

Office:

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

Energy, Minerals and Natural Resources

October 13, 2009

RECEIVED

JAN 12 2011

HOBBSOCD

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-10550

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

307841

7. Lease Name or Unit Agreement Name

SKELLY PENROSE B UNIT

8. Well Number 001

9. OGRID Number 012444

10. Pool name or Wildcat

LANGLIE MATTIX (37240)

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other TA'd Injection

2. Name of Operator

PROVIDENCE ENERGY SERVICES, INC. dba KELTON OPERATING

3. Address of Operator

P.O. BOX 928, ANDREWS, TEXAS 79714-0928

4. Well Location

Unit Letter B : 990 feet from the NORTH line and 660 feet from the EAST lineSection 32 Township 22S Range 37E NMPM LEA County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

12. 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 ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER: Mechanical Integrity Test – TA Status

☒

OTHER:

☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Run Mechanical Integrity Test to extend T.A status of well.*6 mo. only*

Condition of Approval: Notify OCD Hobbs
 office 24 hours prior of running MIT Test & Chart

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

*C. Dale Kelton*TITLE PRESIDENTDATE January 3, 2011Type or print name C. Dale KeltonE-mail address: providenceenergy@suddenlink.netPHONE: 432-661-1364**For State Use Only**

APPROVED BY:

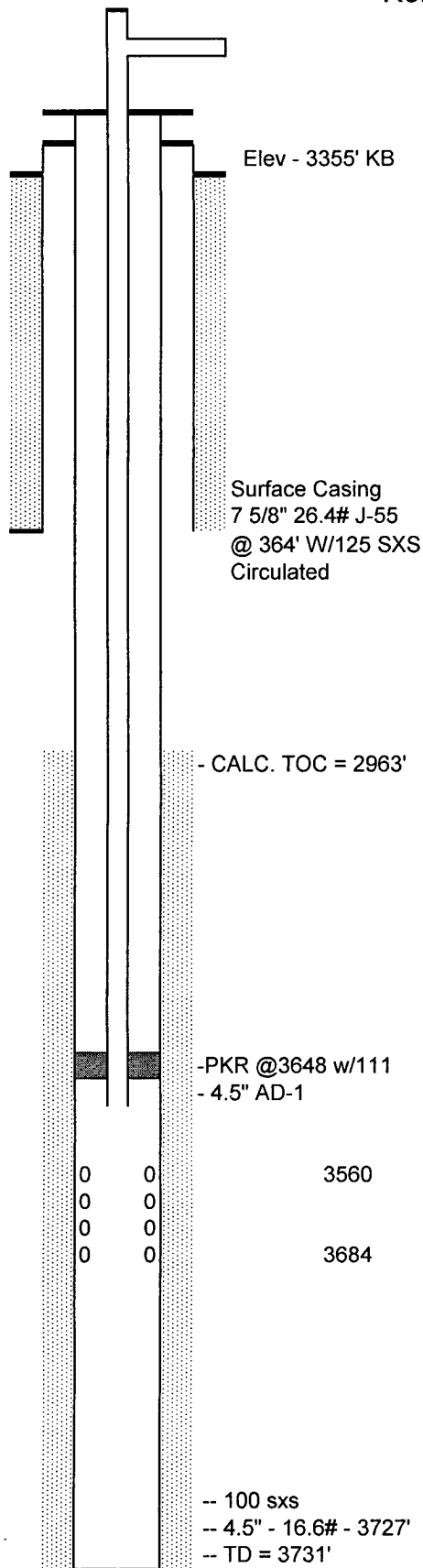
[Signature]

TITLE

STAFF MGRDATE 1-26-2011

Conditions of Approval (if any):

Kelton Operating Corporation - WELL DIAGRAM



WELL INFORMATION

WELL NAME: SKELLY PENROSE B UNIT #01
 WELL TYPE: INJECTOR - TA'd
 LEGAL LOCATION : 32-22S-37E
 WELL HEAD TYPE: _____
 WELL HEAD SIZE: _____
 CASING SIZE: _____

Drilled March 1958

TUBING: 111 joints 2 3/8" Cement Lined
 Packer: 4 1/2" Baker AD-1

COMMENTS

TEMPORARILY ABANDONED INJECTOR 10/31/1997
 LAST MIT TEST 10-20-2009