

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
5551 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

JUN 26 2009

Form C-103  
June 19, 2008

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

|                                                                                          |
|------------------------------------------------------------------------------------------|
| WELL API NO.<br>30-015-36788                                                             |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input type="checkbox"/> |
| 6. State Oil & Gas Lease No.                                                             |
| 7. Lease Name or Unit Agreement Name<br>Nichols "30" State Com.                          |
| 8. Well Number #2                                                                        |
| 9. OGRID Number<br>4378                                                                  |
| 10. Pool name or Wildcat<br>ILLINOIS CAMP MORROW                                         |

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 C : 950 feet from the NORTH line and 1980 feet from the WEST line  
Section 30 Township 18S Range 28E NMPM County EDDY

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3566' GL

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: ☐

**Notify OCD 24 hrs. prior  
to any work done**

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.

RU DD PU. Circ hole w/mud laden fluid. POOH w/pkr & prod tbg. Set CIBP @ 10,240', spot 35' of cmt on to abandon Morrow Perfs. Set CIBP @ 7480', spot 35' of cmt on to abandon Bone Spring Carb perfs. Free point & attempt to cut 5 1/2 csg @ 7000'.  
POOH LD csg. Spot 150' cmt plug half in & half out @ 2395'. Tag. Spot 50' surf plug. Cut off WH. Install dry hole marker & reclaim location.

Spud Date:

12-10-08

Rig Release Date:

1-5-09

Approval Granted providing work  
is complete by 12/15/09

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

Type or print name ROBIN ASKEW

E-mail address:

robina@chienergyinc.com

PHONE: 432-685-5001

For State Use Only

APPROVED BY:

*Phil Harris*

TITLE

DATE

10/15/09

Conditions of Approval (if any):

\* Required 100' cmt Plug - Bone Spring 3310' (3360' - 3260')

\* If CSG Cut & Pulled. Spot 100' cmt stub Plug. (50' below 50' Above) TAC

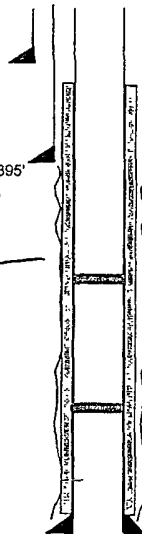
\* 13 3/8 CSG Shoe. 100' cmt (50' below & 50' Above) TAC.

Nichols 30 No. 2  
(current wellbore)  
30-015-36788  
950 FNL & 1980 FWL  
Section 30, T18S R28E

8-5/8" 32# J55 @ 2395'  
cmt at surface (circ)

IF CSG Cut @ 7000' —  
100' cmt Plug. TAG

5-1/2" 17# N80 @ 10,689'  
TOC 5990' CBL



60' cmt Plug. To Surface.  
100' cmt Plug. 13 3/8 (50' below + 50' Above) TAG  
13-3/8" 61# J55 @ 396'  
cmt at surface (circ)  
100' cmt Plug (50' below - 50' Above) TAG. 8 5/8'.  
≤ 3310' Bone Spring 100' cmt (3360'-3260')

Set CIBP @ 7480' w/3sx cement on top

Perfs: Bone Spring 7502-7520'

Set CIBP @ 10,240' w/3sx cement on top

Perfs: Morrow 10,483-10,493', 10285-10,306', 10254-10262'

#### Proposed Plugging Procedure:

RU DD PU. Circ hole w/mud laden fluid. POOH w/pkr & prod tbg.

Set CIBP @ 10,240', spot 35' of cmt on to abandon Morrow perfs.

Set CIBP @ 7,480', spot 35' of cmt on to abandon Bone Spring Carb perfs.

Free point & attempt to cut 5 1/2" csg @ 7000' POOH LD csg

Spot 150' cmt plug half in & half out @ 2395'. Tag.

Spot 50' surf plug.

Cut off well head. Install dry hole marker & reclaim location.

Bone Spring 3310 → 100' cmt Plug. 60' 100' STUB below. (50' below + 50' Above) TAG  
13 3/8 csg shoe 100' cmt (50' below + 50' Above) TAG.

San Andres 2140'  
\* Bone Spring 3310'  
\* Wolfcamp 7830'  
Cisco/Canyon 8540'  
Atoka 9790'  
\* Morrow Clastics 10,180'  
Lower Morrow 10,320'  
Chester 10630'