

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.	30-025-37385
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	MARK
8. Well No.	13
9. Pool Name or Wildcat	PENROSE SKELLY GRAYBURG

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 PERMIT (FORM C-101) FOR SUCH PROPOSALS.	
1. Type of Well:	OIL WELL ☒ GAS WELL ☐ OTHER ☐
2. Name of Operator	CHEVRON USA INC
3. Address of Operator	15 SMITH RD, MIDLAND, TX 79705
4. Well Location	BHL: C-3-22s-37e, 1179/N & 1341/E
Unit Letter <u>h</u> : 1881' Feet From The NORTH Line and 1183' Feet From The EAST Line	
Section <u>3</u> Township <u>22-S</u> Range <u>37-E</u> NMPM LEA COUNTY	
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3395'

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: ☐

SUBSEQUENT REPORT OF:

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

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.

12-07-05: SPUD WELL @ 2200 HRS. DRILL FR 0-193,449. 12-08-05: TD SURF HOLE. RUN 8 5/8" SURF CSG: TX PATTERN SHOE, 1 JT, FC, 9 JTS TO 444. CIRC. MIX & PUMP 475 SX CL W/2% CACL, 1/4 PPS CELLOFLAKE @ 14.89 PPG. Y=1.35 CUFT/SK. MIX H2O-6.37=GPS (114 BBL SLURRY). DROP ANTIROTATIONAL PLUG & DISPL W/25 BFW. BUMP PLUG. CIRC 133 SX TO SURF. WOC. JET PITS. 12-09-05: DRILL 440-533,942,1445,1461,1723,1729,1791,1855,1921,2250,2270,2318,2336,2444,2456,2507,2516,2526,2539,2546,2602,2617, 2696,2708,2759,2774,2822,2834,2853,2885,2897,2936,2948,2960,3010,3025,3074,3084,3136,3154,3199,3217,3255,3262,3276,3297,3302,3329, 3340,3389,3407,3451,3467,3515,3527,3530,3547,3553,3674,3682,3735,3743,3985,4018,4026,4049,4490. 12-20-05: WELL IS FLOWING. FLOW TO PIT. TIH W/8 JTS TO 1437. RUN CSG TO 2661. FLOWING IN SLUGS. CIRC OUT GAS. WELL STATIC. WOC. 12-21-05: PUMP 20 BBL CW 100, MIX & PUMP 750 SX 65/35 POZ C @ 12.8 PPG. Y-2.15 (287 SLURRY). MIX & PUMP 500 SX 50/50 POZ C @ 14.8 PPG. Y-1.35 (120 BBL SLURRY). DROP PLUG & DISPL W/3 BBL FW, 24 BBL 10% ACETIC ACID, 77 1/2 BBL FW. BUMP PLUG FR 900 PSI TO 1330 PSI. FLOATS HOLDING. WELL FLOWING. PLUG DOWN @ 3:05. DID NOT CIRC CMT. WOC. PRESS ROSE TO 30 PSI IN 3 HRS. WELL FLOWS HARD THRU 2" WH VALVE. PUMP 35 BBL DN ANNULUS. SET CSG SLIPS W/77,000#. FLOW OUT CSG VALVE. MIX & PUMP 180 SX RFC 10.2 @ 14.2 PPG, Y=1.6 CUFT/SK MIX H2O-7.9 GPS (57 BBL SLURRY) & TAIL IN W/200 SX C W/2% CACL @ 14.8 CUFT/SK. Y-1.32. MIX H2O-6.3 GPS (47 BBL SLURRY). WOC. 12-22-05: FAIR FLOW OF GAS THRU CRACKED 2" VALVE. WOC. RIG RELEASED @ 0600 HRS. 12-29-05: MIRU. RUN CNL/CBL. 12-30-05: SET ANCHORS. MIRU #320. SET RACKS, NEW 2 7/8" PROD TBG. 1-03-06: PERF 3708-10,3718-20, 3724-28,3730-34,3736-41,3744-48,3751-55,3758-60,3769-72,3782-91,3807-12,3814-23,3827-34,3836-42,3845-48,3853-56,3858-66,3871-74, 3878-84,3887-91,3894-98,3900-07,3912-17,3920-23,3926-30,3933-42. 1-04-06: TIH W/PPI TOOLS, 128 JTS, 2 7/8" NEW TBG. ACIDIZE W/2900 GALS 15% HCL ANTI SLUDGE. SPOT 24 BBL ACR PERFS. 1-05-06: SWAB 3 RUNS. 1-06-06: SWAB TIH W/RBP & SET @ 3800. PULL PKR UP TO 3682. TIH W/SLICK LINE W/TOP BOMB. 1-09-06: FISH PRESSURE BOMB W/SLICK LINE. TOH W/RBP, PKR, 2 7/8" PROD TBG. INSTL FRAC VALVE. 1-10-06: PUMP SCALE SQZ.FLOW WELL BACK. WELL DEAD. 1-11-06: TIH W/TBG TO 1187, 1625, 2112, 2770, 3965. 1-12-06: FRAC 3708-3942 W/176,000# 16/30 JORDAN SAND & 30,000# 16/30 SUPER L.C. 1-13-06: TIH W/SANDLINE. TAG @ 3994. TIH W/BIT & 114 JTS TO 3601. TIH TO 3855, 122 JTS. WASH DN TO 4385, 139 JTS. 1-16-06: TIH W/BIT TO 4384. TIH W/TBG. SET PKR @ 3601, 114 JTS. 1-17-06: RU SWAB. RUN PRIZM LOG.WELL FLOWING. 1-19-06: TIH W/NEW TBG, 226 JTS. EOT @ 4144. 1-20-06: TIH W/RODS. HANG ON. 1-23-06: PU PMP & RODS. RIG DOWN. FINAL REPORT. 1-27-06: ON 24 HR OPT. PUMPING 168 OIL, 260 GAS, & 312 WATER.

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

SIGNATURE Denise Pinkerton TITLE Regulatory Specialist DATE 2/2/2006
TYPE OR PRINT NAME Denise Pinkerton Telephone No. 432-687-7375

(This space for State Use)

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

DATE

DeSoto/Nichols 12-93 ver 1.0
FEB 09 2006