

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

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

Form C-103
May 27, 2004

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. 30-015-28825
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		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. 00648
3. Address of Operator P.O. Box 1799 Midland, Texas 79702		7. Lease Name or Unit Agreement Name Atlantic State
4. Well Location Unit Letter <u>E</u> : <u>960</u> feet from the <u>West</u> line and <u>1980</u> feet from the <u>North</u> line Section <u>14</u> Township <u>19-S</u> Range <u>28-E</u> NMPM County <u>Eddy</u>		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3,449' GR		9. OGRID Number 004378
Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Winchester; Morrow, North Gas Pool
Pit type <u>steel pit</u> 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input checked="" type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

13 3/8" 48# csg @ 376' w/ 360 sx, circulated; 8 5/8" 32# csg @ 2,921' w/ 855 sx, circulated; 5 1/2" 17/20# csg @ 11,350' w/ 870 sx, TOC @ 6,300' calculated. Open perfs 8,858 - 8,932'. 2 3/8" tubing & rods @ ~ 8,801'

Notify NMOCD 24 hrs prior to move in, and 4 hrs prior to plugs, hold daily tailgate safety meetings w/ crews. Set steel pit prior to MI

1. POOH w/ production tubing. Set CIBP @ 8,808'. Circulate hole w/ mud and pump 25 sx C cmt on CIBP.
2. Cut & pull 5 1/2" casing from ~ 6,000' (based on stretch measurements)
3. Pump 45 sx C cmt @ ~ 6,050' 50' inside casing stub WOC & TAG
4. Pump 60 sx C cmt @ 2,971' casing shoe WOC & TAG
5. Pump 35 sx C cmt @ 830' base of salt ~ WOC TAG
6. Pump 35 sx C cmt @ 426' surface casing shoe plug - TAG
7. Pump 15 sx C cmt 50' to surface.

60'

Cut off wellhead & anchors, install dry hole marker

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 James F. Newman TITLE Engineer, Triple N Services, Inc. DATE 03/20/06

Type or print name James F. Newman, P.E.

E-mail address: jim@triplenservices.com

Telephone No. 432.687.1994

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APPROVED BY: Ph. J. Hankin

TITLE Field Eng

DATE 3/23/06

Conditions of Approval (if any):