

**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.<br>30-025-36739                                                                        |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil / Gas Lease No.                                                                        |
| 7. Lease Name or Unit Agreement Name<br>EUNICE KING                                                 |
| 8. Well No.<br>28                                                                                   |
| 9. Pool Name or Wildcat<br>PENROSE SKELLY GRAYBURG                                                  |

|                                                                                                                                                                                                                                  |  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <p align="center"><b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br/>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT (FORM C-101) FOR SUCH PROPOSALS.</p> |  |
| 1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER                                                                                                                            |  |
| 2. Name of Operator<br>CHEVRON USA INC                                                                                                                                                                                           |  |
| 3. Address of Operator<br>15 SMITH ROAD, MIDLAND, TX 79705                                                                                                                                                                       |  |
| 4. Well Location<br>Unit Letter <u>B</u> : <u>1250'</u> Feet From The <u>NORTH</u> Line and <u>1340'</u> Feet From The <u>EAST</u> Line<br>Section <u>28</u> Township <u>21-S</u> Range <u>37-E</u> NMPM <u>LEA</u> COUNTY       |  |
| 10. Elevation (Show whether DF, RKB, RT, GR, etc.) <u>3436'</u>                                                                                                                                                                  |  |

|                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                            |
| <p><b>NOTICE OF INTENTION TO:</b></p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p> | <p><b>SUBSEQUENT REPORT OF:</b></p> <p>ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPERATION <input type="checkbox"/> PLUG AND ABANDONMENT <input type="checkbox"/></p> <p>CASING TEST AND CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input checked="" type="checkbox"/> NEW WELL SPUD &amp; CSG REPORT &amp; COMPLETION</p> |

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.

9-02-04: SPUD WELL @ 1900 AM. DRLG 11" HOLE FR 0-415.  
 9-03-04: RAN 8 5/8" CSG AS FOLLOWS: SHOE JT, INSERT FLOAT, 8 JTS CSG. SHOE @ 410. CMT W/250 SX CL C W/2% CACL2. CIRC 23 BBLS CMT TO SURFACE. WOC. DRLG 415-941,1070,1449,1957,2466,2600,2942,3335,3418,3831,3925,4355. TD 7 7/8" HOLE @ 10:30 AM 9-07-04.  
 9-07-04: RUN PEX/HRLA/BHC/SONIC/GR/CNL FR 4356-200' & TDLD/HRLA/BHC FR 4356-2600. LOGGERS TD @ 4357.  
 9-08-04: RUN FS, 1 JT 5 1/2" CSG, FC & 93 JTS 5 1/2" 15.5# K-55 LT&C CSG. FS @ 4352. FC @ 4302. WASH LAST JT CSG TO BTM. CIRC CSG. CMT 5 1/2" CSG W/600 SX 35/65 POZ C W/5% D44, 6% D20, .4% D167 & .25 PPS D29. MIXED @ 12.4 PPG, 2.15 YIELD. TAIL W/400 SX 50/50 POZ C W/5% D44, 2% D20 & .25 PPS D29, MIXED @ 14.2 PPG, 1.35 YIELD. DISPL W/102.5 BFW. BUMP PLUG W/1650#. FLOAT HELD. PLUG DOWN @ 10:40 AM 9-08-04. CIRC 265 SX CMT TO SURF. SET SLIPS W/70K, CUT OFF 5 1/2" CSG. REL RIG @ 1:30 PM 9-08-04. NOTIFY OCD @ 2:35 PM 9-07-04.  
 WAIT ON COMPLETION

9-14-04: MIRU PU. TIH & TAG @ 4302. 9-15-04: RAN GR/CCL/CBL FR 4302-SURFACE. PERF FR 3911-16,3900-06,3884-90,3874-78,3856-64,3846-50,3830-38,3812-20,3800-06,3793-96,3782-88,3774-76,3760-68,3732-36,3717-22,3706-10,3697-02,3686-89,3672-79. 9-16-04: PU PKRS. PUH 3654. SET TOOLS. ACIDIZE 3672-3916 W/3600 GALS 15% ANTI-SLUDGE HCL. PUH & SET PKR @ 3654. SN @ 3631. 9-17-04: RU SWAB. 7 HR TEST. HOOK UP CHOKE TO FLOWLINE. TURN WELL OVER TO PRODUCTION TO FLOW TEST. 9-20-04: REL PPI PKR @ 3654. NU FRAC VALVE.  
 9-21-04: FRAC GRAYBURG PERFS 3672-3916 W/66,000 GALS YF130 & SAND. 9-22-04: TAG SAND FILL @ 4202. PU PKR & SET @ 3505. RU SWAB. 9-23-04: RU SWAB. 4 HR TEST. RUN GR AFTER FRAC LOG FR 4100-3400. FLOW TEST. 9-24-04: FLOW WELL TO TANK.  
 9-27-04: TIH & SET 2.25 PLUG IN PROFILE. SWAB TBG DN. TIH & RETR PRONG & PLUG. RIG DOWN. TURN WELL OVER TO PRODUCTION. FINAL REPORT WAIT ON COMPLETION TEST.

10-01-04: ON 24 HR OPT. FLOWING 56 OIL, 448 GAS, & 659 WATER. GOR-8002. CHOKE-40, TBG PRESS-150.

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 10/15/2004  
 TYPE OR PRINT NAME Denise Leake Telephone No. 915-687-7375

(This space for State Use)

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

DATE NOV 17 2004