

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

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.	3002530817
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease No.	685340
7. Lease Name or Unit Agreement Name	SKELLY-B- STATE COM
8. Well No.	2
9. Pool Name or Wildcat	EUMONT YATES 7 RVRS QN (PRO GAS)
10. Elevation (Show whether DF, RKB, RT,GR, etc.)	3595' GL

SUNDRY NOTICES AND REPORTS ON WELL
 (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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER
2. Name of Operator	TEXACO EXPLORATION & PRODUCTION INC.
3. Address of Operator	205 E. Bender, HOBBS, NM 88240
4. Well Location	Unit Letter <u>G</u> : <u>1650</u> Feet From The <u>NORTH</u> Line and <u>2310</u> Feet From The <u>EAST</u> Line Section <u>16</u> Township <u>21S</u> Range <u>36E</u> NMPM <u>LEA</u> COUNTY
10. Elevation (Show whether DF, RKB, RT,GR, etc.)	3595' GL

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: ☒ ADD YATES PAY

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.

2/28/97 MIRU Pride, ND Wellhead, NUBOP, Release pkr, TOH W/tbg & pkr. TIH W/bit & csg scraper to 3479', TOH. TIH W/CIBP, set CIBP @ 3450', Circ. W/2% KCL, Test CIBP & csg to 1500 PSI, OK. TOH W/tbg & setting tool, Prep to perf, run pkr.
 3/1/97 RU SCH/LOG, TIH W/csg gun, @ 2-JSPF, 120 deg. phasing & perf Yates sand as follows: 2992'-3040' (48', 96 shots) 3101'-3118' (17', 34 shots) 3122'-3138' (16', 32 shots) 3150'-3168' (18', 36 shots) RD SCH/LOG. TIH W/Pkr, SN, tbg, TESTING TO 5000 PSI, Prep to acidize.
 3/2/97 SHUT DOWN, ACIDIZE MONDAY
 3/3/97 MIRU D/S, Spot 200 gals 3168'-2992', Raise & set pkr @ 2939'. D/S acidize W/5k gals 15% NEFE & 297, 7/8" ball sealers. P-max= 1900, P-avg= 1780, P-min= 1100, AIR= 4.9 BPM, 1600-1900= 300 PSI increase on ball sealer, ISIP= 800, 3-min's=vac, TLTR= 155 blw. RU & swab, 3-runs swab dry, SI 1-hr, SDON. Prep to pull 2" & pkr, Run pkr & 3.5" Frac tbg.
 3/4/97 Release pkr, run thru perfs, TOH W/tbg & pkr. TIH W/Frac pkr, Frac tbg, test to 8k#l, set pkr @ 2881', Load & psi csg to 1k#, NU Frac tree, Prep to frac Thur.
 3/05/97 Shut down. wait on frac date, Thur.
 3/06/97 RU Dowell & W/pkr set 2881' Frac Eumont perfs 2992-3168. W/ 69k gals 50 quality foamed 40# Gel/CO2 carrying 206,980# 16/30 sand & 40,380# 16/30 resin ramped 2-8ppg. Flush within 2 bbls top perf. Max press=5200#, Mim press=3600#, Air=40bpm, ISIP=1725#. total load 900bbls. SDFN
 3/7/97; Flowing on 30/64 choke thru porta check 175# FTP, 1091-MCF. 10%CO2. Kill well W/ 50BBLs 2% fresh. release pkr. & laydown frac tbg. & pkr. TIH W/ Bit, Tag sand @3350'. RU foam unit. C/O to top of CIBP @ 3450. Drill on CIBP 3 hrs. Circ clean. PU to 2915' SDFN. Prep to drill up cibp.
 03-08-97: Drill CIBP. Pushed junk CIBP to 3575'. Drill junk & fill from 3575' to 3638'. Bit locked up. POOH. Ran bit & Drill Collars. SI. Prep to drill junk.
 03-09-97: Shut in - Sunday.
 03-10-97: 175 SITP, TIH tag @ 3638', Drig junk CIBP to 3690', Circ. 5-hrs, Clean up, recovering sand, pull bit to 2915', SDON, Prep to ck for sand entry
 03/11/97 175 PSI SICP, TIH from 2915' to 3690', Kill well TOH, lay down DC'S. TIH W/prod. tbg. NDBOP, NU Tree, RU & Swab Well start flow RD PU, RU Pro well testing. Clean up well, TEST, FTP= 85 PSI, FCP= 175 PSI, 677/MCF, Prep to turn down gas sales line.
 3/12/97 to 3/23/97: testing
 3/24/97: 0 bopd, 0 bwpd, 773 mcfpd OPT.

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

SIGNATURE V. Greg Maes TITLE Engineering Assistant DATE 3/27/97

TYPE OR PRINT NAME V. Greg Maes Telephone No. 397-0431

ORIGINAL SIGNED BY GARY VINK

(This space for State Use)

APPROVED BY FIELD REP. II TITLE DATE APR 1 1997

CONDITIONS OF APPROVAL, IF ANY: