

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD

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

JAN 28 2013

RECEIVED

<p>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.)</p>		<p>WELL API NO. <u>25</u> 30-015-40860</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator Chevron USA, Inc.</p>		<p>6. State Oil & Gas Lease No.</p>
<p>3. Address of Operator 15 SMITH ROAD MIDLAND, TX 79705</p>		<p>7. Lease Name or Unit Agreement Name MCCLOY RANCH 2 24 32 STATE COM</p>
<p>4. Well Location Unit Letter <u>M</u> : 100' feet from the <u>South</u> line and <u>400</u>' feet from the <u>West</u> line Section <u>2</u> Township <u>24S</u> Range <u>32E</u> NMPM County <u>EDDY LEA</u></p>		<p>8. Well Number <u>2H</u></p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3632' GL</p>		<p>9. OGRID Number 4323</p>
		<p>10. Pool name or Wildcat TRISTE DRAW; BONE SPRING</p>

12. 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 ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒

OTHER: ☐

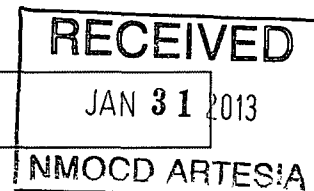
OTHER: ☐

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.

ON 01/24/2013, SPUD WELL @ 17:00 HOURS AND DRILL TO 1315' ON 01/25/2013. RUN 13 3/8" 48# H-40 CSG AS FOLLOWS, M/U 13 3/8" F/S 1.50, 1- JNT CSG 41.28, F/C 1.50, 30 JNTS SAME CSG 1274.78, THRED LOCK ALL FLT EQUIP, 2 CENTS ON SHOE JNT, 1 CENT NEXT 3 JNT'S THEN 1 EVERY 4TH JNT T/ SURFACE, SET @ 1315' K.B. CMT CSG AS FOLLOWS, LEAD - 1650 SKS CLASS C 1.71 YIELD, MIX 8.94, @ 13.7 PPG, TAIL - 250 SKS CLASS C, YIELD 1.33, MIX 6.35, @ 14.8 PPG 50 BBL CMT BACK T/ SURFACE BUMPED PLUG 500 OVER 1000 PSI TOTAL 1 BBL BLED BACK FLOATS HELD. TEST PIPE & BLIND RAMS, HCR & MANNUAL VALVES, FLOOR VALVES, UPPER KELLY VALVE, CHOKE MANN, LOW 250 P.S.I. HIGH 5000 P.S.I. TEST BOP, KELLY HOSE BACK T/ PUMPS, LOW 250 P.S.I. HIGH 4000 P.S.I. TEST ANNULAR 250 LOW 3500 HIGH DRAW DOWN TEST ON KOOMEY. TEST CSG T/ 1200 P.S.I. FOR 30 MIN. TEST GOOD. RESUME DRLG @ 0500 HOURS ON 01/28/2013.

Spud Date:

Rig Release Date:



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

SIGNATURE [Signature] TITLE Regulatory Specialist II DATE 01/28/2013

Type or print name Bryan Arrant (Agent for Chevron) E-mail address: bryan.arrant@chk.com PHONE: (405)935-3872

For State Use Only

APPROVED BY [Signature] TITLE Petroleum Engineer DATE FEB 1 1 2013
Conditions of Approval (if any):

Am