Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an

OCD Artesla

FORM APPROVED OMB No. 1004-0137 Expires: July 31, 2010

5. Lease Serial No. NMNM98120

6. If Indian, Allottee or Tribe Name

abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. NMNM71030C 1. Type of Well 8. Well Name and No. Oil Well Gas Well Other Skelly Unit 678 9. API Well No. 30-015-37474 2. Name of Operator CHEVRON USA INCORPORATED COG Operating LLC (Agent) 10. Field and Pool or Exploratory Area 3a. Address 3b. Phone No. (include area code) (Agent) 550 W. Texas Ave., Suite 100 Midland, TX 79701 FREN: GLORIETA-YESO 432-685-4332 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State EDDY COUNTY, NM Sec 14 T17S R31E 2500FNL 990FEL, Unit E 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF ACTION Production (Start/Resume) Water Shut-Off Acidize Deepen Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation New Construction Other Casing Repair Recomplete Subsequent Report **Drilling Operations** __ Change Plans Plug and Abandon Temporarily Abandon Convert to Injection Plug Back Water Disposal Final Abandonment Notice 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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.) 9/29/10 Test 5-1/2 csg 3500psi, ok. 10/12/10 Perf Lower Blinebry @ 6300-6500 w/ 1 SPF, 26 holes. 10/13/10 Acidize w/2,500 gals acid. Frac w/132,168 gals gel, 148,335# 16/30 Ottawa sand, 31,508# 16/30 Siberprop sand. Set comp plug @ 6260. Perf Middle Blinebry @ 6030-6230 w/1 SPF, 26 holes. Acidize w/2,500 gals acid. Frac w/ 113,030 gals gel, 147,319# 16/30 Ottawa sand, 32,333# 16/30 Siberprop sand. Set comp plug @ 5985. Perf Upper Blinebry @ 5760-5960 w/ 1 SPF, 26 holes. Acidize w/2,500 gals acid. Frac w/ 57,188 gals gel, 26,489# 16/30 Ottawa sand, 13,073# 16/30 Siberprop sand. Set comp plug @ 5320. Perf Paddock @ 5170-5280 w/1 SPF, 18 holes. Acidize w/2,500 gals acid. Frac w/ 151,073 gals gel, 227,192# 16/30 Ottawa sand, 45,654# 16/30 Siberprop sand. 10/15/10 Drill out plugs. Clean out to PBTD 6655'. 10/18/10 RIH w/ 201jts 2-7/8" 6.5# J55 tbg, SN @ 6241'. 10/19/10 RIH w/ 2-1/2"x2"x24' pump. Hang on well. DEC 22 2010 MMOCD ARTESIA LLOF LAND MANAGEMENT 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) ARLSBAD FIELD OFFICE Title PREPARER Chasity Jackson Date 11/29/2010 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by Title 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 Office entitle the applicant to conduct operations thereon.

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.

(Instructions on page 2)