

Oil Conservation Division

Case No. C

ch Exhibit No. C

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO. 30-015-36788
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Nichols "30" State Com.
8. Well Number #2
9. OGRID Number 4378
10. Pool name or Wildcat ILLINOIS CAMP MORROW

87505

<p>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.)</p> <p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other</p> <p>2. Name of Operator CHI OPERATING, INC.</p> <p>3. Address of Operator P.O. BOX 1799, MIDLAND, TEXAS 79702</p> <p>4. Well Location Unit Letter <u>C</u> : <u>950</u> feet from the <u>NORTH</u> line and <u>1980</u> feet from the <u>WEST</u> line Section <u>30</u> Township <u>18S</u> Range <u>28E</u> NMPM County <u>EDDY</u></p> <p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3566' GL</p>	
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12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/></p> <p>DOWNHOLE COMMINGLE <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>	<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/></p> <p>CASING/CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>
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Notify OCD 24 hrs. prior to any work done

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 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

RU DD PU. Circ hole w/mud laden fluid. POOH w/pkr & prod tbg. Set CIBP @ 10,240', spot 35' of cmt on to abandon Morrow Perfs. Set CIBP @ 7480', spot 35' of cmt on to abandon Bone Spring Carb perfs. Free point & attempt to cut 5 1/2 csg @ 7000' * POOH LD csg. Spot 150' cmt plug half in & half out @ 2395'. Tag. Spot 50' suff plug. Cut off WH. Install dry hole marker & reclaim location. *

60'
Resent 10/12/09

Spud Date: 12-10-08

Rig Release Date: 1-5-09

I hereby certify that the information above is true and complete to the best of my knowledge and belief.
SIGNATURE Robin Askew TITLE REGULATORY CLERK DATE 1-26-09

Type or print name ROBIN ASKEW E-mail address: robina@chienergyinc.com PHONE: 432-685-5001

For State Use Only
APPROVED BY: [Signature] TITLE _____ DATE 6/26/09
Conditions of Approval (if any):

* Required 100' cmt Plug - Bone Spring 3310' (3360' - 3260')
* If CSG cut & pulled. Spot 100' cmt stub plug. (50' below, 50' above) TA
1 in + 0.4 ft