

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.	30-025-37833
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	C.L. HARDY
8. Well No.	7
9. Pool Name or Wildcat	PENROSE SKELLY; GRAYBORG

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>L</u> : <u>2310'</u> Feet From The <u>SOUTH</u> Line and <u>1310'</u> Feet From The <u>WEST</u> Line Section <u>20</u> Township <u>21-S</u> Range <u>37-E</u> NMPM
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3506'

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 ☐		CASING TEST AND CEMENT JOB ☐	
OTHER: ☐		OTHER: ☐	NEW WELL COMPLETION ☒

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.

5-19-06: MIRU CAPSTAR #16.

5-20-06: SPUD WELL. DRILL 0-281, 450. RUN 8 5/8" 24# J-55 ST&C CSG AS FOLLOWS: FS, 1 SHOE JT CSG, FC, 9 JTS CSG, SET @ 444. CMT W/475 SX CL C, 2% CACL2, 0.1 PPS POLY FLAKE. DENSITY = 14.8 PPG, YIELD=1.34 CF/SK, MIX H2O= 6.29 GPS. CIRC 200 SX. BUMP PLUG @ 2230. FLOAT HELD. WOC.

5-21-06: DRILL 450-992, 1275, 1465, 1972, 2221, 2408, 2535, 2735, 2758, 3041, 3272, 3360, 3512, 3987, 4019, 4308'.

5-25-06: RN PLATFORM EXPRESS GR FR 4308-3300. GR TO SURF.

5-26-06: RAN 97 JTS 54 1/2" 15.5# J-55 LT&C CSG SET @ 4307'. FLOAT COLLAR @ 4218. CMT W/20 BBLS CW100, 550 SX 35/65 POZ C (12.4 PPG) & 500 SX 50/50 POZ C (14.2 PPG). DISPL W/500 GALS 10% ACETIC ACID & 2% KCL. CIRC 138 SX TO RESERVE. RIG DOWN. REL CAPSTAR #16 @ 0-800 HRS. WAIT ON COMPLETION

6-01-06: MIRU. TEST FLOW LINE TO 500 PSI.

6-02-06: RAN GR/CBL/CCL LOG FR 4216-SURF.

6-05-06: PERF 3641-45, 3650-54, 3656-59, 3694-3701, 3707-12, 3717-21, 3738-43, 3746-51, 3766-69, 3770-76, 3778-82, 3801-07, 3810-18, 3824-28, 3835-39, 3842-48, 3854-59, 3873-83, 3885-89, 3897-3902, 3908-12, 3914-21, 3930-38, 3943-50, 3952-58.

6-06-06: TIH W/PKR & SET @ 3627. REL PKR. 6-07-06: ACIDIZE PERFS 3641-3957 W/6250 GALS 15% HCL. REL PKR. FLUSH 40 BBLS WTR. PUH TO 3605. RU SWAB. 6-08-06: SWABBING. 6-09-06: REL PKR. KILL WELL. LD PKR. TIH W/BP, PERF SUB RBP & PKR ON 2 7/8" WS. SET RBP @ 3796. PUH & SET PKR @ 3610. RU SWAB TBG DN TO 3000. SET PSI BOMB IN SN ABOVE PKR @ 3610.

6-12-06: TIH W/FISH TOOL. FISH PSI BOMB. REL PKR. LATCH RBP. LD PKR & RBP. 6-15-06: FRAC W/88,000 GALS YF125 & SAND.

6-16-06: TIH W/BIT & TAG @ 3675. C/O BRIDGE FR 3675-3715. GOOD CIRC. TIH TO 3830. TAG SAND. C/O 3830-3903. LOST CIRC. PUH TO 3586.

6-19-06: RU BLOW DOWN LINE. C/O SAND FR 3900-PBTD @ 4216. CIRC W/FOAM AIR. TIH W/PKR & SET @ 3593.

6-20-06: SWABBING. 6-21-06: SWABBING. 6-22-06: SWABBING. 6-23-06: FLOWING TO BTRY ON 32/64 CHOKE 85 PSI. 6-26-06: RIG DOWN. FINAL REPORT. WAIT ON COMPLETION TEST.

6-28-06: ON 24 HR OPT. FLOWING 38 OIL, 289 GAS, & 174 WATER. GOR-7698

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 7/10/2006
TYPE OR PRINT NAME Denise Pinkerton Telephone No. 432-687-7375

(This space for State Use)

APPROVED

CONDITIONS OF APPROVAL, IF ANY:

TITLE

ORIGINAL SIGNED BY
PAUL F. KAUTZ
PETROLEUM ENGINEER

DATE

AUG 08 2006

DeSoto/Nichols 12-93 ver 1.0