

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OPERATOR'S COPY

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. NM-0560353	
1b. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name	
2. Name of Operator Chi Operating, Inc. 4378		7. If Unit or CA Agreement, Name and No. 27108	
3a. Address P.O. Box 1799 Midland, TX 79702		8. Lease Name and Well No. Munchkin Federal, No. 4	
3b. Phone No. (include area code) (915) 685-5001		9. API Well No. 30-015-33380	
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 330' FNL & 2200' FEL 1980' W per BH Hunt & SN dated 9/15/03 At proposed prod. zone same W C		10. Field and Pool for Exploratory Benson Base Spring Delaware 97083	
11. Sec., T., R., M., or Blk. and Survey or Area Sec. 12-T19S-R30E		12. County or Parish Eddy	
13. State NM		14. Distance in miles and direction from nearest town or post office* 16 road miles South. of Loco Hills, NM	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 330'	16. No. of Acres in lease 2160.32	17. Spacing Unit dedicated to this well 40	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1390'	19. Proposed Depth 6,700'	20. BLM/BIA Bond No. on file NM-1616	
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 3457' GL	22. Approximate date work will start* 09/15/03	23. Estimated duration 3-4 weeks	
24. Attachments CAPTAN CONTROLLED WATER BASIN			

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature <i>George R. Smith</i>	Name (Printed/Typed) George R. Smith	Date 8/7/03
Title Agent for Chi Operating, Inc.		
Approved by (Signature) <i>Linda S.C. Rundell</i>	Name (Printed/Typed) Linda S.C. Rundell	Date DEC 11 2003
Title STATE DIRECTOR		
Office NM STATE OFFICE		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

APPROVAL FOR 1 YEAR

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.

*(Instructions on reverse)

Lease Responsibility Statement: Chi Operating, Inc. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof.

APPROVAL SUBJECT TO
GENERAL REQUIREMENTS
AND SPECIAL STIPULATIONS
ATTACHED

George R. Smith
George R. Smith, agent

District I
1625 N. French Dr. Hobbs, NM 88240

District II
611 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 & Natural Resources

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, N M 87505

Form C-102

Revised March 17, 1999
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
		Benson Bone Spring
Property Code	Property Name	Well Number
	MUNCHKIN FEDERAL	4
OGRIID No.	Operation Name	Elevation
	CHI OPERATING, INC.	3457

Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn.	Feet from the	North/South line	Feet from the	East/West line	County
C	12	19-S	30-E		330	NORTH	1980	WEST	EDDY

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
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.						
40									

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTEREST HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.
	Signature <i>George R. Smith</i>
	Printed Name George R. Smith
	Title agent
	Date September 5, 2003
	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 KNOWLEDGE AND BELIEF.
	AUGUST 30, 2003
	Date of Survey R. REDDY
	Signature <i>R. REDDY</i>
	NM PERSS 0812
	Certificate Number

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000**SUNDRY NOTICES AND REPORTS ON WELLS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

NM-0560353

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

Munchkin Federal, Well #4

9. API Well No.

10. Field and Pool, or Exploratory Area

Benson Bone Spring

11. County or Parish, State

Eddy

SUBMIT IN TRIPLICATE - Other Instructions on reverse side

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

Chi Operating, Inc.

3a. Address

P.O. Box 1799 Midland, TX 79702

3b. Phone No. (include area code)

(915) 685-5001

4. Location of Well (Footage, Sec., T, R., M., or Survey Description)

330' FNL & 1980' FWL, Sec. 12-T19S-R30E (New Location)

RECEIVED

APR 07 2004

OEB-ARTESIA

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

3. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BJA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Chi Operating, Inc. requests that the APD for the above captioned well be changed to show a required move due an archaeology problem. The location was moved 220' to the west. The access road also had an archaeology problem, so it was moved to come off the hill at an old road cut that comes out at the NW corner of the 500' X 500' and makes the road shorter and better. The pits will be changed to the north side of the pad. See Exhibit "D".

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

George R. Smith

Title Agent for Chi Operating, Inc.

Signature

George R. Smith

Date September 5, 2003

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature)

*Linda S.C. Rundell*Name Linda S.C. Rundell
(Printed/Typed)

Title STATE DIRECTOR

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

NM STATE OFFICE

Date DEC 11 2003

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