

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM

District III

88210 Rio Brazos Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

WELL API NO.

30-015-31772

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name:

WC "3"

7. Well No.

#2

8. Pool name or Wildcat

Happy Valley 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 Gas Well ☒ Other

RECEIVED

2. Name of Operator

Chi Operating, Inc.

FFR 1 3 2004

3. Address of Operator

P.O. Box 1799 Midland, Texas 79702

OCD-ARTESIA

4. Well Location

Unit Letter M : 990 feet from the South line and 990 feet from the West line

Section 3 Township: 22S Range: 25E NMPM Eddy County:

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

GR - 3187'

11. 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 COMPLETION ☐

OTHER: Extend Drilling Permit

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☒

12. 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 recompilation.

Spud 12/05/03. Drld 17½" hole to 516' w/13 3/8" csg 68# J55. Cmdt w/200sxs "H" + 10% Gyp + 1% Cacl2 + 8pps LCM-1, 350sxs "C" + 4% Gel + 2% Cacl2 + 2pps LCM-1, 150sxs "C" + 25 Cacl2 + .25pps CF. WOC. Drld 12¼" hole to 2170' w/9 5/8" csg 36# J55. Cmdt w/200sxs "H" + 35:65:6, Lead 500sxs BJ Lite + 10% A10 + 8# LCM + 15 Cacl2 + 5% Salt + 2# LCM, Tail 225sxs "C" + 2% Cacl2 + ¼# CF, Circ 300sxs. WOC.

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

SIGNATURE Robin Askeew TITLE REGULATORY CLERK DATE 2/11/04

Type or print name ROBIN ASKEW

Telephone No. 432-685-5001

(This space for State use)

FOR RECORDS ONLY

APPROVED BY \_\_\_\_\_ TITLE \_\_\_\_\_ DATE FEB 16 2004

Conditions of approval, if any: Note Time to WOC