Submit 3 Copies To Appropriate District Office	State of New Mexico	Form C-103
District I	Energy, Minerals and Natural Resources	May 27, 2004 WELL API NO.
1625 N. French Dr., Hobbs, NM 88240 District II		30-015-23809
1301 W. Gland Ave., Altesia, Nivi 60210	OIL CONSERVATION DIVISION	5. Indicate Type of Lease
<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410	1220 South St. Francis Dr.	STATE FEE
<u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM	Santa Fe, NM 87505	6. State Oil & Gas Lease No. 23304
87505 SUNDRY NOTICES A	ND REPORTS ON WELLS	7. Lease Name or Unit Agreement Name
(DO NOT USE THIS FORM FOR PROPOSALS T DIFFERENT RESERVOIR. USE "APPLICATION	D DRILL OR TO DEEPEN OR PLUG BACK TO A	Pardue Farms "21"
PROPOSALS.) 1. Type of Well: Oil Well Gas W	ell Other	8. Well Number
2. Name of Operator	RECEIVED	9. OGRID Number
Chi Operating, Inc. 3. Address of Operator		004378 10. Pool name or Wildcat
P.O. Box 1799 Midland, Texas 79702	MAY 1 0 2006	Malaga Bone Spring
4. Well Location		
1	feet from the North line and	1,980 feet from the East line
		MPM County Eddy
	Elevation (Show whether DR, RKB, RT, GR, etc.,	
Pit or Below-grade Tank Application ⊠ or Closu	3,022' GL	essential de la companya del companya del companya de la companya
Pit typesteel pitDepth to Groundw		Distance from nearest surface water
Pit Liner Thickness: steel mil		Construction Material
	priate Box to Indicate Nature of Notice,	
••		•
NOTICE OF INTEN PERFORM REMEDIAL WORK ☐ PLU	HON TO: SUB G AND ABANDON ⊠ REMEDIAL WOR	SEQUENT REPORT OF: K
<u> </u>	NGE PLANS COMMENCE DRI	
	TIPLE COMPL CASING/CEMEN	
OTHER:	□ OTHER:	_
	perations. (Clearly state all pertinent details, and	d give pertinent dates, including estimated date
	EE RULE 1103. For Multiple Completions: At	
or recompletion.		
20" csg @ 500' w/ 1 100 sy_circulated: 13	%" csg @ 2,600' w/ 3,550 sx, circulated; 95%" 47	# NT95 LT&C cso @ 9 450' w/ 3 300 sv DV
	orations $6,125 - 6,478$ ' squeezed; open perforations	
	d 4 hrs prior to plugs, hold daily tailgate safety	
1 POOH w/ production againment		
 POOH w/ production equipment. Circulate hole w/ mud and pump 40 sx 	C cmt @ 7,200'. WOC & TAG no deeper than	7 100'
3. Pump 35 sx C cmt @ 6,075'	,,200 / // 00 to 1110 no dooper unan	,,,,,
4. Pump 35 sx C cmt @ 5,548'	1.100 749	
5. Pump 35 sx C cmt @ 3,348 6. Cut & pull 95%" casing from ~ 1,000"	salt @ 2,605') ~ \(\sigma\)	
7. Pump 60 sx C cmt $@ \sim 1.050^{\circ}$ 50' ins	ide casing stub (top of salt @ 1,020') WOC & T	ΓAG
8. Pump 60 sx C cmt @ 550' shoe plug	- wac Tag	
9. Pump 15 sx C cmt 50' to surface.	TAS Notify OCD 24 by	
Cut off wellhead & anchors, install dry hol	Notify OCD 24 hrs. prior	to any work done
I hereby certify that the information above	is true and complete to the best of my knowledg	e and belief. I further certify that any pit or below-
grade tank has been/will be constructed or closed a	ccording to NMOCD guidelines 🔯, a general permit 🗖	or an (attached) alternative OCD-approved plan .
SIGNATURE A	TITLEEngineer, Triple N	N Services, Inc DATE05/05/06
Type or print name James F. Newman, F	.E. E-mail address: jim@triplens	services.com Telephone No. 432.687.1994
For State Use Only) E-man address. Junguripiens	1 elephone 140. 432.067.1994
ADDROVED BY:	TITLE	MAY 1 1 2006
APPROVED BY:Conditions of Approval (if any):	TITLE	DAIE

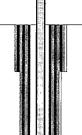
30-015-23809-00-00

Company Name: CHI OPERATING INC Location: Sec: 21 T: 24S R: 28E Spot:

Lat: 32.208012279406 Long: -104.090601490423

Property Name: PARDUE FARMS 21

County Name: Eddy



Cement from 500 ft. to surface
Surface: 20 in. @ 500 ft.
Hole: 20 in. @ 500 ft.

Cement from 2600 ft. to surface Intermediate: 13.375 in. @ 2600 ft.

Hole: 13.375 in. @ 2600 ft.

PARDUE FARMS 21 No. 001

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL1	500	20		
SURF	500	20	106.5	500
HOL2	2600	13.375		
11	2600	13.375	61	2600
PKR	6999	9.625		5
PROD	9450	9.625	47	9450
HOL3	9450	9.625		
T1	6994	2.875		6994

Cement Information

String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
l1	2600	0	С	3550
PROD	9450	0	С	3300
SURF	500	0	С	1100

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Sqz
7240	7264			

Cement from 9450 ft. to surface Packer: 9.625 in. @ 6999 ft. Tubing: 2.875 in. @ 6994 ft.

Production: 9.625 in. @ 9450 ft.

Hole: 9.625 in. @ 9450 ft.

TD: TVD: 11850 PBTD:

Formation Information

St Code Psal	Formation	Depth
	Salado	971 🔨
Pbslt	Base of Salt	2341
Plals	Lamar Limestone	2538
Pbc	Bell Canyon	2603
Pcc	Cherry Canyon	3395
Pbrc	Brushy Canyon	4588
Pbs	Bone Spring	6291
Pbs3sd	3rd Bone Spring Sand	8892
Pwc	Wolfcamp	9403
Ppshl	Pennsylvanian Shale	10936
PPst	Strawn	11271
Ppat	Atoka	11471