

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Form C-101
May 27, 2004

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED Submit to appropriate District Office

FEB 02 2005

☐ AMENDED REPORT

OCU-ARTESIA

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address CHI OPERATING, INC P.O. BOX 1799 MIDLAND, TEXAS 79702		² OGRID Number 004378
		³ API Number 30 - 015 - 33943
⁴ Property Code	⁵ Property Name OTTIS "33"	⁶ Well No. 3
⁹ Proposed Pool 1 SOUTH CARLSBAD; MORROW		¹⁰ Proposed Pool 2

⁷ Surface Location									
UL or lot no. B	Section 33	Township 22S	Range 27E	Lot Idn	Feet from the 660	North/South line NORTH	Feet from the 1650	East/West line EAST	County EDDY

⁸ Proposed 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

Additional Well Information				
¹¹ Work Type Code N	¹² Well Type Code G	¹³ Cable/Rotary R	¹⁴ Lease Type Code P	¹⁵ Ground Level Elevation 3128
¹⁶ Multiple	¹⁷ Proposed Depth 12150	¹⁸ Formation MORROW	¹⁹ Contractor	²⁰ Spud Date 2/15/05
Depth to Groundwater 48-150'		Distance from nearest fresh water well Over 1000'		Distance from nearest surface water Irrigation canal +900' to east of well bore
Pit: Liner: Synthetic <input checked="" type="checkbox"/> Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

²¹ Proposed Casing and Cement Program					
Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	+48.5# J-55	±350'	±400	SURFACE
12 1/4"	9 5/8"	36# J-55	±5500'	±1000	SURFACE
8 3/4"	7" (CONTINGENCY)	26# N-80	±10,550'	±400	±8000'
6 1/8" (If 7" is set)	4 1/2" Liner	11.6# N-80	12,150'	As deemed necessary	500' above productive
7 7/8" (If 7" is not set)	5 1/2"	20/17# N-80	12,150'	As deemed necessary	zones

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Drill surface hole to 350', set csg & cement to surface. WOC-18 hrs. While WOC, NU annular, tst csg. Drill intermediate to base of Delaware ±5500'. Cement to surface. While WOC, NUBOPE & test. Tst csg before drill out. Drill 8 3/4" hole to ±10550'. If necessary, set 7" psi string & cement. If 7" is set, drill 6 1/8" hole to TD. Log/evaluate, set liner & cement. (If 7" is not set, continue with 7 7/8" hole to TD. Log/evaluate, set csg & cement.)

(No H2S is anticipated, will monitor from 2100'-TD). (BOP pipe rams will be tested daily, blinds on all trips).

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOC guidelines ☒, a general permit ☐, or an (attached) alternative OCD approved plan ☐.

OIL CONSERVATION DIVISION

Approved by:

TIM W. GUM

DISTRICT II SUPERVISOR

Printed name:

Title:

Title:

Approval Date: FEB 09 2005

Expiration Date: FEB 09 2006

E-mail Address:

Date:

Phone:

A plan must be approved prior to closure of pit.

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
Property Code	Property Name OTIS "33"	Well Number 3
OGRID No. 004378	Operation Name CHI OPERATING, INC.	Elevation 3128

Surface Location

UL or Lot No. B	Section 33	Township 22-S	Range 27-E	Lot No.	Feet from the 660	North/South line NORTH	Feet from the 1650	East/West line EAST	County EDDY
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Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 3.20	Joint or Infill	Consolidation Code	Order No.						

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

<p>LAT N 32.35443 LON W 104.19126</p>	<p>OPERATOR CERTIFICATION I HEREBY CERTIFY THAT THE INFORMATION HEREIN IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.</p> <p>Signature <i>[Signature]</i> Printed Name John W. Wore Title 21425 Date</p>
	<p>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.</p> <p>JANUARY 31, 2005 Date of Survey</p>
	<p>Signature and Seal of Registered Surveyor</p> <p>NEW MEXICO 5412 NMOPE&BS Certificate (NMOPE&BS)</p>