

DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

(See other instructions on reverse side)

CMB NO. 1004-0137  
Expires: February 28, 1995

**OPERATOR'S COPY**

5. LEASE DESIGNATION AND SERIAL NO.  
NM - 012896

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

1a. TYPE OF WELL: OIL WELL  GAS WELL  DRY  Other

7. UNIT AGREEMENT NAME

b. TYPE OF COMPLETION: NEW WELL  WORK OVER WELL  DEEP-EN  PLUG BACK  DIFF. RESVR.

8. FARM OR LEASE NAME, WELL NO.  
Coal Train Federal Corn. #1

c. NAME OF OPERATOR  
Chi Operating, Inc.

9. API WELL NO.  
30-015-30764

d. ADDRESS AND TELEPHONE NO.  
P.O. Box 1799 Midland, Texas 79702

10. FIELD AND POOL, OR WILDCAT  
WC Crow Flat; Morrow; SE Gas Pool

e. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)\*  
At surface  
660 FSL, 990 FWL, Sec 10, T17S, R28E EDDY COUNTY, NEW MEXICO  
At top prod, interval reported below

11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA  
SEC. 10, T17S, R28E

At total depth  
10200

14. PERMIT NO.

DATE ISSUED  
9/13/99

12. COUNTY OR PARISH  
Eddy

13. STATE  
NM

5. DATE SPUDDED  
1/14/00

16. DATE T.D. REACHED  
2/29/00

17. DATE COMPL. (Ready to prod.)  
2/28/00

18. ELEVATIONS (DF, RKB, RT, GE, ETC.)\*  
3530'

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD, & TVD  
10,200'

21. PLUG BACK TD, MD & TVD  
10,200'

22. IF MULTIPLE COMPL., HOW MANY\*  
one

23. INTERVAL DRILLED BY

ROTARY TOOLS  
yes

CABLE TOOLS

4. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AN TVD)\*  
9870-76, 9895-99 - 4SPF  
Morrow Sands

25. WAS DIRECTIONAL SURVEY MADE  
Yes

5. TYPE ELECTRIC AND OTHER LOGS RUN  
GR-CAL-CNL, LDT, DDL, MSFL

27. WAS WELL CORED  
NO

3. CASING RECORD (Report all strings set in well)					
CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
13 3/8 H-40	48	426'	17 1/2"	0', CIRC. 100 SKS.	
8 5/8 J-55	24	2078'	11"	0', CIRC. 56 SKS.	
5 1/2 N-80	17	10,200'	7 7/8"	5450' 1st stage - CBL 1660' 2nd stage - CBL.	

3. LINER RECORD			
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*

30. TUBING RECORD		
SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8" 220	9853'	9853'

1. PERFORATION RECORD (Interval, size and number)  
9870-76 - 4SPF  
9895-99 - 4SPF

**ACCEPTED FOR RECORD**  
MAR 20 2000  
CRIG 500 LBS BAYLA

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.  
DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED  
9870-76 - 4SPF Acidized together w/ 1000 gals. 7.5% & CO2  
9895-99 - 4SPF Fractured together w/ 34500 gals. & 38500 lbs.

DATE FIRST PRODUCTION 2/29/00  
PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) Flowing  
WELL STATUS (Producing or shut-in) Producing

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL - BBL	GAS - MCF	WATER - BBL	GAS-OIL RATIO
3/04/00	24	15/64		38	1364	6	

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL	GAS - MCF	WATER - BBL	OIL GRAVITY - API (CORR.)
1000	0#					

DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)  
Sold

TEST WITNESSED BY  
Sonny Mann

LIST OF ATTACHMENTS  
Dev. Survey

I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED [Signature] TITLE Engineer DATE 3/8/00

(See instructions and Spaces for Additional Data on Reverse Side)

18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof, cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and

CRIG 500 LBS BAYLA

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.

38. GEOLOGICAL MARKERS			38. GEOLOGICAL MARKERS		
NAME	TOP		NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH		MEAS. DEPTH	TRUE VERT. DEPTH
Atoka	9330'	9330'			
L. Atoka	9700'	9700'			
Morrow	9890'	9890'			



District I  
PO Box 1900, Hobbs, NM 88240-1900

District II  
PO Drawer DD, Artesia, NM 88211-9719

District III  
1000 Rio Grande Rd., Alamogordo, NM 87410

District IV  
PO Box 2000, Santa Fe, NM 87504-2000

State of New Mexico  
Energy, Minerals & Natural Resources D.

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 10, 1994

Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number		* Pool Code		* Pool Name WC Crow Flat; Morrow SE Gas	
* Property Code		* Property Name COAL TRAIN FEDERAL COM			* Well Number
* OGRID No.		* Operator Name CHI OPERATING, INC.			* Elevation 3530.

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	10	17-S	28-E		990	SOUTH	990	WEST	EDDY

<sup>11</sup> Bottom Hole Location if Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres 320	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code C	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

<sup>16</sup> 	<sup>17</sup> OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  <i>George R. Smith</i> Signature George R. Smith, agent for: Printed Name Chi Operating, Inc. Title August 16, 1999 Date	
	<sup>18</sup> SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.  JULY 30, 1999 Date of Survey NEW MEXICO REGISTERED PROFESSIONAL SURVEYOR 5412 REGISTERED LAND SURVEYOR-ENGINEER NEW MEXICO PROFESSIONAL SURVEYORS Certificate No. 5412	



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Pecos District  
Carlsbad Field Office  
620 E. Greene  
Carlsbad, New Mexico 88220-6292  
www.blm.gov/nm



IN REPLY REFER TO:  
NM132224  
3105.2 (P0220)

Reference:  
Coal Train Fed Com 1  
T. 17 S., R. 28 E.,  
Section 10: S/2  
Eddy County, NM

August 25, 2014

CHI Operating, Inc.  
P.O. Box 1799  
Midland, TX 79702

RECEIVED OOD  
2014 SEP -2 P 2:59

Gentlemen:

Enclosed is an approved copy of Communitization Agreement NM132224 involving 80 acres of Federal land in lease LC028053(A), 120 acres of Federal land in lease LC068712, 40 acres of Federal land in lease NM012896, 80 acres Federal land in lease NM59035 Eddy County, New Mexico, which comprises a 320 acre well spacing unit.

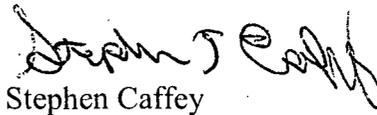
The agreement communitizes all rights to all producible hydrocarbons from the Morrow formation beneath S/2 of sec. 10, T. 17 S., R. 28 E., NMPM, and is effective 2/1/2000. Approval of this agreement does not warrant or certify that the operator, thereof, and other working interest owners hold legal or equitable title to the leases which are committed hereto.

Copies of this approval letter are being distributed to the appropriate Federal agencies. You are requested to furnish all interested parties with the appropriate evidence of this approval. Any production royalties that are due must be reported and paid according to regulations set up by the Office of Natural Resources Revenue at 1-800-525-9167 or 303-231-3504.

If you have any questions regarding this approval, please contact Edward G. Fernandez, Petroleum Engineer at (575) 234-2220.

- Please furnish all interested principals with appropriate evidence of this approval.

Sincerely,



Stephen Caffey  
Associate Field Manager,  
Lands and Minerals

1 Enclosure:

1 - Communitization Agreement

cc:

ONRR, Denver (357B-1, Antoinette Contreras, Stacey Kaiser)

NM Taxation & Revenue Dept. (Revenue Processing Div.)

NMOCD

NM (9200)

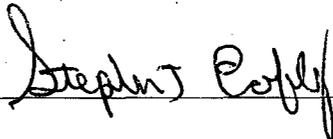
NM (P0220-CFO, File Room)

Determination - Approval - Certification

Pursuant to the authority vested in the Secretary of the Interior under Section 17(j) of the Mineral Leasing Act of 1920, as amended (74 Stat. 784; 30 U.S.C. 226(j)), and delegated to the authorized officer of the Bureau of Land Management, I do hereby:

- A. Determine that the Federal lease or leases as to the lands committed to the attached agreement cannot be independently developed and operated in conformity with the well-spacing program established for the field or area in which said lands are located, and that consummation and approval of the agreement will be in the public interest. Approval of this agreement does not warrant or certify that the operator thereof and other holders of operating rights hold legal or equitable title to those rights in the subject leases which are committed hereto.
- B. Approve the attached Communitization Agreement covering the beneath the S/2 of sec. 10, T. 17 S., R. 28 E., NMPM, as to all producible hydrocarbons from the Morrow formation. This approval will become invalid if the public interest requirements under section 3105.2-3 (e) are not met.
- C. Certify and determine that the drilling, producing, rental, minimum royalty and royalty requirements of the Federal lease or leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of the agreement.

Approved:

  
\_\_\_\_\_

Authorized Officer

Effective 2/1/2000

Contract No.: Com. Agr. NM132224



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Carlsbad Field Office  
620 E. Greene  
Carlsbad, New Mexico 88220-6292  
www.nm.blm.gov



In Reply Refer to  
NM132224  
3107 (P0220)

### Memorandum

To: State Director (9210)

From: Land Law Examiner (P0220)

Subject: First Production, Communitization Agreement NM132224

Date of Completion: 2/28/00  
Date of First Production: 2/29/00  
Field: Crow Flats Morrow  
Operator, Well Name & No, API Number: CHI Operating; Coal Train Fed Com 1; 30-015-30764  
Surface Location: S/2 sec. 10, T. 17 S., R. 28 E.  
Total Depth: 10,200' MD; ' TVD  
Surface Elevation: 3,530' GL  
Producing Formation: Morrow (9870-76' – 9895-99)  
Well Capable of Production in Paying Quantities: Yes  
Initial Daily Production: Oil 38 BBL; Gas 1364 MCF; Water 6 BBL  
Current Status: Producing Gas Well

Remarks: CA NM132224, effective 2/1/2000, communitizes production of all gas and fluid hydrocarbons in the Morrow formation beneath the S/2 of section 10, T. 17 S., R. 28 E., NMPM, and comprises 80 acres of Federal land in lease LC028053A, 120 acres of Federal land in lease LC068712, 40 acres of Federal land in lease NM012896, 80 acres of Federal land in lease NM59035 for a 320 acres spacing unit, whose leases are held by actual production.

If you have any questions regarding this memorandum, please call Arthur Morrison at [ajmorrison@blm.gov](mailto:ajmorrison@blm.gov).

/S/ Arthur Morrison  
August 25, 2014

cc:  
ONRR-MS 63230B  
First Production File  
LLNM (P0220, File Room)