

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

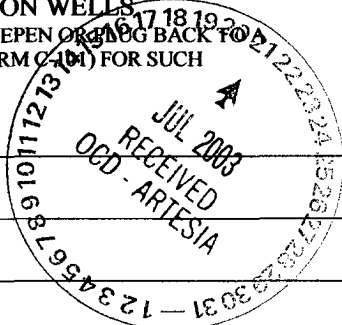
1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-103

Revised March 25, 1999

<p><b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR LOG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p> <p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other</p>		<p>WELL API NO. 30-015-32682</p>
<p>2. Name of Operator CHI OPERATING, INC.</p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>3. Address of Operator P.O. BOX 1799, MIDLAND, TEXAS 79702</p>		<p>6. State Oil &amp; Gas Lease No.</p>
<p>4. Well Location Unit Letter <u>A</u>; <u>660</u> feet from the <u>NORTH</u> line and <u>660</u> feet from the <u>EAST</u> line Section <u>32</u> Township <u>18S</u> Range <u>31E</u> NMPM County <u>EDDY</u></p>		<p>7. Lease Name or Unit Agreement Name: Porterhouse State Com.</p>
<p>10. Elevation (Show whether DR, RKB, RT, GR, etc.)</p>		<p>8. Well No. #1</p>
<p>11. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data</p>		<p>9. Pool name or Wildcat</p>



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 ☒

OTHER: ☐

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 3/29/03. Drld 17 1/2" hole to 660'. Ran 13 3/8" 54.50# csg. Cmtd Lead w/450sxs "C" + 4% Gel + 2% CaCl2 + 1pps LCM-1, Tail w/200sxs "C" + 2% CaCl2 + .25pps CF, Circ 100sks. NU tst & WOC 18hrs. Drld 11" hole to 3614'. Ran 8 5/8" 32# csg. Cmtd W/400sxs "C" + 15% Gel + 10% salt + 1# LCM-1, 500sxs (35:65:6) + 10% salt + 1# LCM-1, 225sxs "C" + 1% CaCl2 + 1/4 # CF, did not circ, Cmt w/50sxs 4% CaCl2, WOC 18hrs. Ran 5 1/2" 20/17# csg. Cmtd 1<sup>st</sup> Stage w/250sxs "C" mod + 8% BA 10, .65% CD-32 + .35% FL-52 + .1% SMS, Cmtd 2<sup>nd</sup> Stage w/250sxs "C" + 15% Gel + 10% Salt + .25pps CF, Tail 100sxs "C" + 4% Gel + 10% Salt + .25pps CF. ND BOP. Released Rig 5/13/03.

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

SIGNATURE Robin Askew TITLE REGULATORY CLERK DATE 7/10/03

Type or print name ROBIN ASKEW Telephone No. 432-685-5001

(This space for State use)

APPROVED BY [Signature] FOR RECORDS ONLY

Conditions of approval, if any:

DATE JUL 21 2003