

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.	30 025 06791
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	S. J. SARKEYS 26
8. Well No.	1
9. Pool Name or Wildcat	PENROSE SKELLY GRAYBURG/TUBB
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3389' GL

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMI (FORM C-101) FOR SUCH PROPOSALS.	
1. Type of Well:	OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator	CHEVRON USA INC
3. Address of Operator	15 SMITH ROAD, MIDLAND, TX 79705
4. Well Location	Unit Letter <u>E</u> : <u>1980</u> Feet From The <u>NORTH</u> Line and <u>660</u> Feet From The <u>WEST</u> Line Section <u>26</u> Township <u>21S</u> Range <u>37E</u> NMPM <u>LEA</u> COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.) 3389' GL	

11.

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 ☐
OTHER: COMMINGLE GRAYBURG & TUBB ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPERATION ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
OTHER: ☐

12. 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.

CHEVRON U.S.A. INC. INTENDS TO DOWNHOLE COMMINGLE PRODUCTION FROM THE PENROSE SKELLY GRAYBURG (50350) AND THE TUBB OIL & GAS (PRORATED GAS 86440) IN THE SUBJECT WELL.

THE WELL WAS RECOMPLETED IN THE GRAYBURG RESERVOIR IN APRIL OF THIS YEAR.

THE CIBP WILL BE REMOVED AND BOTH ZONES WILL BE COMMINGLED.

ADMINISTRATIVE ORDER DHC-3326 IS ATTACHED FOR REFERENCE.

TUBB OIL & GAS PRORATED GAS POOL	OIL - 25%	GAS - 73%
PENROSE SKELLY GRAYBURG OIL POOL	OIL - 75%	GAS - 27%



DHC - 3326

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

SIGNATURE Denise Leake TITLE Regulatory Specialist DATE 10/11/2004
TYPE OR PRINT NAME Denise Leake Telephone No. 915-687-7375

(This space for State Use)

APPROVED [Signature] TITLE
CONDITIONS OF APPROVAL, IF ANY:

PETROLEUM ENGINEER

DATE

OCT 20 2004