

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

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.)		WELL API NO. 30-015-33493
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input 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 79702		7. Lease Name or Unit Agreement Name Peacekeeper
4. Well Location Unit Letter <u>A</u> : <u>990</u> feet from the <u>NORTH</u> line and <u>660</u> feet from the <u>EAST</u> line Section <u>25</u> Township <u>19S</u> Range <u>29E</u> NMPM <u>Eddy</u> County		8. Well Number <u>1</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3349		9. OGRID Number 004378
		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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: PLUG BACK TO DELAWARE ☒

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.

7/06/10 MIRU, bled well dwn, POOH with pkr, latched onto RBP @ 11,363', released bridge plug. Contacted Phil Hawkins in prep of PB. PU and set CIBP @ 11,585', capped with 35' of cmt to plug off L Morrow (11,595-11798), PU 5 1/2 CIBP, TIH t/9540, set plug @ 9540', capped with 35' of cmt to plug off Wolfcamp (9556-9570'). TIH perf Delaware @ 6130-6150 (2 spf 42 shots). Acid across perfs @ 6130-6150, set pkr @ 6056, tstd backside aprox 500 psi, held good. RU Acid crew, pmped a total of 34 bbls of acid. ND BOP, NUWH, RDP, SISO. Evaluating 8/20/10, MIRU, pkr was released. Tstd 196 jts @ 800 psi, tbh held good, set pkr @ 6056, Frac, RU frac crew pmp as follows: Pmp 25 bbls pre pad @ 13 bm w/ 3800 psi Pmp 119 bbls pad @ 14 bm 2/ 3950 psi Pmp 25 bbls 2/ 1 ppg 16/30 white sand 14 bm w/ 4200 psi Pmp 26 bbls w/ 2 ppg 16/30 @ 13 bm w/ 4400 psi Pmp 121 bbls w/ 3 ppg 16/30 started @ 13 bm wkd dwn f/ there press started @ 4400 psi.. Bled well dwn, ND tree, NU BOP, rel and POOH w/pkr, no psi on well, press up to 750 psi, displaced 2% KCL, 132 bbls of 2%, rel pkr, POOH w/196 jts, LD tls, TIH w/197 jts, tged top of sand @ 6070, cln dwn to 6317 (261') Perfs @ 6130-50, pulled above perfs. Set pkr @ 6056.
ND BOP, NU Tree, SWI, RD.

Spud Date:

Rig Release Date:

RECEIVED

NOV 10 2010

NMOCD ARTESIA

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Pam Corbett TITLE Reg Clerk DATE 10/11/10
Type or print name Pam Corbett E-mail address: pamc@chienergyinc.com PHONE: 432 685 5001
For State Use Only

APPROVED BY: David Gray TITLE Field Supervisor DATE 11-15-10
Conditions of Approval (if any): DHC 3777