

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

WELL API NO.

30-025-38525

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

ELKAN

8. Well Number

2

9. OGRID Number

004378

10. Pool name or Wildcat

CERCA UPPER PENN

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

PO BOX 1799 MIDLAND, TX 79702

4. Well Location

Unit Letter H : 1980 feet from the NORTH line and 660 feet from the EAST line

Section 11 Township 14S Range 34E NMPM LEA County

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

4099' GR

GR Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ 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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐

TEMPORARILY ABANDON ☐ CHANGE PLANS ☐

PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

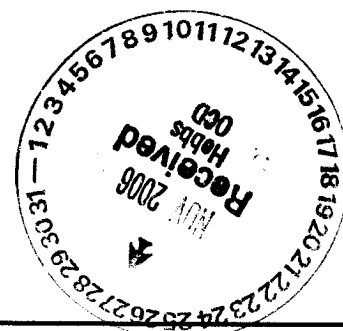
COMMENCE DRILLING OPNS. ☐ P AND A ☐

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.

Spud well on 11/10/06. Drld 17½" hole to 451'. Set 13 3/8"-61#-J-55 @ 451'. Cmtld w/300 sxs "C"+4% GEL+2#SXLCM-1+2%CACL2 & 100 sks "C"+2%CACL2+.25#SXCF, circ 131 sks to pit. Cutoff, NUBOP-tstd-1200#, WOC 26¼ hrs. 11/12/06 - drld out plug and cmt. Tstd csg-750#. Cont. drlg interm. hole.



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: John W. Wolf TITLE: _____

DATE: 11/21/06

Type or print name: JOHN W. WOLF

E-mail address: _____

Telephone No: 432-685-5001

For State Use Only

APPROVED BY: John W. Wolf

Conditions of Approval (if any): _____

DISTRICT SUPERVISOR/GENERAL MANAGER

DATE: 1-1-2007