <input type="checkbox"/> | COMMENCE DRILLING OPNS. <input type="checkbox"/> | P AND A <input type="checkbox"/> |
| PULL OR ALTER CASING <input type="checkbox"/> | MULTIPLE COMPL <input type="checkbox"/> | CASING/CEMENT JOB <input type="checkbox"/> | |
| OTHER: <input type="checkbox"/> | | OTHER: Original Completion Work PAGE 1 <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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Page 1

On 6/30/05, MIRU WL, RIH w/gauge ring & junk basket, tag @ 11,540'. POH w/tools. RIH w/weight bars & tag @ same spot. Could not work thru. POH w/tools. On 7/05-06/05, haul equipment to location. MIRU PU, ND WH, NU BOP, start in hole w/tbg. On 7/07-09/05, resume in hole, tag @ 11,564', MIRU foam unit. Tag cmt, DO to L/C @ 11,686', drill to 11,718', circ hole clean, PUH & pump 50 Bbls 7% KCL w/cia-sta. Start POH LD. Finish LD tbg, NU frac valves, ND MO PU. On 7/10/05, MIRU WL, run CCL/CBL/GR from PBTD to liner top. Perf lower Morrow zn w/2 JSPF f/11,467'-11,576' (28 holes). No press on csg after perf. On 7/11-15/05, MIRU frac equip, frac Lower Morrow f/11,467'-576' w/55,000g 70Q foam carrying 55,000# 20/40 dual resin coat Ottawa sd. Set 10K flow thru composite BP @ 11,445' & perf Middle Morrow w/2 JSPF f/11,227'-11,413' (30 holes). Frac Middle Morrow w/55,000g 70Q foam carrying 55,000# 20/40 dual resin coat Ottawa sd. Set 10K flow thru composite BP @ 11,181' & perf Upper Morrow w/2 JSPF f/11,136'-11,152' (48 holes). Frac Upper Morrow w/35,000g 70Q foam carrying 35,000# 20/40 dual resin coat Ottawa sd. Flow well back until press down & GIH w/coil tbg unit. On 7/17-21/05, MIRU coil tbg unit, RIH & DO, mill out both composite BP's, frac sand etc to 11,677' (100' rat hole-PBTD), circ hole clean, start flow back testing and unload of well. RDMO coil tbg unit. From 7/22-26/05, flowback of well with avg. rate of 1MMcf/d @ 825psi FTP on varying choke sizes & high CO2 % recovering 523 BLW. On 7/27/05, MIRU slickline, tag fill @ 11,665' (80' of rat hole). RD MO slickline. SI well. On 7/28/05, MIRU WL, run gauge ring & junk basket to 11,030'. Set Baker 10K pkr @ 11,030' w/pump out plug. Blew csg down to 0 psi. RDMO WL unit. CONTINUED ON PAGE 2

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 07/14/2006

Type or print name Alan W. Bohling E-mail address: ABohling@chevron.com

Telephone No. (432) 687-7158

For State Use Only

APPROVED BY: FOR RECORDS ONLY TITLE JUL 18 2006 DATE
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Page 2
On 7/29/05, MIRU Aries #47 PU. ND frac valve, NU Smith 7-1/16" 10Kx 5K spool & 7-1/16" 5K BOP, test to 2500psi-OK. On 8/04/05, RIH w/on-off tool & 87jts 2-7/8" L-80 tbg w/collars turned down (2690') & 272jts L-80 tbg (8340'), circ well clean w/400 Bbbls 7% KCL pkr fluid. Latch onto pkr, install tbg hanger w/check valve in place & land in wellhead. On 8/05/05, ND BOP, NU 5K tree, retrieve check valve from tbg hanger, press tbg to 1000psi to pump out plug. RU swab, made 3 swab runs, IFL @ 6000', began to flow. RD PU. Initial flowback rate @ 1,122 Mcf/d @ 800psi FTP on 17/64" choke, recovered 43 BW. Cont. flow testing well from 8/6 to 8/27 @ avg rate of 1,190 Mcf/d @ 650psi FTP on 20/64" choke recovering a total of 3,434 BW w/CO2 % running >5% so no sales down El Paso's line (El Paso monitored CO2 content throughout). On 8/30/05, MIRU PU, frac tanks & fill w/7% KCL water w/clo-sta. On 8/31/05, equalized press, unseat pkr & TOH w/tbg. Left 20 stnds in hole. On 9/01/05, killed press on well, finish TOH, well started flowing, pumped 110 Bbbls to kill, LD Baker pkr, RU Gray WL, run gauge ring & junk basket, RIH w/CIBP & set @ 11,200', RD WL. Chang out rams to 2-3/8", PU Baker cmt rttr on 90jts 2-3/8" tbg, had to kill well 4 times. Change rams back to 2-7/8". On 9/02/05, killed well, start to run tbg when press built up to 1000#, tried to kill well by lubricating some brine in the hole, 85 Bbbls. On 9/03/05, blew press down to 0, TIH, set cmt rttr, test tbg to 2500psi, got off CR, circ gas off well. RU BJ Services, break dn form. @ 6200psi, pump 30 BW ahead, pumped 200sx Class H cmt w/1% FL-62, .3% CD-32 followed by 100sx Class H cmt w/.2% CD-32. When cmt hit formation, psi started up. (Out of 58 Bbbls displaced we got 44 Bbbls in). Press went to 4395psi, SD & reversed out 74sx cmt. RD BJ Services, tied back & pulled 50 stnds tbg. SI well & locked rams. **CONTINUED ON PAGE 3**

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SIGNATURE Alan W. Bohling TITLE Regulatory Agent DATE 07/14/2006

Type or print name Alan W. Bohling E-mail address: ABohling@chevron.com

Telephone No. (432) 687-7158

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Page 3
On 9/07/05, no press on well, cleaned up around rig, opened rams & finish TOH LD setting tool, PU bit & 6 DC's, TIH & tag cmt @ 10,990'. LD 8jts, RU stripper. On 9/08/05, PU power swivel, tag up & DO cmt on top of CR, circ out, change rams & install variable rams, test to 2000psi-OK. DO CR & 200' of cmt & at the last some stringers, DO to CIBP. Circ hole clean, test cmt squeeze to 1050psi-held OK. PUH 12jts LD. On 9/09/05, PU power swivel, DO CIBP & cmt to 11,517', circ hole clean, PUH 5 stnds. On 9/10/05, TIH w/5 stnds, PU power swivel, DO cmt f/11,517' to 11,576', fell out, make two connections to 11,639', circ hole clean & displace w/375 Bbbls 7% KCL. RD power swivel & stripper head, TOH w/280jts & LD 90jts 2-3/8" tbg, 6 DC's & bit. On 9/13/05, RU WL, RIH & shot perfs f/11,284' -11,576' (2 JSPF-52 holes). RD WL & PU Baker pkr, 7jts off rack, ran 154 stnds out of derrick, SD due to lightening. On 9/14/05, Ran 29 stnds & a single, spaced out, loaded tbg, set pkr, get off on-off tool, pump pkr fluid, land tbg hanger, and test annulus to 1000psi-held OK. ND BOP's, NU tree & test to 10,000psi-held, pump out plug (2300psi), break dn form @ 3BPM & 1800psi, RU to swab. Made 5 runs w/BFL @ 3200', EFL @ 6500', recovering 25 Bbbls. On 9/15/05, RU Petroplex, press annulus to 600psi, test lines to 6000psi, start on acid, drop 5 balls every 2.5Bbbls for 50 balls, then dropped 10 balls every 5Bbbls for a total of 100Bbbls (150 balls). Pumped total of 3400g acid with some good ball action, nearly balled out, psi went to 6000 & rate @ 1.2 BPM. Well went on vacuum, started swabbing, made 7 runs & well started flowing. Initial rate of 1.0MMcf/d @ 280psi FTP on 28/64" choke with a test on 9/18/2005 of 715 Mcf/d @ 565psi FTP on 28/64" choke & 50 BWPD.

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

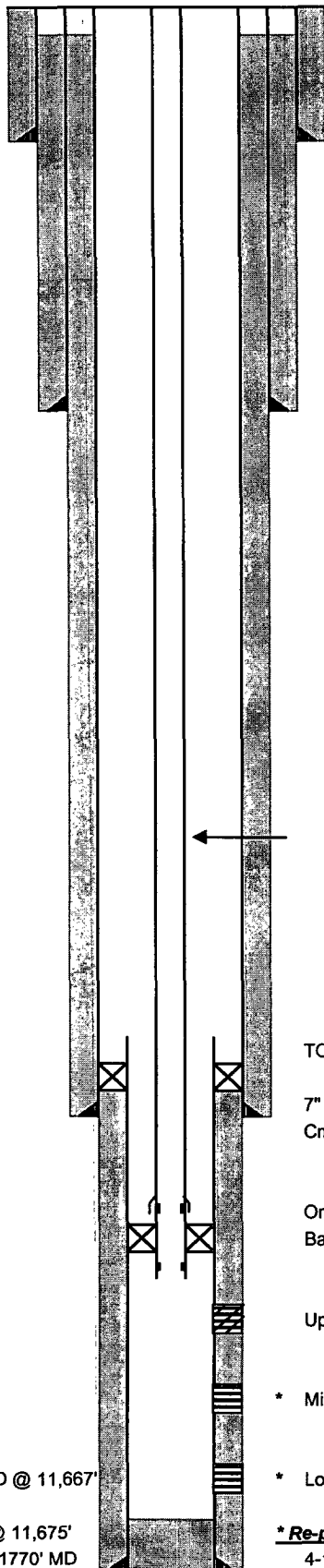
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APPROVED BY: FOR RECORDS ONLY TITLE _____ DATE JUL 18 2006
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WELL: Mead #7
FIELD: Carlsbad South (Morrow)



A Unocal Company



11" 5000 x 7 1/16" 10000

13-3/8" 48# H-40 STC @ 435'
 Cmtd w/ 475 sx.
 Circ cmt.

9-5/8" 36# J-55 LTC @ 1890'
 Cmtd w/ 850 sx.
 TOC 87' TS

2 7/8" 6.5# L-80 EUE 8rd
 Turned down collars in liner

TOL @ 8658' ZXP lnr hngr pkr and 10' TB sleeve. TOL tstd to 1800 on 11.4 ppg mud
 (= 3026 psi w/ 8.6 KCl wtr)

7" 26# P110 BTC @8900'
 Cmtd w/ 825 sx. TOC 21' TS

On/off tool w/ 1.87" F nipple
 Baker pkr @ 11030 , 8' sub, 1.81" F nipple, WLEG

Upper Morrow perms 11136 - 11152 (3 spf - 48 holes) Sqz'd w/300sx cmt, water control.
 Frac w/ 35000 gal 70 Q foam and 35000 # 20-40 dual resin coat ottawa sd

* Middle Morrow 11227 - 11413 (2 spf - 30 holes)
 Frac w/ 55000 gal 70 Q foam and 55000# 20-40 dual resin coat ottawa sd

* Lower Morrow 11467 - 11576 (2spf - 28 holes)
 Frac w/ 55000 gal 70 Q foam and 55,000# 20-40 dual resin coat ottawa sd

*** Re-perfed f/11,284'-11,576' & Aczd w/3000g Acid (after cmt sqz of upper Morrow)**

4-1/2" 13.5# P-110 LTC @ 11770'
 Cmtd to TOL w/ 225 sx. Displaced with FW.
 Reverse out 10 sx. Displace from TOL w/ 10# BW.

API # 30-015-34066
 Surf Loc: 1080' FNL 1980' FEL Sec 8 T22S R27E
 BHL: 76' South & 125' East of surf
 1156' FNL & 1855' FEL Sec 8 T22S R27E
 Eddy Co., New Mexico
 Elev: GL 3106', KB 3131' (RKB 25')
 Spud: 5/15/05 RR: 6/22/05
 First Sales:
 AFE # 1050322

RECEIVED

JUL 17 2006

OUU-ASTORIA

| | |
|--------------|-------|
| Delaware | 1987 |
| Bone Springs | 5116 |
| Wolfcamp | 8603 |
| Strawn | 10087 |
| Atoka | 10328 |
| Morrow | 11021 |

PBTD @ 11,667'

LC @ 11,675'
 TD 11770' MD