

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.	30-025-25785
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	MARK
8. Well No.	10
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 ☒ 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>H</u> : <u>1650'</u> Feet From The <u>NORTH</u> Line and <u>340'</u> Feet From The <u>EAST</u> Line Section <u>3</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.)	

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: ☒ HORIZONTAL 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.

3-31-06: MIRU. LD RODS. 4-03-06: TIH W/SWAB. TIH W/BIT, CSG SCRAPER, & 125 JTS TO 3910. TOH TO 1253. 4-04-06: TIH W/CIBP TO 3637. TIH W/CPLG, SN, 117 JTS TO 3651. PRESS CSG TO 500#. CIBP PUSHED FR 3637-3651'. TIH W/RBP & PKR, 115 JTS TO 3619. LEAVE SWINGING. 4-05-06: TAG CIBP @ 3648. PULL UP TO 3636. SET RBP. GET OFF RBP. PULL PKR UP 18'. SET PKR. TIH W/CIBP & SET @ 3636. 4-06-06: LD PROD TBG - 76 JTS. 5-15-06: NOTIFY OCD @ 11:00 AM. MIRU KEY #117 & HORIZONTAL EQPT. TAG MILLS & 115 JTS OF 3 1/2" DP. TAG @ 3633. (3.35" CORRECTION).
5-16-06: TIH W/WHIPSTOCK. RAN GYRO SURVEY. MILL TOW 3620 TO BOW 3628. DRILL 3628-3631, 3647, 3665, 3684, 3886, 3940, 3976, 4013, 4019, 4202, 4217, 4265, 4360, 4382, 4455, 4460, 4518, 4526, 4613, 4618, 4740, 4745, 4771, 4780, 4920, 5010.
5-20-06: TD 6 1/8" HOLE @ 2:30 AM. RUN GR/CCL FR 4966-3400 & RIG DOWN. PU RBP & SET @ 3380. 5-21-06: RIG DOWN. RELEASE RIG @ 0600 HRS. WAIT ON COMPLETION.
6-26-06: MIRU ARIES RIG #47. TIH W/110 JTS WS. LATCH ONTO RBP. REL RBP. 6-27-06: WAIT ON PACKERS.
6-28-06: TIH W/4 1/2" FRAC TBG, PKR. PUMP 15 BBLs DN TBG. SPACE OUT PKR. SET TOP TKR. PRESS UP ON CSG & SET ANCHOR. REL TBG. TIE INTO CSG. REL PKR. 6-29-06: TIH W/2 7/8" TBG. REAM @ 3648-3894'. WORK TBG THRU OPEN HOLE.
6-30-06: TIH W/BIT. TIH W/4 1/2" FRAC TBG & PEAK BHA TO TOP OF HORIZONTAL. 7-03-06: TEST TBG TO 8000 PSI. SET PKR. PUMP OUT PUMP OUT PLUG. 7-06-06: FRAC DN 4 1/2" TBG W/222,000 GALS WF125TF PRE PAD. FLUSH W/58 BBLs WTR.
7-07-06: PMP 40 BBLs DN TBG & PRESS UP TO 2400 PSI. REL ON/OFF TOOL ON TOP PKR & LET EQUALIZE. LATCH BACK ONTO PKR. LD FRAC TBG & PKRS. CHANGE RAMS TO 2 7/8". TIH W/BIT & 2 7/8" TBG. 7-10-06: TIH W/TBG & TAG SAND @ 4801'. C/O SAND TO 5010'.
7-11-06: TAG SAND @ 3835. C/O SAND TO 4227. FELL OUT OF SAND. TIH W/BIT & TAG SAND @ 4350. C/O SAND TO 5010.
7-12-06: TIH W/PKR & SET @ 3525'. RU SWAB. 7-13-06: SWAB. REL PKR. 7-14-06: TIH W/TBG & TAG TOE OF HORIZONTAL. NO FILL. 7-17-06: TIH W/BIT & TAG SAND @ 4810. MIRU AIR UNIT. C/O TO TOE @ 5010. RUN PRISM LOG UP INTO 300' INTO VERTICAL. 7-18-06: TAG WHIPSTOCK @ 3614. 7-19-06: LATCH ONTO WHIPSTOCK & JAR ON WHIP. TIH W/BIT & TAG CIBPS. DRILL ON CIBP @ 3636. MOVE CIBP TO 3647 ON TOP OF BTM CIBP. 7-20-06: DRILL ON CIBP @ 3647. TIH W/BIT TO 5000'. 7-21-06: PU SUB PUMP & TIH. RIG DOWN. FINAL REPORT. WAIT ON COMPLETION TEST. 7-28-06: ON 24 HR OPT. PUMPING 170 OIL, 975 GAS, & 448 WATER. GOR-5735 BHL: 340' NORTH, & 340' EAST, 3-22S-37E, UL-A

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 8/4/2006

TYPE OR PRINT NAME Denise Pinkerton

Telephone No. 432-687-7375

(This space for State Use)

APPROVED Hayley Wink
CONDITIONS OF APPROVAL, IF ANY:

TITLE FIELD REPRESENTATIVE II/STAFF MANAGER

DATE

SEP 21 2006