

Submit 1 Copy 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

Form C-103  
October 13, 2009

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-015-32682
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator CHI OPERATING, INC.		6. State Oil & Gas Lease No.
3. Address of Operator P.O. BOX 1799, MIDLAND, TX		7. Lease Name or Unit Agreement Name Porterhouse State Com
4. Well Location Unit Letter <u>A</u> : <u>660</u> feet from the <u>NORTH</u> line and <u>660</u> feet from the <u>EAST</u> line Section <u>32</u> Township <u>18S</u> Range <u>31E</u> NMPM <u>EDDY</u> County		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.)		9. OGRID Number 4378
		10. Pool name or Wildcat

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 OPERATIONS ☐ P AND A ☐  
CASING/CEMENT JOBS ☐

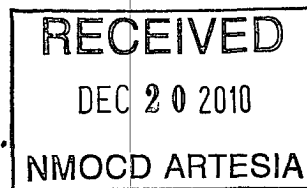
OTHER: ☐

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

POOH w/production string  
Set CIBP @ 9800' to abandon Wolfcamp Perfs  
Dump 35' cmt on top of CIBP  
Set CIBP @ 3600' w/35' cmt on top  
Pump 10 sx surface plug *Min. 60'*  
Install dry hole marker.

Spud Date:

\* Perf. 15942. @ 6000' (100' cmt Plug.) woc Tag  
\* Spd 100' cmt Plug. 4511'-4711'  
(Du Tool) woc Tag.  
\* 100' cmt Plug. @ 2024'-1924'  
B. Sat. woc Tag  
\* 200' cmt Plug. 800'-600' (T. Salt + 13 3/8) woc Tag  
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 11/10/10

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

For State Use Only

APPROVED BY: [Signature] TITLE  DATE 12/21/2010

Conditions of Approval (if any):

Approval Granted providing work  
is complete by 3/21/2011

**Porterhouse State Com. #1**

**API# 30-015-32682**

**Eddy County, New Mexico**

8-5/8" 32# K55 @ 3620'  
cmt at surface

5-1/2" 17# N80 & P110 @ 12228'  
DV tool @ 4461'

\* 60' Salsm.

200' cmt Plug. 800'-600' (T. Salt & 13 3/8" gls.) TAG

13-3/8" 48# H40 @ 660'

cmt at surface

\* 100' cmt Plug 2024'-1924' (B. Salt) TAG.

\* 100' cmt Plug (D.V. Tool) 4511'-4411' TAG.

\* 6000' Perf. & Salsm. TAG.

Wolfcamp Perfs: 9820-10142'

CIBP @ 11726' w/35' cmt

Morrow Perfs: 11848-12106

**Plug and Abandon Procedure**

POOH W/ production string

Set CIBP @ 9800' to abandon Wolfcamp Perfs

Dump 35' cmt on top of CIBP

Set CIBP @ 3600' w/35' cmt on top

\* Pump 10 sx surface plug *min 60'*

Install dry hole marker

\* Perf. & Salsm. @ 6000' (100' cmt plug.) WOC TAG.

\* Spot 100' cmt Plug. 4511'-4411' (D.V. Tool) WOC TAG

\* 100' cmt Plug. 2024'-1924' B. Salt. WOC TAG.

\* 200' cmt Plug. 800'-600' (T. Salt & 13 3/8" gls.) WOC TAG.