

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural ResourcesOil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.

30-015-32464

5. Indicate Type of Lease

STATE ☒ FEE ☐

State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:

OIL WELL ☒ GAS WELL ☐ DRY ☐ OTHER ☐

b. Type of Completion:

NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. ☐
WELL OVER BACK RESVR. ☐ OTHER ☐

2. Name of Operator

Chi Operating, Inc.

3. Address of Operator

P.O. Box 1799 Midland, TX 79702

4. Well Location

Unit Letter C : 750' Feet From The NORTH Line and 1980' Feet From The WEST Line

Section 16 Township 21S Range 29E NMPM County EDDY

10. Date Spudded

12/29/03

11. Date T.D. Reached

1/27/03

12. Date Compl. (Ready to Prod.)

3/31/03

13. Elevations (DF& RKB, RT, GR, etc.)

GR -3367'

14. Elev. Casinghead

15. Total Depth

4600'

16. Plug Back T.D.

4559'

17. If Multiple Compl. How Many
Zones?

5

18. Intervals
Drilled By

Rotary Tools

yes

Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name

Delaware

20. Was Directional Survey Made

yes

21. Type Electric and Other Logs Run

GR-NDL-Lateral

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
16"		40		Ready mix	
12 3/4"	47	523	14 1/2"	400 sks TOC 150'	
				1" w/450 sks-circ.	
8 5/8"-J-55	32	3093	11	800 sks	
5 1/2"-J-55	17#	4600	7 7/8"	350 sks	

24.

LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN

25.

TUBING RECORD

SIZE	DEPTH SET	PACKER SET
2 7/8"	4490'	N/A

26. Perforation record (interval, size, and number)

4392-4396', 4298-4302', 4243-44', 4178-4188', 3952-3956'-
4SPF-90 deg

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

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
4392-4396' 4298-4302'	250 gals 7.5% NeFe Hcl acid/each
4243-44'	none
4178-4188'	750 gals 7.5% NeFe Hcl acid
3952-3956'	300 "

28

PRODUCTION

Date First Production		Production Method (Flowing, gas lift, pumping - Size and type pump)				Well Status (Prod. or Shut-in)	
3/31/03		PUMPING				PRODUCING	
Date of Test	Hours Tested	Choke Size	Prod'n For Test Period	Oil - Bbl	Gas - MCF	Water - Bbl.	Gas - Oil Ratio
4/12/03	24			58		71	
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl.	Gas - MCF	Water - Bbl.	Oil Gravity - API - (Corr.)	
0	0						

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

Test Witnessed By
S. MANN

30. List Attachments

SURVEY, LOGS

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. Weber

Title

Date 5/12/03

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 1450 _____
T. Delaware 3070 _____
Cherry Canyon 3970' _____
Manzanita 4090' _____

T. Canyon
T. Strawn
T. Atoka
T. Miss
T. Devonian
T. Silurian
T. Montoya
T. Simpson
T. McKee
T. Ellenburger
T. Gr. Wash
T. Delaware Sand
T. Bone Springs
T.
T.
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. _____
T. _____
T. _____
T. _____
T. _____
T. _____
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

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

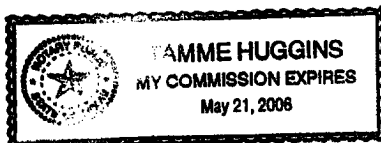
Chi 16 State #2Z
Eddy County, New Mexico

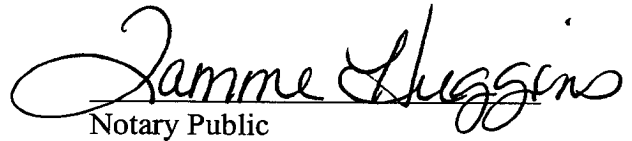


2465	24.65	4	7.00	172.55	172.55
2525	0.60	3 1/2	6.13	3.68	176.23
2620	0.95	3	5.25	4.99	181.21
2745	1.25	2 1/4	3.94	4.92	186.13
2808	0.63	2 1/4	3.94	2.48	188.62
2902	0.94	2 1/2	4.38	4.11	192.73
2934	0.32	2 1/4	3.94	1.26	193.99
2996	0.62	2 1/4	3.94	2.44	196.43
3090	0.94	1 3/4	3.06	2.88	199.31
3245	1.55	1 3/4	3.06	4.75	204.05
3401	1.56	3/4	1.31	2.05	206.10
3652	2.51	1/2	0.88	2.20	208.30
4155	5.03	1/2	0.88	4.40	212.70
4600	4.45	1/2	0.88	3.89	216.59


Michael Roghair - General Manager

The attached instrument was acknowledged before me on the 29th day of January, 2003 by Michael Roghair - General Manager, CapStar Drilling, L.P.




Notary Public

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

Chi 16 State #2Z
Eddy County, New Mexico



255	2.55	3/4	1.31	3.35	3.35
523	2.68	1/2	0.88	2.35	5.69
686	1.63	3/4	1.31	2.14	7.83
935	2.49	1 1/4	2.19	5.45	13.28
1060	1.25	2 1/2	4.38	5.47	18.75
1122	0.62	3	5.25	3.26	22.00
1184	0.62	2 1/4	3.94	2.44	24.44
1279	0.95	1 3/4	3.06	2.91	27.35
1341	0.62	2 1/4	3.94	2.44	29.79
1405	0.64	2 1/2	4.38	2.80	32.59
1469	0.64	1 3/4	3.06	1.96	34.55
1592	1.23	1 1/4	2.19	2.69	37.24
1686	0.94	3/4	1.31	1.23	38.48
1841	1.55	1 1/2	2.63	4.07	42.55
1935	0.94	1 1/2	2.63	2.47	45.01
1998	0.63	2 1/4	3.94	2.48	47.50
2092	0.94	3 1/2	6.13	5.76	53.25
2186	0.94	4 1/2	7.88	7.40	60.66
2249	0.63	6	10.50	6.62	67.27
2277	0.28	5 1/4	9.19	2.57	69.84
2308	0.31	5 1/4	9.19	2.85	72.69
2340	0.32	5 1/4	9.19	2.94	75.63
2371	0.31	5	8.75	2.71	78.34
2403	0.32	5	8.75	2.80	81.14
2434	0.31	4	7.00	2.17	83.31