

District I 1625 N. French Dr., Hobbs, NM88240
District II 1301 W. Grand Ave., Artesia, NM88210
District III 1000 Rio Brazos Rd., Aztec, NM 87410
District IV 1220 S. St. Francis Dr., Santa Fe, NM87505

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM87505

WELL API NO. 30-015-30513
5. Indicate Type of Lease STATE [X] FEE [ ]
6. State Oil & Gas Lease No.

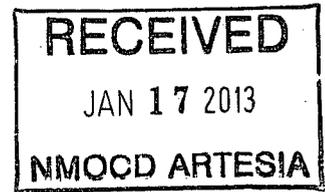
SUNDRY NOTICES AND REPORTS ON WELLS
1. Type of Well: Oil Well [ ] Gas Well [X] Other [ ]
2. Name of Operator CHI Operating, Inc
3. Address of Operator P.O. Box 1799 Midland, TX 79702
4. Well Location Unit Letter 3 : 660 feet from the North line and 1650 feet from the West line
Section 1 Township 19S Range 29E NMPM County Eddy
11. Elevation (Show whether DR, RKB, RT, GR, etc.) GR 3420'
Pit or Below-grade Tank Application [ ] or Closure [ ]
Pit type steel Depth to Groundwater Distance from nearest fresh water well Distance from nearest surface water N/A
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:
PERFORM REMEDIAL WORK [ ] PLUG AND ABANDON [ ]
TEMPORARILY ABANDON [ ] CHANGE PLANS [ ]
PULL OR ALTER CASING [ ] MULTIPLE COMPL [ ]
OTHER: [ ]
SUBSEQUENT REPORT OF:
REMEDIAL WORK [ ] ALTERING CASING [ ]
COMMENCE DRILLING OPNS. [ ] P AND A [X]
CASING/CEMENT JOB [ ]
OTHER: [ ]

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.

10/30/12—MIRU
10/31/12—Layed down 330 jts
11/1/12—Set 4 1/2 CIBP @ 10870'
11/2/12—Tag CIBP @ 10870' - circ hole w/ MLF. Spot 35 sxs cmt - displace to 10341'
11/6/12—Perf @ 9157', ran in hole w/ 4 1/2 pkr, set @ 8790' - sqz 80 sxs cmt, displaced to 9057', tag @ 9056'
11/8/12—Cut csg @ 8000' - pulled out of hole w/ 4 1/2 csg
11/13/12—Run in hole w/ perf sub to 8050', pressured up 2000 psi. POOH
11/14/12—Run in hole to 7925', pumped 100 sxs cmt, displaced to 7689' - pulled up hole
11/15/12—Run in Tag plug @ 7713', pulled up hole to 7300' pumped 60 sxs cmt - WOC Tag plug @ 7139'. Pulled up hole to 6300' pumped 60 sxs cmt - displaced to 5078', pulled 20 stands
11/16/12—Tag plug @ 5094'. PUH to 4380' - pumped 60 sxs cmt, displaced to 4158' - WOC tag plug @ 4213'. Pulled up hole to 3300' pumped 125 sxs cmt - displaced to 2836', pulled 20 stands
11/17/12—Tag plug @ 2856'. PUH to 1122' - spot 60 sxs cmt, displaced to 887' - WOC tag @ 950'. EOT @ 320' pump 115 sxs to surface



File Current C103 P&A for final inspection

Approved for plugging of well bore only. Liability under bond is retained pending receipt of C-103 (Subsequent Report of Well Plugging) which may be found at OCD Web Page under Forms, www.emnrd.state.nm.us/oed.

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 [X], a general permit [ ] or an (attached) alternative OCD-approved plan [ ].

SIGNATURE [Signature] TITLE P&A Tech (Basic Energy Services) DATE 11/29/12

Type or print name: Greg Bryant E-mail address: greg.bryant@basicenergyservices.com Telephone No. 432-563-3355

APPROVED BY: [Signature] TITLE DATE 1/23/2013
Conditions of Approval (if any):