

PROPERTY	PROPERTY NAME	EFFECTIVE		OWNER	OWNER NAME	D.D.I.	PREPAYMENT LEASE WELL	COST CTR.	AFIL CODE	
		DECK	DATE							
991728-1	MIDNIGHT SPECIAL	O	09/01/99	0007935	BALK OIL CO., INC.	0.01500000	991728-1	0	N	
Deck Header for 981612-1 -C										
					P.O. BOX 5782 MIDLAND TX 79704					Tax-id No: 75-2082653
				0008846	BELLWETHER EXPLORATION CO.	0.06250000	991728-1	0	N	
					1221 LAMAR STREET, SUITE 1600 HOUSTON TX 77010					Tax-id No: 76-0437769
				0032655	GARY GREEN	0.01250000	991728-1	0	N	
					212 N. MAIN, SUITE 200 MIDLAND TX 79701					Tax-id No: 456-74-7973
				0059010	MURCHISON OIL & GAS CO.	0.18750000	991728-1	0	N	
					1445 ROSS AVE., SUITE 5300 LB 152 DALLAS TX 75202					Tax-id No: 75-1667228
				0071190	POCAHONTAS OIL CO., INC.	0.01500000	991728-1	0	N	
					P. O. BOX 60476 MIDLAND TX 79711					Tax-id No: 75-2691931
				0072240	PURE ENERGY GROUP, INC.	0.06250000	991728-1	0	N	
					700 NORTH ST. MARY'S STREET SUITE 1925 SAN ANTONIO TX 78205					Tax-id No: 74-2929433
				0080495	SOUTHWESTERN ENERGY PROD CO.	0.43750000	991728-1	0	N	
					2350 N. SAM HOUSTON PKWY EAST SUITE 300 HOUSTON TX 77032					Tax-id No: 71-0358796
				0092349	WARREN RESOURCES, INC.	0.05000000	991728-1	0	N	
					489 FIFTH AVE., 32ND FLOOR NEW YORK NY 10017					Tax-id No: 11-3024080
				9999801	CHI ENERGY, INC.	0.15750000	991728-1	0	Y	
					P. O. BOX 1799 MIDLAND TX 79702					Tax-id No: 75-1893690
*** DECK TOTAL						9 OWNERS	1.00000000			

District I 1625 N. French Dr., Hobbs, NM 88240
District II 811 South First, Artesia, NM 88210
District III 1000 Rio Brazos Rd., Aztec, NM 87410
District IV 2040 South Pacheco, Santa Fe, NM 87505

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

WELL API NO. 30-015-30823
5. Indicate Type of Lease: STATE [X] FEE []
6. State Oil & Gas Lease No. 25074
7. Lease Name or Unit Agreement name: MIDNIGHT SPECIAL "9" STATE COM.
8. Well No. #1
9. Pool name or Wildcat Crow Flats; Morrow, SE Gas Poll 96840
10. Elevation (Show whether DR, RKB, RT, GR, etc.) 3523 GR

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 O : 760 feet from the SOUTH line and 1600 feet from the EAST line Section 9 Township 17S Range 28E NMPM County EDDY

11. 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 COMPLETION [] OTHER: []
SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] PLUG AND ABANDONMENT [] CASING TEST AND CEMENT JOB [X] OTHER: COMPLETION [X]

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. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.
Spud well on 11/15/99. Drld 17 1/2", set 13 3/8"-48# csg @ 425'. Cmtd w/400 sks lead & 100 sks of tail. Circ 126 sks. WOC 18 HRS. Drld 11", set 8 5/8"-24# @ 2090'. Cmtd w/400 sks of lead & 250 sks of tail, Circ. 71 sks. WOC 18 HRS. Drld 7 7/8" to 10130', pulled logs & set 5 1/2"-17#-N-80 @ 10130'. Cmtd w/750 sks. Est. TOC 6300'. Moved rig off on 12/13/99.
MIRU completion unit on 12/16/99. PU tbg etc & cleaned out to PBTD of 10000'. RU & pulled CBL, TOC @ 6600'. RU & perfd Morrow 10803-24, 9844-50, 9884-88'. 12/18/99, fracture stimulated w/ 39000 gals 40# binary foam & 45500# 20/40 interprop. Cleaned up frac. Lubricated pkr/plug in & set @ 9769'. TIH w/ on/off on 2 7/8" tbg. Circ wellbore, tstd. pkr & seal assembly. RU slickline & retrieved blanking plug. Completed 10/21/99. Placed dwn line 10/22/99.

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

SIGNATURE [Signature] TITLE ENGINEER DATE 12/28/99
Type or print name JOHN W. WOLF Telephone No. 915-685-5001
(This space for State use)

APPROVED BY _____ TITLE _____ DATE _____
Conditions of approval, if any:

Submit To Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
 District I
 1625 N. French Dr., Hobbs, NM 88240
 District II
 811 South First, Artesia, NM 88210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO.
 30-015-30823
 5. Indicate Type of Lease
 STATE FEE
 State Oil & Gas Lease No.
 25074

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
 MIDNIGHT SPECIAL "9" STATE COM

2. Name of Operator
 CHI OPERATING, INC
 8. Well No.
 #1

3. Address of Operator
 P.O. BOX 1799 MIDLAND, TEXAS
 9. Pool name or Wildcat
 CROW FLATS; MORROW, SE GAS POOL 96840

4. Well Location
 Unit Letter O : 760 Feet From The SOUTH Line and 1600 Feet From The EAST Line
 Section 9 Township 17S Range 28E NMPM County EDDY

10. Date Spudded 11/15/99	11. Date T.D. Reached 12/10/99	12. Date Compl. (Ready to Prod.) 12/22/99	13. Elevations (DF& RKB, RT, GR, etc.) 3536 KB	14. Elev. Casinghead 3521
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15. Total Depth 10130	16. Plug Back T.D. 10000	17. If Multiple Compl. How Many Zones? 1	18. Intervals Drilled By ROTARY	Rotary Tools Cable Tools
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19. Producing Interval(s), of this completion - Top, Bottom, Name
 9803-24', 984450', 9884-88' MORROW
 20. Was Directional Survey Made
 YES

21. Type Electric and Other Logs Run
 YES
 22. Was Well Cored
 NO

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#	425'	17 1/2"	500 SKS CIRC. 126	
8-5/8"	24#	2040'	11"	650 SKS CIRC. 71	
5 1/2"	17#	10130'	7 7/8"	750 SKS CBL 6600'	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	25. TUBING RECORD SIZE	DEPTH SET	PACKER SET
					2 7/8"	9769'	9769'

26. Perforation record (interval, size, and number) 9803-24' 4 SPF 9844-50' 1 SPF 9884-88' 1 SPF	27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
	DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
	9803-24' 9844-50'	FRACTURED W/ 39000 GALS 40# BINARY
9884-88'	FOAM & 45,500# 20/40 INTERPROP.	

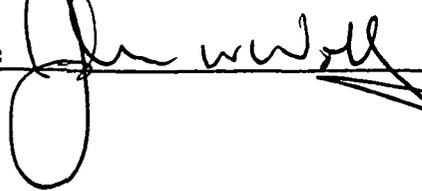
28. PRODUCTION

Date First Production 12/22/99		Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING			Well Status (Prod. or Shut-in) PRODUCING		
Date of Test 12/26/99	Hours Tested 24	Choke Size 12/64	Prod'n For Test Period	Oil - Bbl 32	Gas - MCF 2560 (TOTAL FLOW)	Water - Bbl 7	Gas - Oil Ratio 80M:1
Flow Tubing Press. 2100	Casing Pressure 0	Calculated 24-Hour Rate	Oil - Bbl	Gas - MCF	Water - Bbl	Oil Gravity - API - (Corr.)	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
 SOLD
 Test Witnessed By
 SONNY MANN

30. List Attachments
 DEVIATION SURVEYS CNL, CDL, MICRO.

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

Signature  Printed Name: JOHN W. WOLF Title: ENGINEER Date 12/28/99

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. It 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 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico

- T. Anhy _____
- T. Salt _____
- B. Salt _____
- T. Yates _____
- T. 7 Rivers _____
- T. Queen _____
- T. Grayburg _____
- T. San Andres _____
- T. Glorieta _____
- T. Paddock _____
- T. Blinebry _____
- T. Tubb _____
- T. Drinkard _____
- T. Abo _____
- T. Wolfcamp _____
- T. Penn _____
- T. Cisco (Bough C) _____
- T. Canyon _____
- T. Strawn _____
- T. Atoka 9385' _____
- T. Miss 9930' _____
- T. Devonian _____
- T. Silurian _____
- T. Montoya _____
- T. Simpson _____
- T. McKee _____
- T. Ellenburger _____
- T. Gr. Wash _____
- T. Delaware Sand _____
- T. Bone Springs _____
- T. MORROW 9686' _____
- T. CHESTER 10070' _____
- T. _____
- T. _____

Northwestern New Mexico

- T. Ojo Alamo _____
- T. Kirtland-Fruitland _____
- T. Pictured Cliffs _____
- T. Cliff House _____
- T. Menefee _____
- T. Point Lookout _____
- T. Mancos _____
- T. Gallup _____
- Base Greenhorn _____
- T. Dakota _____
- T. Morrison _____
- T. Todilto _____
- T. Entrada _____
- T. Wingate _____
- T. Chinle _____
- T. Permian _____
- T. Penn "A" _____
- T. Penn. "B" _____
- T. Penn. "C" _____
- T. Penn. "D" _____
- T. Leadville _____
- T. Madison _____
- T. Elbert _____
- T. McCracken _____
- T. Ignacio Otzte _____
- T. Granite _____
- T. _____

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