

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.	30-025-10259
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	HUGH
8. Well No.	3
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 PERMI (FORM C-101) FOR SUCH PROPOSALS.	
1. Type of Well:	OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator	CHEVRON USA INC
3. Address of Operator	15 SMITH RD, MIDLAND, TX 79705
4. Well Location	Unit Letter <u>B</u> : <u>660'</u> Feet From The <u>NORTH</u> Line and <u>1980'</u> Feet From The <u>EAST</u> Line Section <u>14</u> Township <u>22-S</u> Range <u>37-E</u> NMPM <u>LEA</u> COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3347'

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: ☒ ACIDIZE & SCALE SQUEEZE

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.

6-19-06: MIRU KEY #169. PUMP 50 BBLS DN CSG TO KILL WELL. TRY TO UNSET TAC. TAC CAME LOOSE.
6-20-06: PUMP 60 BBLS DN CSG. TIH W/BIT TO 5011, 159 JTS. TIH W/WS, PPI TOOLS TO 4125. MARK SETTINGS.
6-21-06: ACIDIZE 3850-4054 W/7500 GALS 15% ANTI-SLUDGE HCL. SPOT 25.3 BBLS. REL PPI TOOL. FLUSH CSG W/40 BBLS. SET PKR.
6-22-06: RU SWAB.
6-23-06: SWABBING. PUMP SCALE SQUEEZE W/RE-4777. FLUSH W/200 BBLS.
6-26-06: TIH W/PROD TBG, BPMA, PERF SUB, SN, 19 JTS, TAC, 110 JTS, W/TAC @ 3502. SN @ 4134. EOT @ 4170. SET TAC.
6-27-06: TIH W/2" PUMP & RODS. SPACE OUT WELL. LOAD & TEST TBG TO 500#. HELD.
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 6/29/2006
TYPE OR PRINT NAME Denise Pinkerton Telephone No. 432-687-7375

(This space for State Use)

APPROVED Harry W. Wink TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER
CONDITIONS OF APPROVAL, IF ANY:

DATE

JUL 05 2006