

Submit 1 Copy 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  
October 13, 2009

HOBBS OCD  
AUG 15 2012

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

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.)		WELL API NO. 30-025-10690
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator PROVIDENCE ENERGY SERVICES, INC. dba KELTON OPERATING		6. State Oil & Gas Lease No. 307841
3. Address of Operator P.O. BOX 928, ANDREWS, TEXAS 79714-0928		7. Lease Name or Unit Agreement Name SKELLY PENROSE B UNIT
4. Well Location Unit Letter <u>M</u> : <u>660</u> feet from the <u>SOUTH</u> line and <u>660</u> feet from the <u>WEST</u> line Section <u>9</u> Township <u>23S</u> Range <u>37E</u> NMPM LEA County		8. Well Number <u>060</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3391' GR		9. OGRID Number <u>012444</u>
		10. Pool name or Wildcat LANGLIE MATTIX (37240)

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

<b>NOTICE OF INTENTION TO:</b> PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/>	<b>SUBSEQUENT REPORT OF:</b> REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/>
OTHER: <input type="checkbox"/>	OTHER: Return Well To Active Production Status <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.

07/16/2012

1. Moved in Pulling Unit. NU BOP. Run in hole with bit, collars and tubing. Tagged cement at 3634'. Test casing to 500# - good. Drilled out cement. Tag plug at 3469. Drill out plug. Clean hole out to 3663' and circulated hole clean. Pulled bit, tools and tubing out of hole.

07/17/2012

2. Run 116 joints tubing. ND BOP. Flange up well head. Run pump, 102 - 3/4 + 39 - 7/8 rods. Hang well on.

07/19/2012

3. Install Panel and electrical lines.

8/9/2012

4. Install new flow line. Set pumping unit. Hook up electricity and turn well on. Pumping well to clean up and test.

OCD Condition of Approval:

After remedial work has been done. Forms required are  
~~C-103 Subsequent Report with dates and the work that was done, and~~  
C-104 with transporter(s), perms producing from, tubing size and depth  
& 24 hour production test

Release Date:

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

SIGNATURE C. Dale Kelton TITLE PRESIDENT DATE August 13, 2012

Type or print name C. Dale Kelton E-mail address: providenceenergy@suddenlink.net PHONE: 432-661-1364

For State Use Only

APPROVED BY: Mark Whitaker TITLE Compliance Officer DATE 08-22-2012

Conditions of Approval (if any):

AUG 22 2012

# Kelton Operating Corporation - WELL DIAGRAM

Drilled July 1961

Elev - 3322' GL

## WELL INFORMATION

### RE-INSTATE TO ACTIVE STATUS

WELL NAME: Skelly Penrose B Unit # 60  
 LEGAL LOCATION : 9-23S-37E LEA, NM  
 API #30-025-10690  
 WELL HEAD TYPE: Flange  
 WELL HEAD SIZE: 6" - 600  
 CASING SIZE: 5 1/2" 14#

7/13/2012: Drilled out Cement 3434-3470; CIBP at 3470'  
 7/16/2012: Run tubing and rods 39-7/8 + 102-3/4  
 8/9/2012: Set unit and turn well on to pump and clean up.

-- 9 5/8" 32#  
 @ 1100' w/300sxs  
 Circulated  
 Water flow @ 1250'

0 0 Perf. 3 SPF @1450'

TOC - 1994'

0 0 Perf Sqz @2350' 3 spf

35' Cement -3435'  
 CIBP - 3470'

o o 3526  
 o o -- SN at 3588 w 116  
 o o 2 7/8 " tubing  
 .. 3636  
 .. 4' Perf Sub

1 jt 2 7/8 BP MA  
 Bottom of tubing - 3624'

-- PBDT 3663'  
 -- 5.5" - 14# - 3670'  
 -- 275 sxs'  
 -- TD = 3670'

## FAILURE RECORD