

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 Rios Rd., Aztec, NM 87410

District IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

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. 30-015-33181
1. Type of Well: Oil Well Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE FEE
2. Name of Operator Chi Operating, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 1799 Midland, Texas 79702		7. Lease Name or Unit Agreement Name: MERLAND
4. Well Location Unit Letter : 990 feet from the NORTH line and 1980 feet from the WEST line Section 30 Township: 22S Range: 27e NMPM County: EDDY		7. Well No. 2
10. Elevation (Show whether DR, RKB, RT, GR, etc.) GR -		8. Pool name or Wildcat

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: ☐

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 well 2/6/04 @ 6am. Drd 17 1/2" hole to 376'. Ran 13 3/8" 61# J55 surface csg. Cmtd w/2 Leads 180sxs "H" + 10 % A-10 + 2% Cacl2 + 1/2 # CF + 4# LCM + 240sxs "C" + 4% Gel + 2% Cacl2 + 4# LCM, Tail 135sxs "C" + 2% Cacl2 + 1/4 # CF. Circ 276sxs. WOC 18 hrs. Drd 12 1/4" hole to 5304'. Ran 9 5/8" 40/36# J55 csg. Cmtd 1st Stage: Lead-740sxs "C" + 4% Gel + 10% salt + 1pps LCM-1. Tail-75sxs "C" + .25pps CF + .2% SMS, circ 75sxs. Cmtd 2nd Stage w/Lead 500sxs "C" + 15% Gel + 10% salt + 1pps LCM-1, Tail-100sxs "C" + 1% Cacl2 + .25pps CF, circ 150sxs. WOC 18 hrs.

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 3/01/04Type or print name ROBIN ASKEWTelephone No. 432-685-5001

(This space for State use)

FOR RECORDS ONLY

APPROVED

BY TITLE DATE MAR 14 2004

Conditions of approval, if any: