

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103

June 19, 2009

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

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

WELL API NO.

30-015-36231

5. Indicate Type of Lease

STATE ☐FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

ARTHUR

8. Well Number #1

9. OGRID Number 004378

10. Pool name or Wildcat

CARLSBAD, SOUTH DELAWARE

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 ☐

2. Name of Operator

CHI OPERATING, INC.

3. Address of Operator

P.O. BOX 1799, MIDLAND, TEXAS 79702

4. Well Location

Unit Letter _____ F _____ 1980 _____ feet from the _____ NORTH _____ line and _____ 1650 _____ feet from the _____ WEST _____ line

Section 30 Township 22S Range 27E NMPM EDDY County

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

GL:3185' KB:3196'

RECEIVED
FEB 12 2009
NMOCD ARTESIA

12. 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 COMPL ☐DOWNHOLE COMMINGLE ☐OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☒OTHER: AMENDED ☒

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.

Spud 9:30 9/12/08. Drld 12 1/4" hole to 377', Ran 8 5/8" 24# J55 csg set @ 377'. Cmdt surf csg w/250 C+2%CACL2 circ 5 bbls cmt t/surf. WOC 22hrs, tst surf csg t/500 psi 1/2 hr, ok. Drld 7 7/8" hole to 5340', Ran OH logs to 5340'. Set 100sxs cmt plug @ 3200', circ to 3000' for 1 1/4 hrs., LD DP, RU csg crew. RIH w/5 1/2" 15.5# J-55 prod csg & set @ 2984' (TD) 9/29/08. Cmdt 1100 sxs lead slurry & 600 sxs tail slurry displace & pmp plug @ 1330 cmt t/surf. ND BOP, set slips, jet & clean pits. Released rig 9/29/08.

Spud Date:

9/12/2008

Rig Release Date:

9/29/2008

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

SIGNATURE Robin Askeu TITLE REGULATORY CLERK DATE 2/10/10Type or print name ROBIN ASKEW E-mail address: robina@chienergy PHONE: _____

For State Use Only

APPROVED BY: Donald Gray TITLE Field supervisor DATE 2-16-2010

Conditions of Approval (if any):