

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.	30-025-06611
5. Indicate Type of Lease	STATE ☒ FEE ☐
6. State Oil / Gas Lease No.	781470
7. Lease Name or Unit Agreement Name	STATE 'S'
8. Well No.	4
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 PERMITS" (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	Unit Letter <u>C</u> : <u>660</u> Feet From The <u>NORTH</u> Line and <u>2080</u> Feet From The <u>WEST</u> Line Section <u>15</u> Township <u>21S</u> Range <u>37E</u> NMPM LEA COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3459'

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data			
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:		
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☒	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPERATION ☒	PLUG AND ABANDONMENT ☐
PULL OR ALTER CASING ☐	OTHER: ☐	CASING TEST AND CEMENT JOB ☐	OTHER: ☒
OTHER: ☐		FRAC STIMULATE, ADD LINER ☒	

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.

2-06-06: UNSEAT PMP. TOH W/RODS. 2-07-06: HOT WTR TBG W/75 BBLS HOT WTR. TIH W/121 JTS 2 7/8" WS & BIT TO 3765'.
2-08-06: TAG @ 4120'. TIH W/PKR & WS TO 3840. SET PKR. REL PKR. 2-09-06: TIH W/CIBP & SET @ 3890. TIH W/BIT & TAG @ 4068. TIH W/65 JTS 2 7/8" & TAG @ 6086. (SLM) 2-10-06: WORK PIPE. TAG @ 5748. C/O SAND FR 5748-6092. PUH ABOVE WINDOW. NO DRAG. 3-15-06: ENTER WINDOW. TAG FILL @ 6075. TIH W/PRISM LOG TOOL TO WINDOW. START PUMP. PRISM LOG FR 6035-3600. 3-16-06: TIH W/PKR & WS TO 3741. SET PKR. RU SWAB. 3-17-06: FLOW WELL. 3-20-06: FLOW TO TEST TANK. LD WS. 3-21-06: CLEAN OFF TOP OF CIBP @ 3890. KNOCK OUT CIBP & PUSH DN TO 4358. TIH W/SN, TBG, TAC. SN @ 3953-3954. TAC @ 3765-3768. RIG DOWN. FINAL REPORT

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2-13-06: TIH W/2 7/8" WS. 2-14-06: TIH W/PKR & 89 JTS TBG. SET PKR @ 3715.
2-15-06: RIG DOWN. PREPARE FOR RIGLESS FRAC. 2-16-06: FRAC LATERAL W/152,993 GALS YF130ST & SAND.
2-20-06: TIH W/JET NOZZLE, X-OVER, SUB. TIH W/COIL TBG TO 254'. CUT OFF. 2-21-06: TAG FISH @ 3606. ATTEMPT TO FISH W/SLICK LINE.
2-22-06: TIH W/FISHING TOOLS ON COIL. LATCH ONTO FISH. CUT & REMOVE 254' OF COIL & RECOVER TOOLS.
2-24-06: TIH W/COIL TBG. ATTEMPT TO GET IN WINDOW. ALL ATTEMPTS FAILED. 2-28-06: REL PKR. PU BENT SUB & 40 JTS 2 7/8" WS. TIH.
3-01-06: TIH W/81 JTS 2 7/8" & 44 JTS 2 7/8" L-80 WS. TAG CIBP @ 3890. PU & ROTATE TO 3902. TAG FILL @ 3902.
3-02-06: RU COIL UNIT TEST LINES. TIH W/WASH TOOL & 1 1/2" COIL. TAG @ 3902. TIH W/BIT & TAG @ 3902. ROTATE SLOWLY PUMPING CONV. FALL THRU TO 3924. PUH ABOVE WINDOW. 3-03-06: TIH & TAG @ 3924. PUH ABOVE WINDOW. CIRC CLN.
3-06-06: RU FOAM AIR UNIT. TIH & TAG @ 3907. WORK TO GET IN WINDOW. TIH W/OVERSHOT, BENT SUB & WS. TAG @ 3895. PUH ABOVE WINDOW.
3-07-06: ATTEMPT TO ENTER WINDOW. TIH W/OVER SHOT. ENTER WINDOW & TAG FISH @ 3912. WORK TO LATCH FISH. PULL 70,000# ON FISH. CAME FREE. 3-08-06: TIH W/BIT TO 3885'. TIH & TAG @ 3910. C/O FILL FR 3910-3976. PUH INTO CSG. 3-09-06: TAG FILL @ 3960. C/O SAND FR 3960-4852. PUH INTO CSG. 3-10-06: TIH W/2 7/8" NOTCH COLLAR. TAG FILL @ 3910. ROTATE THRU TITE SPOT. TAG @ 4845. ESTAB CIRC W/FOAM AIR. C/O SAND FR 4845-5318. PUH ABOVE WINDOW. 3-13-06: TAG TITE SPOT @ 3985. TAG FILL @ 5290. C/O SAND FR 5290-5778. PUH ABOVE WINDOW. 3-14-06: WORK PIPE. TAG @ 5748. C/O SAND FR 5748-6092. PUH ABOVE WINDOW. NO DRAG. 3-15-06: ENTER WINDOW. TAG FILL @ 6075. TIH W/PRISM LOG TOOL TO WINDOW. START PUMP. PRISM LOG FR 6035-3600. 3-16-06: TIH W/PKR & WS TO 3741. SET PKR. RU SWAB. 3-17-06: FLOW WELL. 3-20-06: FLOW TO TEST TANK. LD WS. 3-21-06: CLEAN OFF TOP OF CIBP @ 3890. KNOCK OUT CIBP & PUSH DN TO 4358. TIH W/SN, TBG, TAC. SN @ 3953-3954. TAC @ 3765-3768. RIG DOWN. FINAL REPORT

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 3/27/2006
TYPE OR PRINT NAME Denise Pinkerton Telephone No. 432-687-7375

(This space for State Use)

APPROVED Harry W. Wink
CONDITIONS OF APPROVAL IF ANY:

THE FIELD REPRESENTATIVE II/STAFF MANAGER

DATE

APR 03 2006