

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

Form C-103
May 27, 2004

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

WELL API NO. 30-015-33962
5. Indicate Type of Lease STATE ☐ FEE ☒
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name KODIAK
8. Well Number 2
9. OGRID Number 004378
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
PO BOX 1799 MIDLAND, TX 79702

RECEIVED

OCT 05 2005

OCD-ARTESIA

4. Well Location
Unit Letter O : 885 feet from the SOUTH line and 2460 feet from the EAST line
Section 17 Township 22S Range 27E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3122' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

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.

Drld 8 3/4" to 8322' (KOP). Ran orientation survey, PU directional BHA. Drld to a MD of 11,990'/TVD of 11,788.05'. (BHL-681' FSL & 1726.82' FWL, Sec. 17-T22S-R27E). Pulled logs & ran of 5 1/2" csg (2063'-17#-P-110, 9937'-17#-N-80). Cmdt csg @ 12000'w/1000 sks Super "C" Mod (61:15:11)+.4% FL-52A+.8%BA-10+.35% CD-32+.3% SMS. ND, set slips, cut off, install "C" section, released rig 9/28/05.

(See attached copy of directional survey(s))

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: John W. Wolf TITLE: _____ DATE: 10/3/05
Type or print name: JOHN W. WOLF E-mail address: _____ Telephone No: 432-685-5001
For State Use Only

APPROVED BY: _____ FOR RECORDS ONLY TITLE: _____ DATE: OCT 06 2005
Conditions of Approval (if any): _____

RECEIVED
OCT 05 2005
OCC-ARTSIA

Chi Energy
Kodiak #2
Pierce Crossing(Bone Springs)
Eddy County, NM

Measured Depth	Inclin Degrees	Azimuth Degrees	True Vert Depth	RECTANGULAR COORDINATES	Dogleg Deg/100ft	Vert Sect	GRID COORDS Easting	North
0	0	0	0	0.00N 0.00E	0	0	541144.64	515323.18
100	0.72	205.7	100	0.57S 0.27W	0.72	0.37	541144.37	515322.62
200	0.76	203.94	199.99	1.74S 0.81W	0.05	1.13	541143.83	515321.44
300	0.97	168.07	299.98	3.17S 0.91W	0.57	1.49	541143.74	515320.01
400	0.84	174.3	399.97	4.73S 0.66W	0.16	1.54	541143.99	515318.45
500	0.73	164.9	499.96	6.07S 0.42W	0.17	1.56	541144.23	515317.11
600	0.8	139.8	599.95	7.22S 0.19E	0.34	1.17	541144.84	515315.96
700	0.68	118.32	699.94	8.04S 1.17E	0.3	0.37	541145.82	515315.15
800	0.29	65.79	799.94	8.22S 1.92E	0.55	-0.33	541146.57	515314.97
900	0.6	21.58	899.93	7.62S 2.34E	0.44	-0.86	541146.99	515315.56
1000	0.48	37.9	999.93	6.81S 2.79E	0.19	-1.46	541147.44	515316.38
1100	0.74	23.55	1099.92	5.88S 3.31E	0.3	-2.14	541147.96	515317.30
1200	0.79	40.86	1199.91	4.77S 4.02E	0.24	-3.04	541148.66	515318.42
1300	1.67	45.04	1299.89	3.22S 5.50E	0.88	-4.79	541150.14	515319.97
1400	2.41	53.83	1399.83	0.95S 8.23E	0.8	-7.9	541152.87	515322.24
1500	2.79	56.82	1499.72	1.62N 11.96E	0.4	-12.05	541156.60	515324.82
1600	2.67	55.58	1599.61	4.27N 15.92E	0.13	-16.44	541160.56	515327.47
1700	2.36	57.5	1699.51	6.69N 19.58E	0.32	-20.49	541164.21	515329.90
1800	1.85	60.64	1799.45	8.59N 22.72E	0.52	-23.94	541167.35	515331.80
1900	1.78	59.05	1899.4	10.18N 25.46E	0.09	-26.93	541170.09	515333.40
2000	1.73	62.02	1999.35	11.69N 28.13E	0.1	-29.83	541172.75	515334.91
2100	1.45	53.69	2099.31	13.15N 30.48E	0.36	-32.41	541175.10	515336.37
2200	1.46	58.93	2199.28	14.55N 32.59E	0.13	-34.75	541177.21	515337.77
2300	1.17	63.16	2299.25	15.67N 34.59E	0.31	-36.93	541179.21	515338.90

Bottom Hole Location
MD 11990' Tvd 11788.05'
Distance from surface is 1112.03' on Azi of 259.44 from wellhead
681' FSL 1726.82 FWL

Chi Energy
Kodiak # 2
Pierce Crossing(Bone Springs)
Eddy County, NM

2400	1.21	57.9	2399.23	16.69N	36.40E	0.12	-38.9	541181.01	515339.92
2500	1.19	53.12	2499.21	17.88N	38.12E	0.1	-40.81	541182.74	515341.11
2600	1.08	66	2599.19	18.88N	39.81E	0.28	-42.66	541184.43	515342.11
2700	0.93	57.02	2699.17	19.71N	41.36E	0.22	-44.33	541185.97	515342.94
2800	0.99	57.05	2799.16	20.62N	42.76E	0.06	-45.89	541187.37	515343.86
2900	0.97	52.95	2899.14	21.60N	44.16E	0.07	-47.45	541188.77	515344.84
3000	0.91	51.99	2999.13	22.60N	45.46E	0.06	-48.91	541190.07	515345.84
3100	0.89	46.12	3099.12	23.63N	46.65E	0.09	-50.27	541191.26	515346.87
3200	0.89	52.07	3199.11	24.64N	47.82E	0.09	-51.62	541192.43	515347.88
3300	0.98	53.97	3299.09	25.62N	49.13E	0.1	-53.08	541193.73	515348.86
3400	0.84	60.63	3399.08	26.49N	50.46E	0.18	-54.55	541195.06	515349.73
3500	0.79	59.02	3499.07	27.20N	51.69E	0.05	-55.89	541196.29	515350.44
3600	0.77	53.08	3599.06	27.96N	52.81E	0.08	-57.14	541197.41	515351.20
3700	0.87	37.89	3699.05	28.96N	53.82E	0.24	-58.32	541198.42	515352.21
3800	0.77	54.22	3799.04	29.95N	54.83E	0.25	-59.5	541199.43	515353.20
3900	0.6	46.75	3899.03	30.71N	55.76E	0.19	-60.55	541200.35	515353.95
4000	0.63	33.64	3999.03	31.52N	56.44E	0.14	-61.38	541201.04	515354.77
4100	0.66	49.34	4099.02	32.35N	57.18E	0.18	-62.27	541201.78	515355.61
4200	0.4	45.59	4199.02	32.97N	57.87E	0.26	-63.06	541202.46	515356.23
4300	0.35	14.89	4299.02	33.51N	58.20E	0.2	-63.48	541202.79	515356.77
4400	0.38	21.76	4399.01	34.12N	58.40E	0.05	-63.79	541202.99	515357.37
4500	0.43	35.49	4499.01	34.73N	58.74E	0.11	-64.24	541203.33	515357.98
4600	0.16	52.98	4599.01	35.12N	59.07E	0.28	-64.64	541203.66	515358.37
4700	0.28	9.91	4699.01	35.44N	59.22E	0.2	-64.85	541203.81	515358.70
4800	0.21	37.16	4799.01	35.83N	59.37E	0.13	-65.07	541203.96	515359.08
4900	0.23	36.73	4899.01	36.14N	59.61E	0.02	-65.36	541204.20	515359.39
5000	0.28	3.34	4999.01	36.54N	59.74E	0.15	-65.57	541204.33	515359.80

Bottom Hole Location

MD 11990' Tvd 11788.05'

Distance from surface is 1112.03' on Azi of 259.44 from wellhead

681' FSL 1726.82 FWL
of

SEC 17 2227

Chi Energy
Kodiak # 2
Pierce Crossing(Bone Springs)
Eddy County, NM

5100	0.22	320.51	5099.01	36.94N	59.63E	0.19	-65.54	541204.22	515360.19
5200	0.35	0.62	5199	37.39N	59.51E	0.23	-65.5	541204.10	515360.64
5300	0.25	17.09	5299	37.90N	59.58E	0.13	-65.67	541204.17	515361.16
5400	0.05	258.54	5399	38.10N	59.60E	0.28	-65.73	541204.19	515361.36
5500	0.01	26.34	5499	38.10N	59.56E	0.06	-65.69	541204.15	515361.36
5600	0.12	240.89	5599	38.06N	59.48E	0.13	-65.59	541204.06	515361.31
5700	0.28	261.93	5699	37.97N	59.14E	0.17	-65.25	541203.73	515361.23
5800	0.26	270.45	5799	37.94N	58.67E	0.04	-64.78	541203.26	515361.19
5900	0.66	266.1	5899	37.90N	57.87E	0.4	-63.99	541202.46	515361.15
6000	0.88	261.27	5998.99	37.75N	56.54E	0.23	-62.65	541201.13	515361.00
6100	1.04	257.71	6098.97	37.44N	54.89E	0.17	-60.98	541199.48	515360.69
6200	1.11	256.75	6198.96	37.02N	53.06E	0.07	-59.1	541197.65	515360.27
6300	0.83	253.9	6298.94	36.60N	51.42E	0.28	-57.41	541196.01	515359.84
6400	0.73	262.39	6398.93	36.31N	50.10E	0.15	-56.05	541194.69	515359.56
6500	0.91	255.12	6498.92	36.03N	48.70E	0.21	-54.63	541193.29	515359.27
6600	0.28	271.9	6598.92	35.83N	47.69E	0.65	-53.6	541192.28	515359.07
6700	0.6	264.87	6698.91	35.79N	46.92E	0.32	-52.84	541191.51	515359.03
6800	0.62	242.71	6798.91	35.50N	45.92E	0.24	-51.8	541190.51	515358.73
6900	0.67	246.37	6898.9	35.01N	44.90E	0.06	-50.71	541189.49	515358.25
7000	0.64	215.64	6998.9	34.33N	44.04E	0.35	-49.73	541188.63	515357.56
7100	0.73	206.95	7098.89	33.30N	43.43E	0.14	-48.94	541188.02	515356.54
7200	0.76	218.22	7198.88	32.22N	42.73E	0.15	-48.04	541187.32	515355.45
7300	1.05	220.09	7298.87	30.99N	41.73E	0.29	-46.83	541186.32	515354.23
7400	0.66	233.05	7398.86	29.95N	40.68E	0.43	-45.6	541185.28	515353.18
7500	0.65	229.19	7498.85	29.23N	39.79E	0.05	-44.59	541184.39	515352.46
7600	0.99	227.15	7598.84	28.27N	38.72E	0.34	-43.37	541183.33	515351.50
7700	1.3	207.35	7698.82	26.68N	37.57E	0.5	-41.93	541182.17	515349.90

Bottom Hole Location

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7800	1.23	200.7	7798.8	24.66N	36.67E	0.16	-40.67	541181.28	515347.89
7900	1.2	200.84	7898.77	22.68N	35.92E	0.03	-39.56	541180.53	515345.91
8000	1.1	214.25	7998.75	20.91N	35.00E	0.29	-38.32	541179.62	515344.13
8100	0.7	215.41	8098.74	19.62N	34.11E	0.4	-37.2	541178.72	515342.84
8200	0.79	184.16	8198.73	18.43N	33.71E	0.41	-36.58	541178.32	515341.66
8289	1.02	187.12	8287.72	17.04N	33.56E	0.26	-36.18	541178.18	515340.26
8336	1.9	211.7	8334.71	15.96N	33.10E	2.26	-35.52	541177.72	515339.18
8368	2.9	224	8366.68	14.92N	32.26E	3.5	-34.5	541176.88	515338.15
8400	4	228.6	8398.62	13.60N	30.86E	3.54	-32.88	541175.48	515336.82
8464	4.9	241.2	8462.43	10.81N	26.79E	2.07	-28.35	541171.42	515334.03
8528	5.8	251.1	8526.15	8.45N	21.34E	2.01	-22.55	541165.97	515331.65
8591	7	257.4	8588.76	6.58N	14.58E	2.2	-15.56	541159.21	515329.78
8655	8.3	257.8	8652.19	4.75N	6.26E	2.03	-7.04	541150.89	515327.94
8718	9.6	259.2	8714.42	2.80N	3.35W	2.09	2.76	541141.29	515325.98
8782	10.9	258.5	8777.39	0.60N	14.52W	2.04	14.15	541130.12	515323.76
8846	11.8	256	8840.14	2.19S	26.80W	1.6	26.73	541117.85	515320.96
8910	13.2	257.8	8902.62	5.32S	40.29W	2.27	40.57	541104.36	515317.81
8974	14.4	258.1	8964.78	8.50S	55.22W	1.88	55.83	541089.43	515314.61
9037	15.6	259.9	9025.63	11.61S	71.23W	2.04	72.14	541073.43	515311.49
9101	16.4	261.6	9087.15	14.43S	88.64W	1.45	89.77	541056.03	515308.64
9165	18.2	262.3	9148.25	17.09S	107.48W	2.83	108.78	541037.19	515305.96
9229	20.1	259.9	9208.71	20.36S	128.22W	3.21	129.75	541016.46	515302.66
9293	21.7	257.4	9268.5	24.87S	150.59W	2.86	152.58	540994.09	515298.13
9357	22.2	257	9327.86	30.17S	173.92W	0.82	176.49	540970.77	515292.80
9484	22.1	257.1	9445.48	40.90S	220.58W	0.08	224.34	540924.13	515282.01
9548	22.1	258.1	9504.78	46.07S	244.10W	0.59	248.41	540900.62	515276.81
9612	24.8	259.5	9563.49	51.00S	269.08W	4.31	273.87	540875.65	515271.85
9676	25.3	259.2	9621.47	56.01S	295.71W	0.81	300.97	540849.02	515266.81

Bottom Hole Location

MD 11990' Tvd 11788.05'

Distance from surface is 1112.03' on Azi of 259.44 from wellhead

681' FSL 1726.82 FWL

of

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Chi Energy
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Eddy County, NM

9740	22.5	260.2	9679.98	60.66S	321.22W	4.42	326.9	540823.53	515262.13
9803	21.7	261.6	9738.35	64.41S	344.62W	1.52	350.58	540800.13	515258.35
10058	19.1	262.3	9977.6	75.42S	432.08W	0.59	438.55	540712.69	515247.23
10122	18.4	263	10038.2	78.05S	452.48W	1.15	459.08	540692.29	515244.57
10186	18	263	10099	80.49S	472.32W	0.63	479.02	540672.46	515242.11
10249	19.2	262	10158.71	83.12S	492.24W	1.97	499.08	540652.54	515239.46
10313	19.7	260.2	10219.06	86.42S	513.30W	1.22	520.38	540631.50	515236.13
10376	20.6	257.4	10278.2	90.64S	534.58W	2.09	542.07	540610.22	515231.88
10440	20.5	257.4	10338.13	95.54S	556.50W	0.16	564.53	540588.31	515226.95
10503	19.8	258.8	10397.27	100.02S	577.73W	1.35	586.23	540567.08	515222.45
10567	19.9	258.1	10457.47	104.37S	599.03W	0.4	607.96	540545.80	515218.07
10631	20.7	257.1	10517.5	109.14S	620.71W	1.36	630.15	540524.12	515213.27
10695	20.9	256.7	10577.32	114.30S	642.85W	0.38	652.86	540502.00	515208.09
10759	21.3	257.1	10637.03	119.52S	665.29W	0.66	675.88	540479.56	515202.85
10822	21.1	258.5	10695.77	124.33S	687.55W	0.86	698.66	540457.31	515198.00
10886	20.7	258.8	10755.56	128.83S	709.94W	0.65	721.49	540434.93	515193.48
10950	22.1	256	10815.15	133.94S	732.72W	2.71	744.82	540412.16	515188.34
11014	21.5	256	10874.57	139.69S	755.78W	0.94	768.56	540389.11	515182.57
11077	21	256	10933.29	145.21S	777.93W	0.79	791.36	540366.96	515177.01
11173	20.3	257.7	11023.12	152.92S	810.89W	0.96	825.18	540334.01	515169.27
11205	20.4	258.8	11053.12	155.19S	821.79W	1.24	836.31	540323.12	515166.99
11269	20.1	258.1	11113.17	159.62S	843.49W	0.6	858.46	540301.42	515162.53
11333	21.1	258.8	11173.07	164.12S	865.55W	1.61	880.97	540279.37	515157.99
11396	21	260.2	11231.87	168.25S	887.80W	0.81	903.6	540257.13	515153.84
11460	21.1	261.6	11291.6	171.88S	910.50W	0.8	926.57	540234.44	515150.18
11524	21.1	261.6	11351.31	175.25S	933.29W	0	949.59	540211.65	515146.78
11588	21.1	262.3	11411.02	178.48S	956.10W	0.39	972.6	540188.85	515143.53
11652	20.6	261.3	11470.83	181.72S	978.65W	0.96	995.36	540166.31	515140.26

Bottom Hole Location

MD 11990' Tvd 11788.05'

Distance from surface is 1112.03' on Azi of 259.44 from wellhead

681' FSL 1726.82 FWL

of

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Eddy County, NM

11715	20.	259.9	11529.91	185.29S	1000.21W	1.23	1017.2	540144.75	515136.65
11800	19.9	258.8	11609.81	190.65S	1028.71W	0.46	1046.2	540116.26	515131.27
11864	20.4	258.1	11669.89	195.06S	1050.31W	0.87	1068.25	540094.67	515126.83
11928	20.3	258.5	11729.9	199.58S	1072.11W	0.27	1090.5	540072.88	515122.29
11990	20.3	258.5	11788.05	203.86S	1093.18W	0	1112.01	540051.81	515117.97

Bottom Hole Location
MD 11990' Tvd 11788.05'
Distance from surface is 1112.03' on Azi of 259.44 from wellhead
681' FSL 1726.82 FWL.
of
SEC 17 2227



CHI ENERGY

Structure : KODIAK #2

SLOT : slot #1

Field : Pierce Crossing (Bone Springs) Location : Eddy County New Mexico

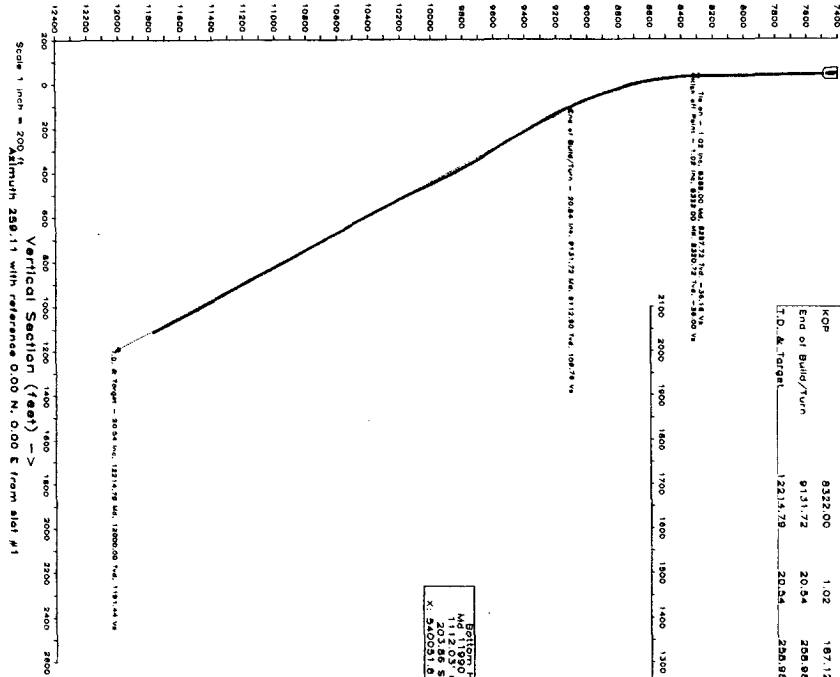
WELL PROFILE DATA

Point	MD	INC	D/C	TVD	North	East	V. Sect	Dep/100
Tie on	8268.00	1.02	187.12	8287.72	17.04	35.56	-36.16	0.00
KOP	8320.00	1.02	187.12	8320.72	16.45	33.49	-36.00	0.00
End of Build/Turn	9131.72	20.54	208.98	9112.90	-18.21	-109.30	109.79	2.50
T.D. & Target	12213.79	20.54	220.98	12000.00	-223.00	-1170.00	1191.44	0.00

Created by: vey 2008
Date plotted: 12 Oct 2008
Plot reference: slot #1
Coordinates are in feet reference slot #1.
True Vertical Depth are reference rotary table.
--- Baker Hughes INTEQ ---

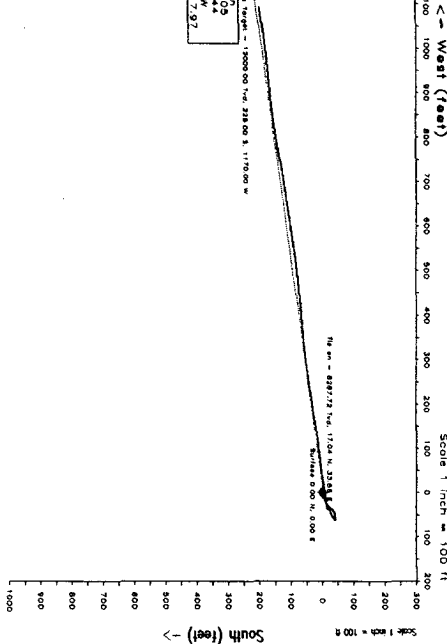
Scale 1 inch = 200 ft

<- True Vertical Depth (feet)



Borehole
Location
MD 12213.79
INC 20.54
D/C 220.98
TVD 12000.00
North -223.00
East -1170.00
V. Sect 1191.44
Dep/100 0.00

<- West (feet)



South (feet) ->

Scale 1 inch = 200 ft
Vertical Section (feet) ->
Azimuth 259.11 with reference 0.00 N, 0.00 E from slot #1