

Submit 3 Copies To Appropriate District
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

State of New Mexico
Energy, Minerals and Natural Resources

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

JUN - 2 2009

Form C-103
June 19, 2008

WELL API NO.
3001536068

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
KC STRIP STATE

8. Well Number 2

9. OGRID Number

10. Pool name or Wildcat

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

2. Name of Operator
CHI OPERATING, INC.

3. Address of Operator
P.O. BOX 1799, MIDLAND, TEXAS 79702

4. Well Location

Unit Letter K : 990' feet from the FSL line and 1980' feet from the FWL line
Section 32 Township T18S Range R31E NMPM EDDY County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
GL: 3571'

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

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

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

MIRU, Spud well 6am 1/10/09. Drld 17 1/2" hole to 648', Ran 13 3/8" 54.5# J55 STC csg. Cmted Lead w/350sx "C" + 4% GEL + 2% CACL2 + 1#sx KOL-Seal, Tail w/200sx "C" + 2% CACL2 + .125#sx Cello-Flake. Circ 171sx t/pit WOC-10 1/2 hrs. Tstd BOP t/1000#-ok. Drld 12 1/4" hole to 4035', Ran 9 5/8" 40/36# J55 csg. Cmted w/1115sx "C", circ 152sx t/pit. WOC -18 1/2 hrs. Tstd csg t/1000#-ok. Drld 8 3/4" hole to 10,332'. LD tri collar, LD IBS reduce hole t/7 7/8" drld t/12,275'. Ran 5 1/2" 17# P110 Prod csg. Cmted w/860sx "C" 61:15:11 + CSE2 + 1% C-16A+.4% C-12 + .3% C-37+.3%SMS. RD cmtrs, ND BOP, set slips, tst ok. Release rig 2/15/09.

Spud Date:

1/10/09

Rig Release Date:

2/15/09

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

5/28/09

Type or print name ROBIN ASKEW

E-mail address: robina@chienergyinc.com PHONE: 432-685-5001

For State Use Only

APPROVED BY:

Jaqueline

TITLE

Geologist

DATE

6/31/2009

Conditions of Approval (if any):