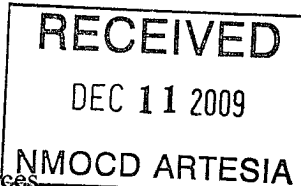


PIA'd. OK TO RELEASE.
MJB. 12/30/2009



Submit One Copy To Appropriate District
Office

State of New Mexico

Form C-103
March 18, 2009

District I

1625 N. French Dr., Hobbs, NM 88249

District II

1301 W. Grand Ave., Artesia, NM 88201

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM
87505

Energy, Minerals and Natural Resources

RECEIVED

DEC 15 2009

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-38309

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

OXY MARSH HAWK STATE

8. Well Number

2

9. OGRID Number

4378

10. Pool name or Wildcat Anderson Ranch
MORROW; West

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, TX 79702

4. Well Location

Unit Letter F : 1980 feet from the FNL line and 11650 feet from the FNL line

Section 21 Township 16S Range 32E NMPM County LEA

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

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 ☐

☒ Location is ready for OCD inspection after P&A

☒ All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan.

☐ Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned.

☒ A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the

**OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR
UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR
PERMANENTLY STAMPED ON THE MARKER'S SURFACE.**

☒ The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.

☐ Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.

☐ If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.

☐ All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)

☒ All other environmental concerns have been addressed as per OCD rules.

☐ Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE

Robin Askeu

TITLE

REGULATORY CLERK

DATE

12-7-09

TYPE OR PRINT NAME

Robin Askeu

E-MAIL:

robina@chienergyinc.com

PHONE:

432-685-5001

For State Use Only

APPROVED BY:

Mary Brown

TITLE

Compliance Officer

DATE

12/30/2009

Conditions of Approval (if any):

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-30-025-38309

5. Indicate Type of Lease

STATE ☐ FEE ☐

6. State Oil & Gas Lease No.

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 F : 1980 feet from the FNL line and 1650 feet from the FWL lineSection 21 Township 16S Range 32E NMPM County LEA

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

GL-4338'

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 10/1/07. Drld 17½ hole to 600', ran 13 3/8 68# J55 Surf csg. Cmted w/Lead "C" 300sxs 3%Salt +4% Gel+¼#CF, w/Tail "C" 250sxs2% CACL+¼# CF, Circ 6sxs t/pit. Tst BOP t/1000#, Tst csg t/600#, all ok, WOC-18 hrs. Drld 12¼ hole to 4508', ran 9 5/8" 40# J55/N80 intermediate csg. Cmted w/Lead 1950sxs 50-50 POZC 10% Gel + 1/8# CF, w/Tail 200sxs "C" 2% CACL, circ172sxs to pit. Tst BOP & Tst csg t/750#, all ok, WOC-18 hrs. Drld 8¼ hole to 12,860', ran Open Hole logs. Plug well, P/35sxs "H" CBP @ 12,838'; P/35sxs "H" CBP @ 10,859'; P/35sxs "H" CBP @ 8766'; P/35sxs "H" CBP @ 6692'; P/35sxs "C" + 2% CACL CBP @ 4533'; P/35sxs "C" + 2% CACL @ 638'. WOC, ND BOP, P/10sxs "H" @ 62', bring cmt to surf. Jet pits & release rig.

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 NMOC guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE: _____ TITLE: REGULATORY CLERK DATE: 11/19/07Type or print name: ROBIN ASKEW E-mail address: robina@chienergyinc.com Telephone No: 432-685-5001**For State Use Only**

APPROVED BY: _____ TITLE: _____ DATE: _____

Conditions of Approval (if any): _____