

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.	30-025-38140
5. Indicate Type of Lease	STATE ☒ FEE ☐
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	NEW MEXICO 'O' STATE NCT-1
Well No.	40
8. Pool Name or Wildcat	SWD DEVONIAN

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 SWD
2. Name of Operator	CHEVRON USA INC
3. Address of Operator	15 SMITH RD, MIDLAND, TX 79705
4. Well Location	Unit Letter <u>J</u> : <u>1885'</u> Feet From The <u>SOUTH</u> Line and <u>1978'</u> Feet From The <u>EAST</u> Line Section <u>36</u> Township <u>17-S</u> Range <u>34-E</u> NMPM <u>LEA</u> COUNTY
10. Elevation (Show whether DF, RKB, RT, GR, etc.)	3394'

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 DRILL

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.

1-17-07: SPUD 17 1/2" HOLE @ 1300 HRS. DRILL 40-186', 606, 1014, 1045, 1061, 1093, 1095, 1096, 1154, 1184, 1189, 1217, 1258, 1280, 1301, 1343, 1350, 1355, 1371, 1376, 1406, 1440, 1500'. 1-25-07: TD 17 1/2" HOLE. RUN 13 3/8" CSG: TPGS, 1 JT, FC & 33 JTS 13 3/8" 48# H-40 ST&C CSG. CSG SET @ 1495'. WASH LAST JT TO BTM. (20' FILL). CIRC. 1-26-07: CMT W/1505 SX W/4% D20, 1% S1M, 1 PPS D130, MIXED @ 13.5 PPG, TAIL W/415 SX CL C W/2% S1, 1 PPS D130, MIXED @ 14.8 PPG, DISPL W/218 BBLs. BUMP PLUG W/770#. FLOAT HOLDING. PLUG DOWN @ 1:50 AM. CIRC 1060 SX CMT TO SURFACE. WOC. 1-27-07: PU BIT, MOTOR, FLOAT SUB. TIH TO 1365. 1-28-07: DRILL 1430-1500, 1983, 2078, 2458, 2540, 2962, 2973, 3200, 3278, 3372, 3405, 3436, 3468, 3629, 3814, 4161, 4320, 4367, 4453, 4477. 2-02-07: WORK STUCK PIPE. SPOT 50 BBLs LEASE CRUDE. SPOT 12 BBLs 20% HCL. DISPL W/MUD TO BIT. SPOT 24 BBLs 20% HCL. 2-03-07: CIRC ACID OUT. 2-04-07: RAN FREE POINT. TOP OF 6" DC STUCK @ 3734'. DISPL W/BW. RAN FREE POINT. TOP 6" DC IS FREE. BACK OFF @ 3724'. 2-05-07: RIG REPAIRS. 2-06-07: TAG TOF @ 3699. WASH OVER FISH FR 3699-3796. TAG TOF @ 3699. SCREW INTO FISH. RUN FREE POINT. PIPE FREE TO TOP OF SHOCK SUB @ 4368. JAR ON FISH. JAR FISH UP HOLE 10' TO 3689. 2-07-07: WORK FISH UP HOLE FR 3689-3684. JAR ON FISH. FISH CAME FREE. TIH W/BIT. 2-08-07: LD 15 JTS DP TO 14894. TIH TO 4281. WASH & REAM 4281-4420. TAG @ 4390. NOTE ***TAG TD @ 4445. DEPTH CORRECTED TO 4445.
 2-09-07: REAM 4420-4445. DRILL 4445-4534, 4590, 4660, 4828, 5007, 5086, 5133, 5228, 5276, 5386, 5391, 5475, 5531, 5555, 5582, 5637, 5743, 5848, 5850. 2-21-07: RUN 9 5/8" CSG, RAN FS, 2 JTS, FC 108 JTS, 9 5/8" 40# K-55 LT&C CSG & 33 JTS 40# K-55 LT&C CSG SET @ 5840.
 2-22-07: PUMP 20 BFW, CMT W/130 SX 35:65 POZ CL C W/5% D44, 6% D20, 1 PPS D130 .2% D46, MIXED @ 12.4 PPG. TAIL W/2485 SX 50:50 POZ
 CL C W/5% D44, 2% D20, 1 PPS D130, .4% D167, .2% D46. MIXED @ 14.2 PPG. DISPL W/436 BFW. BUMP PLUG W/2150 PSI. FLOATS HOLD. PLUG DOWN @ 5:45. CIRC 980 SX CMT TO SURF. 2-23-07: TIH W/BHA TO 5750. TAG CMT @ 5750. DO CMT 5750-5850, 5984, 6332, 6554, 6775, 6807, 7281, 7480, 7755, 7967, 8192, 8479, 8734, 8824, 8981, 9204, 9333, 9481, 9669, 9970, 9983, 10485, 10548, 10766, 10861, 10893, 10941, 10986, 11018, 11081, 11143, 11175, 11247, 11268, 11331, 11362, 11407, 11448. 3-10-07: LOG 9 5/8" CSG FR 5800 TO SURF. TIH TO 10,400. RUN GYRO HORIZONTAL DISPLACEMENT @ 10321. DRILL 11,448-11,542, 11611, 11770, 11900, 11956, 12019, 12044, 12130, 12135. 3-15-07: RUN 7" 26# HCL80 LTC CSG. 3-16-07: RAN 276 JTS 7" CSG SET @ 12135'. FC @ 12042. DV TOOL @ 7939. CMT W/1030 SX TXI LIGHTWEIGHT, 13.6 PPG, BUMP PLUG & OPEN DV TOOL. CIRC ABOVE DV TOOL. DID NOT CIRC CMT TO SURF. CIRC FW SPACER AHEAD OF CMT. 2ND STG: CMT W/230 SX 50/50 POZ H 14.2 PPG, BUM PLUG. CIRC 135 SX CMT TO SURF. 3-17-07: CHANGE OUT KELLY. 3-18-07: TAG CMT @ 7911.
DRILL DV TOOL 7939

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 5/11/2007
 TYPE OR PRINT NAME Denise Pinkerton Telephone No. 432-687-7375

(This space for State Use)

APPROVED Chris Williams
 CONDITIONS OF APPROVAL, IF ANY: OIL DISTRICT SUPERVISOR/GENERAL MANAGER

DATE

JUN 12 2007

NM O STATE NCT-1 #40

3-18-07: TAG CMT @ 11928. DRILL CMT & FLOAT EQPT TO 12135. DRILL 12135-12234, 12361, 12488, 12614, 12741, 12894, 12964, 13300.

3-22-07: TIH W/LOGGING TOOLS. TAG @ 13300. RUN GR/CNL FR TD TO SURFACE. RUN GR/ZDL FR TD TO 12135.

3-23-07: PU RBP & TIH TO 2010. SET RBP @ 2010.

3-24-07: MAKE FINAL CUT ON 7" CSG. CLEAN PITS.

3-25-07: RIG DOWN.

3-26-07: RELEASE RIG @ 1700 HRS. FINAL REPORT WAIT ON COMPLETION RIG.

4-05-07: MIRU. PU RETR HEAD. TIH W/WS. LATCH RBP @ 2010. REL RBP. TIH W/BIT.

4-06-07: TIH W/2 7/8" TBG. TAG @ 13,248.

4-09-07: C/O TO 13305. EOT @ 11950.

4-10-07: TIH W/TBG. EOT @ 13,300. SPOT 1500 GALS FLOCHEK 15% ACID. TIH W/48 JTS TBG.

4-11-07: SET PKR @ 12,005. SPOT 2000 GALS 15% ACID.

4-12-07: ACIDIZE W/12400# SALT, 25830 GALS 15% FERCHEK ACID. RU REV UNIT.REL PKR. TIH W/BIT & 108 JTS TBG. BIT @ 3396.

4-13-07: TIH W/BIT TO 10,200'.

4-16-07: TIH W/TBG & TAG @ 13,301'.

4-17-07: TIH W/CCL. SET RET PLUG @ 8500.

4-18-07: RUN RAL, CBL LOG. TIH W/264 JTS TBG & RETR HEAD TO 8232.

4-19-07: SHUT IN TO EVALUATE INTERMEDIATE CSG.

4-27-07: TIH W/9 JTS 2 7/8" TBG TO 8744. LATCH ONTO RBP. REL. WELL ON VAC.

5-01-07: PU PKR, 10 JTS TBG. TIH W/34 JTS TBG. LD 3 JTS.

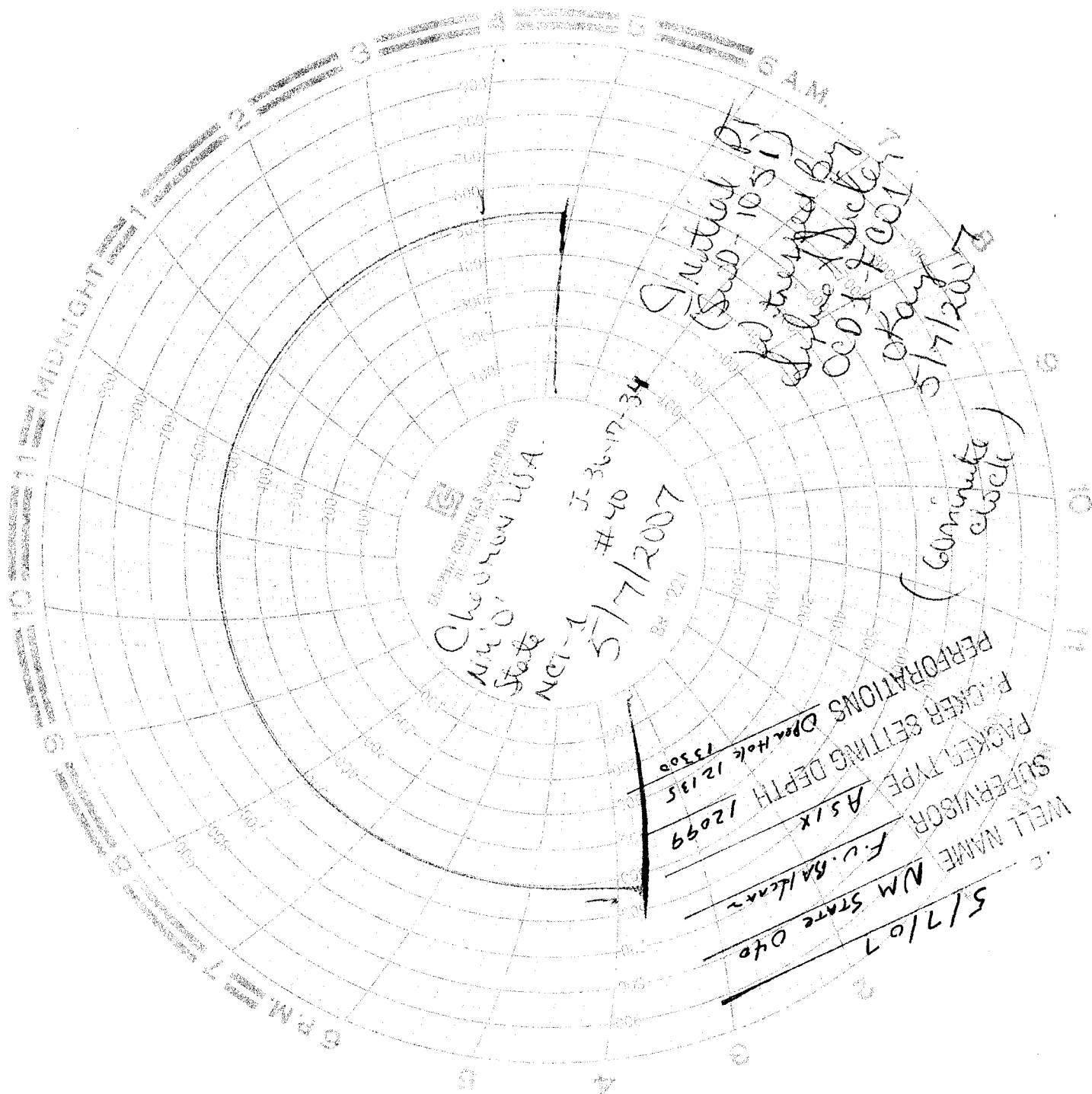
5-02-07: TIH W/128 JTS TBG (162 JTS IN HOLE 5122').

5-03-07: TIH W/380 JTS TBG. DRAGGING @ 12055. PULL UP 1 STAND.

5-04-07: TIH W/CCL, GR, PKR @ 12056. PU 1 JT TBG, PKR @ 12099. PUMP 225 BBLS PKR FLUID. SET PKR.

**5-07-07: LOAD & TEST ANNULUS 505#. GAIN 15# IN 30 MINS.
WITNESSED BY SYLVIA DICKEY. RIG DOWN. FINAL REPORT.
WAIT ON COMPLETION TEST.**

*****THE ONLY TEST DATA WAS DURING THE STIMULATION &
FLUSH. PMPD 10 BPM DN 2 7/8" TBG W/100# TP.**



Chevron USA
W.D. State
Net-1

J-36-17-34
#40
5/7/2007

Initial PT
(Sub-1051)
Picked up by
Silver & Seleny
CEO & Family
OKay 5/7/2007

(60 minute clock)

PERFORATIONS
PACKER SETTING DEPTH 12099
ASIX
F.V. BALKAN
WELL NAME NM State 040
5/7/07