

Submit 1 Copy To Appropriate District Office  
District I - (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II - (575) 748-1283  
811 S. First St., Artesia, NM 88210  
District III - (505) 334-6178  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV - (505) 476-3460  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
Revised August 1, 2011

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

WELL API NO. 30-015-30513
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Giblet State
8. Well Number 1
9. OGRID Number 004378
10. Pool name or Wildcat Turkey Track; Morrow

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.)

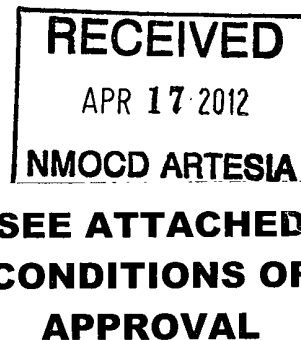
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other
2. Name of Operator CHI Operating, Inc.
3. Address of Operator P.O. Box 1799 Midland, TX 79702
4. Well Location Unit Letter <u>3</u> : <u>660</u> feet from the <u>North</u> line and <u>1650</u> feet from the <u>West</u> line Section <u>1</u> Township <u>19S</u> Range <u>29E</u> NMPM County <u>Eddy</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3420' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTER OR CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING <input type="checkbox"/>	REPAIR AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

RD DD PU. Circ hole w/mud laden fluid. POOH w/pkr & prod tbg.  
Set CIBP @ 10,870', spot 35' of cmt on to abandon perfs.  
Free point & attempt to cut 4 1/2' csg @ 9300'. POOH LD csg.  
\* Spot 150' cmt plug half in and half out @ 9300' woc Tag  
Spot 150' cmt plug @ 7300'. Tag.  
Spot 150' cmt plug @ 5300'. Tag.  
\* Spot 400' cmt plug from 3300'-2900' across 8 5/8" casing shoe. Tag.  
Spot 60' surf. plug  
Cut off well head. Install dry hole market & reclaim location.



\* 13 3/8 csg. e 320' - 100' cmt Plug. (370' - 270') woc Tag  
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 \_\_\_\_\_ TITLE Engineer DATE 4/16/2012

Type or print name Gary Womack E-mail address: garyw@chienergyinc.com PHONE: 432-685-5001

For State Use Only

APPROVED BY: [Signature] TITLE Approval Granted providing work DATE 4/19/2012  
Conditions of Approval (if any): is complete by 7/19/2012

\*

CHI Operating.

SEE ATTACHED  
CONDITIONS OF  
APPROVAL

Giblet S&T #1

30-015-30513.

43-1-19-29.

- \* Wolfcamp @ 9157' - 100' cmt plug - Woc Tag.
- \* Bone Springs @ 4380' - 100' cmt Plug. - Woc Tag.
- \* B. Salt- @ 1118' - 100' cmt Plug. - Woc Tag.
- \* T. Salt - @ 331' - 100' cmt Plug - Woc Tag.
- \* 13<sup>3</sup>/<sub>8</sub>" csg @ 320' - 100' cmt Plug. (370'-270')  
Woc Tag.

RECEIVED

APR 17 2012

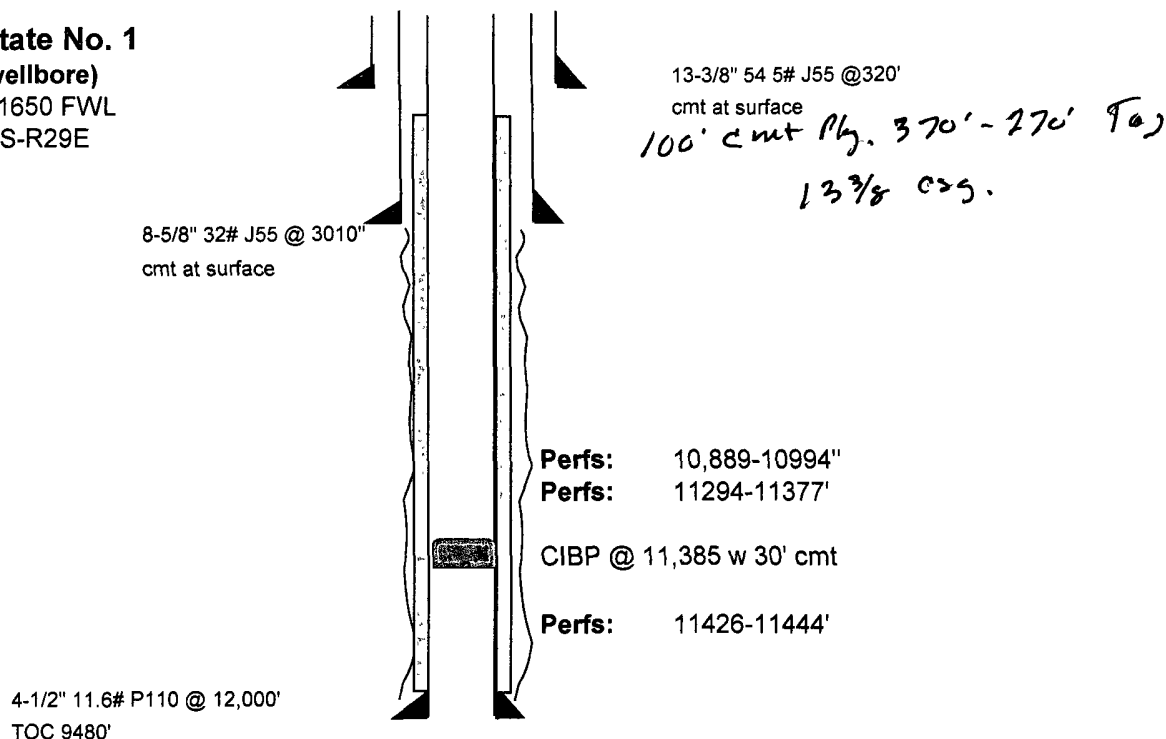
NMOCD ARTESIA

**Giblet State No. 1**

(current wellbore)

660 FNL&1650 FWL

Sec 1-T19S-R29E



**Proposed Plugging Procedure: Revised**

RU DD PU. Circ hole w/mud laden fluid. POOH w/pkr & prod tbq.

Set CIBP @ 10870", spot 35' of cmt on to abandon perfs.

Free point & attempt to cut 4 1/2" csg @ 9300'. POOH LD csg.

Spot 150' cmt plug half in & half out @ 9300'.

Spot 150' cmt plug @7300'. Tag

Spot 150' cmt plug @5300. Tag

Spot 400' cement plug from 3300-2900' across 8-5/8 casing shoe. Tag

Spot 60' surf plug.

Cut off well head. Install dry hole marker & reclaim location.

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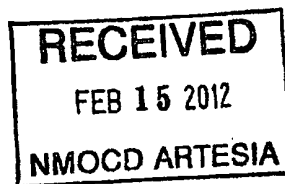
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PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
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PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL. <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
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Free point and attempt to cut 4 1/2" csg @ 9300'. POOH LD csg.  
Spot 150' cmt plug half in and half out @ 9300'. Tag. Spot 100' cmt plug - Tag  
across 8 5/8" csg shoe @ 3010'. Spot 50' surf plug. 60'  
Cut off well head. Intall dry hole marker and reclaim location.  
Wellbore Diagram attached with procedure

**DENIED**



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 Pam Corbett TITLE Regulatory Clerk DATE 2/13/2012

Type or print name PAM CORBETT E-mail address: pamc@chienergyinc.com PHONE: 432-685-5001

For State Use Only

APPROVED BY: \_\_\_\_\_ TITLE \_\_\_\_\_ DATE \_\_\_\_\_

Conditions of Approval (if any):

*No more than 3000' is to be allowed between Cement plugs  
in cased hole at 2000' in open hole.  
Any Salt Section. Plug at Top & Bottom. Tag.*

3/21/12 Gary will revise.

NEW MEXICO OIL CONSERVATION DIVISION  
DISTRICT 2 OFFICE  
811 S. FIRST STREET  
ARTESIA, NM 88210  
(575)748-1283

CONDITIONS OF APPROVAL FOR PLUGGING & ABANDONMENT

Operator: CHI Operating, Inc.

Well Name & Number: Giblet State #1

API #: 30-015-30513

1. Produced water **will not** be used during any part of the plugging & abandonment operation.
2. Notify NMOCD Dist. 2 office at least 24 hrs before beginning work.
3. Closed Loop System is to be used for entire plugging operation. Upon completion, contents of steel pit are to be hauled to a permitted disposal location.
4. Trucking companies being used to haul oilfield waste fluids to a disposal – commercial or private – shall have an approved NMOCD C-133 permit. A copy of this permit shall be available in each truck used to haul waste products. It is the responsibility of the operator, as well as the contractor, to verify that this permit is place prior to performing work. Drivers shall produce a copy upon request of NMOCD Field Inspectors.
5. A subsequent C-103 will serve as notification that the well bore has been plugged ONLY. A C-103 FINAL shall be filed before any bonding can be released on the well. Upon receipt of the Final, an inspection will be performed to verify that the location has been satisfactorily cleaned to NMOCD standards.
6. If work has not begun within 90 days of the approval of this procedure, an extension request must be filed, stating reason that well has not been plugged.
7. Every attempt must be made to clean the well bore out to below the perfs, before any plugs can be set, by whatever means possible.

8. Cement Retainers may not be used.

9. Squeeze pressures not to exceed 500 psi., unless approval is given by NMOCD Plugging Supervisor.

10. Plugs may be combined after consulting with NMOCD P & A Supervisor.

11. Minimum WOC time for tag plugs will be 4 hrs.

**DG**

Date: 4/19/2012