Submit 3 Copies to Appropriate District Office

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30-015-20935

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. V-3333

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.)

7. Lease Name or Unit Agreement Name: CEDAR STATE

1. Type of Well: OIL WELL [✓] GAS WELL [ ] OTHER

2. Name of Operator: Chi OPERATING, INC

8. Well No. 1

3. Address of Operator: P.O. BOX 1799, MIDLAND TX 79702

9. Pool name or Wildcat: UND BONE SPRING

4. Well Location
Unit Letter K : 1980 Feet From The South Line and 1980 Feet From The WEST Line

Section 11 Township 21 S Range 27 E NMPM EDDY County

10. Elevation (*Show whether DF, RKB, RT, GR, etc.*) 3261 GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK [ ]	PLUG AND ABANDON [ ]	REMEDIAL WORK [ ]	ALTERING CASING [ ]
TEMPORARILY ABANDON [ ]	CHANGE PLANS [ ]	COMMENCE DRILLING OPNS. [ ]	PLUG AND ABANDONMENT [ ]
PULL OR ALTER CASING [ ]		CASING TEST AND CEMENT JOB [ ]	
OTHER: [ ]		OTHER: REENTRY [X]	

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.

1) MIRU DRILLING RIG 1/4/94. DRILL SURFACE PLUG. NU BOP'S. DRILL PLUGS @ 2985'+4287'. DRILL/CLEAN OUT 7-5/8" CASING TO 8200'. CIRC HOLE CLEAN.

2) RAN GR/CCL/CBL F/ 8200-4287 (TOC 7-5/8" CASING)

3) RAN 187 JOINTS 4½" 10.5# + 11.6# J-55 CASING. @ 8118'. CEMENT WITH 1010 SX CL 'C'.

4) NU WELLHEAD. INSTALL DRY HOLE TREE.

5) RD DRILLING RIG.

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

SIGNATURE David C Myers TITLE OPERATIONS MANAGER DATE 3/8/94

TYPE OR PRINT NAME DAVID C MYERS TELEPHONE NO. 915 685-5001

(This space for State Use)

APPROVED BY [signature] TITLE SUPERVISOR DISTRICT II DATE APR

CONDITIONS OF APPROVAL, IF ANY: