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| Submit To Appropriate District Office Two Copies <u>District I</u> 1625 N French Dr, Hobbs, NM 88240 <u>District II</u> 1301 W Grand Avenue, Artesia, NM 88210 <u>District III</u> 1000 Rio Brazos Rd, Aztec, NM 87410 <u>District IV</u> 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 | <div style="text-align: right;"> APR 13 2009 Form C-105 July 17, 2008 </div> <div> 1. WELL API NO. 3001536432 </div> <div> 2. Type of Lease <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/> FED/INDIAN </div> <div> 3. State Oil & Gas Lease No. </div> |
|---|---|---|

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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|--|---|
| 4 Reason for filing: <input checked="" type="checkbox"/> COMPLETION REPORT (Fill in boxes #1 through #31 for State and Fee wells only) <input type="checkbox"/> C-144 CLOSURE ATTACHMENT (Fill in boxes #1 through #9, #15 Date Rig Released and #32 and/or #33; attach this and the plat to the C-144 closure report in accordance with 19 15 17 13 K NMAC) | 5. Lease Name or Unit Agreement Name Wallace State 6. Well Number 4H |
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7. Type of Completion.
☒ NEW WELL ☐ WORKOVER ☐ DEEPENING ☐ PLUGBACK ☐ DIFFERENT RESERVOIR ☐ OTHER

| | |
|--|---------------------|
| 8. Name of Operator CHI OPERATING, INC. | 9 OGRID 4378 |
|--|---------------------|

| | |
|--|--|
| 10. Address of Operator P.O. Box 1799, Midland, Texas 79702 | 11. Pool name or Wildcat LOGAN DRAW, WOLFCAMP |
|--|--|

| 12. Location | Unit Ltr | Section | Township | Range | Lot | Feet from the | N/S Line | Feet from the | E/W Line | County |
|-----------------|----------|---------|----------|-------|-----|---------------|----------|---------------|----------|--------|
| Surface: | I | 9 | 17S | 27E | | 2180 | SOUTH | 10 | EAST | EDDY |
| BH: | L | 9 | 17S | 27E | | 2310 | SOUTH | 330 | WEST | EDDY |

| | | | | |
|-----------------------------|---------------------------------|----------------------------------|---|---|
| 13. Date Spudded 8-21-08 | 14. Date T.D Reached 9-26-08 | 15. Date Rig Released 9-29-08 | 16. Date Completed (Ready to Produce) 3-9-09 | 17. Elevations (DF and RKB, RT, GR, etc.)GL:3375' |
|-----------------------------|---------------------------------|----------------------------------|---|---|

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|--|---|---|---|
| 18. Total Measured Depth of Well MD:10,700' TVD: 5911' | 19. Plug Back Measured Depth 10,620' | 20. Was Directional Survey Made? YES | 21. Type Electric and Other Logs Run NO LOGS RAN |
|--|---|---|---|

22. Producing Interval(s), of this completion - Top, Bottom, Name
 6328-10,763' WOLFCAMP

23. CASING RECORD (Report all strings set in well)

| CASING SIZE | WEIGHT LB./FT. | DEPTH SET | HOLE SIZE | CEMENTING RECORD | AMOUNT PULLED |
|-------------|----------------|-----------|-----------|------------------|---------------|
| 13 3/8" | 48# J55 | 398' | 17 1/2" | 365 C | Didn't circ |
| 9 5/8" | 36# J55 | 1809' | 12 1/4" | 960 C | Circ 145sx |
| 7" | 29/39# P110 | 5891' | 8 3/4" | 575 C | TOC @ Surface |
| | | | | | |
| | | | | | |

| 24. LINER RECORD | | | | 25. TUBING RECORD | | | |
|------------------|-------|---------|--------------|-------------------|-------|-----------|------------|
| SIZE | TOP | BOTTOM | SACKS CEMENT | SCREEN | SIZE | DEPTH SET | PACKER SET |
| 4 1/2" | 5695' | 10,763' | | | 2.875 | 7696 | 7696' |
| | | | | | | | |

| 26. Perforation record (interval, size, and number) 6328-10763'(perforated liner) | 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th>DEPTH INTERVAL</th> <th>AMOUNT AND KIND MATERIAL USED</th> </tr> <tr> <td>6328-10763</td> <td>39,000gals 15% NEFE</td> </tr> <tr> <td> </td> <td>100,000 lbs 30/50 Jordan</td> </tr> </table> | DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED | 6328-10763 | 39,000gals 15% NEFE | | 100,000 lbs 30/50 Jordan |
|--|---|----------------|-------------------------------|------------|---------------------|--|--------------------------|
| DEPTH INTERVAL | AMOUNT AND KIND MATERIAL USED | | | | | | |
| 6328-10763 | 39,000gals 15% NEFE | | | | | | |
| | 100,000 lbs 30/50 Jordan | | | | | | |

28. PRODUCTION

| | | |
|----------------------------------|---|--|
| Date First Production 3-09-09 | Production Method (Flowing, gas lift, pumping - Size and type pump) SSH PUMP | Well Status (Prod or Shut-in) PRODUCING |
|----------------------------------|---|--|

| | | | | | | | |
|-------------------------|-----------------------|-------------------------|------------------------|--------------------|-----------------------|-------------------------------------|-----------------|
| Date of Test 3-10-09 | Hours Tested 24HRS | Choke Size | Prod'n For Test Period | Oil - Bbl 14 BO | Gas - MCF GAS TSTM | Water - Bbl 913 BW | Gas - Oil Ratio |
| Flow Tubing Press. | Casing Pressure | Calculated 24-Hour Rate | Oil - Bbl. | Gas - MCF | Water - Bbl | Oil Gravity - API - (Corr.) 38.0 | |

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| 29. Disposition of Gas (Sold, used for fuel, vented, etc) SOLD | 30. Test Witnessed By SONNY MANN |
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31. List Attachments
 DRILLING SURVEY

32. If a temporary pit was used at the well, attach a plat with the location of the temporary pit.

33. If an on-site burial was used at the well, report the exact location of the on-site burial:

| | | |
|----------|-----------|---------------|
| Latitude | Longitude | NAD 1927 1983 |
|----------|-----------|---------------|

I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

| | | | |
|-----------------|-----------------------------|---------------------------|----------------|
| Signature | Printed Name ROBIN ASKEU | Title REGULATORY CLERK | Date 4/6/09 |
| E-mail Address: | | | |

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well and not later than 60 days after completion of closure. When submitted as a completion report, this shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 11, 12 and 26-31 shall be reported for each zone.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

| Southeastern New Mexico | | Northwestern New Mexico | |
|-------------------------|--|-------------------------|------------------|
| T. Grayburg 1290' | | T. Ojo Alamo | T. Penn A" |
| T. San Andres 1850' | | T. Kirtland | T. Penn. "B" |
| T.Tubb 4090' | | T. Fruitland | T. Penn. "C" |
| T. Abo Shale 4840' | | T. Pictured Cliffs | T. Penn. "D" |
| T. Wolfcamp 5960' | | T. Cliff House | T. Leadville |
| | | T. Menefee | T. Madison |
| | | T. Point Lookout | T. Elbert |
| | | T. Mancos | T. McCracken |
| | | T. Gallup | T. Ignacio Otzte |
| | | Base Greenhorn | T.Granite |
| | | T. Dakota | |
| | | T. Morrison | |
| | | T.Todilto | |
| | | T. Entrada | |
| | | T. Wingate | |
| | | T. Chinle | |
| | | T. Permian | |

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 2, from.....to.....

No. 3, from.....to.....

No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

| From | To | Thickness In Feet | Lithology |
|------|----|----------------------|-----------|
| | | | |

| From | To | Thickness In Feet | Lithology |
|------|----|----------------------|-----------|
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