

1314

NEW MEXICO

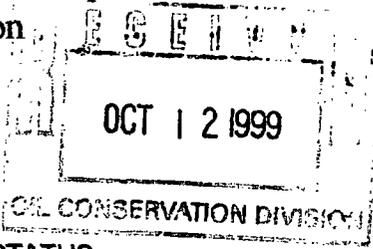
Energy Minerals and Natural Resources Department

Form C-142

Date 06/99

Oil Conservation Division

2040 South Pacheco Street
Santa Fe, New Mexico 87505
(505) 827-7131



SUBMIT ORIGINAL PLUS 2 COPIES TO THE SANTA FE OFFICE

District I - (505) 393-6161
1625 N. French Dr
Hobbs, NM 88241-1980
District II - (505) 748-1283
811 S. First
Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Road
Aztec, NM 87410
District IV - (505) 827-7131

APPLICATION FOR NEW WELL STATUS

I. Operator and Well

Operator name & address: Chi Operating, Inc. P. O. Box 1799 Midland, TX 79702. OGRID Number: 004378. Contact Party: John Wolf. Phone: (915) 685-5001. Property Name: Silver Streak State Com. Well Number: #1. API Number: 30-015-30664. Grid coordinates: UL G, Section 8, Township 17S, Range 28E, Feet From The 1400, North/South Line North, Feet From The 1650, East/West Line East, County Eddy.

II. Date/Time Information

Spud Date: 7/6/99, Spud Time: 7:30 P.M., Date Completed: 8/26/99, Pool: Crow Flats; Morrow; Southeast Gas Pool

- III. Attach copies of Form C-103 or Federal Form 3160-5 showing date/time of drilling commenced and Form C-105 or Federal Form 3160-4 showing well was completed as a producer.
IV. Attach a list of all working interest owners with their percentage interests.
V. AFFIDAVIT:

Affidavit section with handwritten text: State of Texas, County of Midland, John W. Wolf being first duly sworn, upon oath states: 1. I am the Operator, or authorized representative of the Operator, of the above-referenced well. 2. To the best of my knowledge, this application is complete and correct. Signature: John W. Wolf, Title: Engineer, Date: 10/6/99. SUBSCRIBED AND SWORN TO before me this 6th day of October, 1999. Notary Public: [Signature]

FOR OIL CONSERVATION DIVISION USE ONLY:

VI. CERTIFICATION OF APPROVAL:

This Application is hereby approved and the above-referenced well is designated a New Well. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval.

Signature: [Signature], Title: [Signature], Date: 10-25-99

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT: 10/27/99

NOTICE: The operator must notify all working interest owners of this New Well certification.

PV2V2007036605

to Appropriate

Energy, Minerals and Natural Resources Department

Revised 1-1-89

District Office

District I

P. O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION

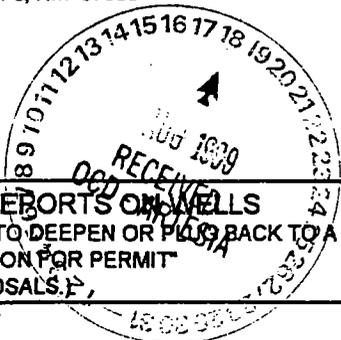
2040 Pacheco St.
Santa Fe, NM 87505

District II

811 South First St., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410



WELL API NO.	30-015-30664
Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
State Oil & Gas Lease No.	24696
Lease Name or Unit Agreement Name	Silver Streak State Conn.
Well No.	#1
Pool name or Wildcat	96840
Unders. Crow Flats; Morrow, Southwest	

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 G : 1400 Feet From The North Line and 1650 Feet From The East Line
 Section 8 Township 17S Range 28E NMPM County Eddy

10 Elevation (Show whether DF, RKB, RT, GR, etc.)
3517 GR

11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ANBANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input checked="" type="checkbox"/>	
OTHER <input type="checkbox"/>		OTHER <u>Completion attempt</u> <input type="checkbox"/>	

12 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.

MIRU Contr. Drilled 17.5" hole, set 13 3/8" 48# @ 440'. Cmtd. with 300 sks. of lead & 150 sks. tail. Circ. 128 sks.

WOC 18 hrs of cmt. Drilled 11" hole, logged. Set 8 5/8" 32# @ 1929'. Cmtd. with 350 sks. of lead & 150 sks. of tail.

Circ. 93 sks. WOC 18 hrs. Drilled 7 7/8" hole to 9920'. Logged. Set 5 1/2" N-80, S-95, P-110 20#&17# @ 9920'. Cmtd. with 700 sks. on 7/28/99.

MIRU Completion unit on 8/9/99. TIH w/ scraper & cleaned out to 9825'. TOH, TIH & ran CBL/GR/CCL. TOC @ 5900'.

Perfed 9571-88' & 9664-72' with 4 SPF. With casing gun. Acidized & Fractured treated. Recovering treatment as of this day.

Will file Completion etc. or Sundry pending results.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE *John W. Wolf* TITLE Engineer DATE 8/16/99

TYPE OR PRINT NAME John W. Wolf TELEPHONE NO 915-685-5001

APPROVED BY *Jim W. Brown* TITLE District Supervisor DATE 8-20-99

CONDITIONS OF APPROVAL, IF ANY:

OIL CONSERVATION DIVISION

2040 Pacheco St.
Santa Fe, NM 87505

WELL API NO. 30-015-30664
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. 24696

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
OIL WELL GAS WELL DRY OTHER

b. Type of Completion:
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF RESVR OTHER

7. Lease Name or Unit Agreement Name
Silver Streak Starte Com.

2. Name of Operator
Chl Operating, Inc.

8. Well No.
1

3. Address of Operator
P.O. Box 1799 Midland, Texas 79702

9. Pool name or Wildcat
WC Crow Flat; Morrow SE Gas 96840

4. well Location
Unit Letter G : 1400 Feet From The North Line and 1660 Feet From The East Line
Section 8 Township 17S Range 28E NMPM Eddy County

10. Date Spudded 7/8/99	11. Date T.D. Reached 7/29/99	12. Date Compl. (Ready to Prod.) 8/26/99	13. Elevations (DF & RKB, RT, GR, etc) KB-3530	14. Elev. Casinghead 3517
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15. Total Depth 9,920	16. Plug Back T.D. 9,825	17. If Multiple Compl. How Many Zones? Many Zones?	18. Intervals Drilled By Rotary Tools	Rotary Tools	Cable Tools
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19. Producing Interval(s), of this completion - Top, Bottom, Name
9571-88, 9664-72- 4 SPF

20. Was Directional Survey Made
yes

21. Type Electric and Other Logs Run
GR-CNL-LDT, DLL

22. Was Well Cored
yes, SW

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	440	17.5	450SKS - CIRC. 128 SKS.	
8 5/8	32	1929	11	500SKS - CIRC. 93 SKS	
5 1/2	17 & 20	9920	7 7/8	700 SKS - TOC5500 - CBL	

LINER RECORD

TUBING RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2 3/8	9390	9400

26. Perforation record (Interval, size, and number)
9571-88, 9664-72- 4 SPF

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
9571-88, 9664-72- 4 SPF	1000 gals 7.5 NEFE HCL 39000 gals Foam, 45,500# 20-40 Interprop

PRODUCTION

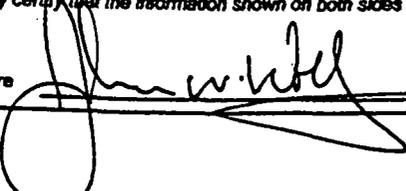
Date First Production	Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing	Well Status (Prod. or Shut-in) Shut-in waiting connection
Date Of Test 8/19/99	Hours Tested 24	Choke Size 10/64
Flow Tbg Press 1800	Casing Pressure 0	Calculated 24 - Hour Rate 6
Prod'n For Test Period 6	Oil - Bbl. 813	Gas - MCF Water - Bbl.
Oil Gravity - API - (Corr.)		Gas - Oil Ratio 135M:1

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
SI & waiting connection

Test Witnessed By
S. Mann

30. List Attachments
GR, CAL, CNL, LDT-GR, CAL, DLL, MICRO-CBL

31. 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 John W. Wolf Title Engineer Date 8/20/99

PROPERTY	PROPERTY NAME	EFFECTIVE			OWNER NAME	D.D.I.	PREPAYMENT		COST	AFIL
		DECK	DATE	OWNER			LEASE	WELL		
991712-1 SILVER STREAK	SILVER STREAK ST. COM #1	O	**BASE**	0000410	ABO PETROLEUM CORPORATION 105 SOUTH 4TH STREET ARTESIA NM 88210	0.03812500	991712-1	0	N	
				0007935	BALK OIL CO., INC. P.O. BOX 5782 MIDLAND TX 79704	0.00928125	991712-1	0	N	
				0054505	MANIX ENERGY, LLC P. O. BOX 2818 MIDLAND TX 79702	0.07734375	991712-1	0	N	
				0059010	MURCHISON OIL & GAS CO. 1445 ROSS AVE., SUITE 5300 LB 152 DALLAS TX 75202	0.12061992	991712-1	0	N	
				0059280	MYCO INDUSTRIES, INC. P.O. BOX 840 ARTESIA NM 88211-0840	0.03812500	991712-1	0	N	
				0071190	POCAHONTAS OIL CO., INC. P. O. BOX 60476 MIDLAND TX 79711	0.00928125	991712-1	0	N	
				0080495	SOUTHWESTERN ENERGY PROD CO. 2350 N. SAM HOUSTON PKWY EAST SUITE 300 HOUSTON TX 77032	0.27070313	991712-1	0	N	
				0092349	WARREN RESOURCES, INC. 489 FIFTH AVE., 32ND FLOOR NEW YORK NY 10017	0.03093750	991712-1	0	N	
				0096850	YATES DRILLING COMPANY 105 SOUTH 4TH STREET ARTESIA NM 88210	0.03812500	991712-1	0	N	
				0096855	YATES PETROLEUM CORPORATION 105 SOUTH 4TH STREET ARTESIA NM 88210	0.26687500	991712-1	0	N	
				9999801	CHI ENERGY, INC. P. O. BOX 1799 MIDLAND TX 79702	0.10058320	991712-1	0	Y	
				*** DECK TOTAL	11 OWNERS	1.00000000				
