

FAX COVER SHEET

OIL CONSERVATION DIVISION
1301 W. GRAND AVE
ARTESIA, NM 88210

PHONE (505-748-1283

FAX (505-748-9720

Date 12-19-02TO: MIKEFROM: CARMENNUMBER OF PAGES 3 (INCLUDING COVER SHEET)MESSAGE _____

Note to file:
Case No. 12980
12-14-2002

At the hearing the witness testified that
the proposed well that is the subject of their case
is sited 660' FSL (Unit P) at Sec. 32. The
Division's records in Artesia has the location of
Chi Energy's KC Strip State Cons. #1 (30-015-32538)
660' FSL + 1980' FEL in Unit "O".



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

District II
1301 W. Grand Avenue, Artesia NM 88201

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy Minerals and Natural Resources

Conservation Division

2040 South Pacheco
Santa Fe, NM 87505

Form C-101

Revised March 17, 1999

Submit to appropriate District Office

State Lease - 6 Copies

Fee Lease - 5 Copies

☐ AMENDED REPORT

NOV 2002
RECEIVED
OCD - ARTESIA

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

Operator Name and Address CHI OPERATING, INC. P.O. Box 1799 Midland, Texas 79702		OGRID Number 004378
Property Code 30903		API Number 30-015-32538
Property Name KC STRIP STATE		Well No. 1

7 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
O	32	18S	31E		660	SOUTH	1980	EAST	EDDY
	S 1/4								

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
Proposed Pool 1 UNDERS. Shugart, Morrow					Proposed Pool 2				

11 Work Type Code N	12 Well Type Code G	13 Cable/Rotary R	14 Lease Type Code S	15 Ground Level Elevation 3571
16 Multiple	17 Proposed Depth 12300	18 Formation MORROW	19 Contractor TMBR/SHARP	20 Spud Date ASAP

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# H-40	650'	±500 SKS	CIRC
11"	8 5/8"	3# J-55	3600'	±950 SKS	CIRC
7 7/8"	5 1/2"	20/17# J-55	12300'	±800 SKS	±6000' OR 500' ABOVE
					PRODUCTIVE 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.

MIRU, DRILL SURFACE HOLE W/F. WTR. RUN CSG/FLOAT EQUIP & CMT TO SURFACE. NU WELLHEAD/ANNULAR & TST WHILE WOC 18 HRS. DRILL INTERMEDIATE HOLE W/BRINE, RUN CSG/F. EQUIP & CMT TO SURFACE. NU WELLHEAD/5000# DOUBLE RAM BOP & TST ALL ASSOC. EQUIP. WHILE WOC 18 HRS. DRILL PROD. HOLE W/F. WTR/C. BRINE MUD SYSTEM. PULL E-LOG SWEEPS FROM TD TO 3600'. PULL GR/CNL TO SURFACE. EVALUATE FOR COMPLETION.

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

Signature:

Printed name:

JOHN W. WOLF

Date: 11/21/02

Phone: 915-685-5001

OIL CONSERVATION DIVISION

Approved by:

Title:

Approval Date: NOV 26 2002

Expiration Date: NOV 26 2003

Conditions of Approval:

Attached ☐

Cement to cover all oil, gas and water bearing zones.

Nov-22-02 11:42A Dan R Reddy

505 887 3261

P.01

Record 1
1975 N. Francis Dr. Hobbs, NM 88240

Record 2
211 South First, Artesia, NM 88210

Record 3
1000 N. Highway Rd., Artesia, NM 88210

Record 4
2100 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 O-102

Revised March 17, 1989

Submit to Appropriate District Office

State Lease - 4 Copies

Free Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name K. C. STRIP STATE	Well Number 1
OGD No.	Operator Name CHI OPERATING, INC.	Elevation 3571

Surface Location

UL or Lot No.	Section	Township	Range	Lot No.	Feet from the	North/South line	Feet from the	East/West line	County
0	32	12-S	31-E		660	SOUTH	1980	EAST	EDDY

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
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Dedicated Acres	Joint or Intra	Consolidation Code	Order No.
320			

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>[Signature]</i>	
	Printed Name: JOHN W. WOLF	
	Title: Manager	
	Date: 11/22/02	
	SURVEYOR CERTIFICATION	
	I HEREBY CERTIFY THAT THE WELL LOCATION SHOWN ON THIS PLAT WAS PLOTTED FROM FIELD NOTES BY ACTUAL SURVEY AND TO MY OWN KNOWLEDGE AND BELIEF THE SAME IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF	
	NOVEMBER 21, 2002	
	Date of Survey	
	Surveyor: JOHN W. WOLF	
	Professional Seal: JOHN W. WOLF	

PI/DWIGHTS PLUS DRILLING WIRE™
NEW MEXICO
Section II - 12/16/2002

PAGE

OPER: DEVON ENERGY
 PRODUCTION CO.
 WELL: 48 EAST
 API: 30-01

DRILLING PROGRESS

NEW MEXICO DISTRICT 1,2,4-EDDY COUNTY CONTINUED

OPER: RICKS EXPLORATION INCORPORATED;
 WELL: 18 GREENWOOD (PRE-GRAYBURG) UNIT;
 API: 30-015-32516;
 IC: 30015780962002;
LOC; \$\$\$\$

S-T-R: 27-18S-31E;
 C NE SE
 1980 FSL 660 FEL SEC

FIELD: SHUGART; PROJ DEPTH: 9500; BONE SPRING (PMT APP'D 20021005) (FR:20021009 NSO/VAC) LEASE TYPE:FEDERAL TARGET OBJ: OIL; **OPER ADD:** 110 W LOUISIANA, STE 410, MIDLAND, TX 79701, (915)683-7443 **EL:** 3646 GR **LOCATION DATA:** 15 MI SE LOCO HILLS, NM **VERTICAL;**

OPER: OCEAN ENERGY INCORPORATED;
 WELL: 3 SHUGART '28' FEDERAL;
 API: 30-015-31639;
 IC: 30015794572000;

S-T-R: 28-18S-31E;
 NE NW SE
 2180 FSL 1330 FEL SEC

FIELD: SHUGART; PROJ DEPTH: 12000; MORROW (PMT APP'D 20010301) (FR:20001122 OKC VAC) LEASE TYPE:FEDERAL TARGET OBJ: GAS; **OPER ADD:** 1001 FANNIN, STE 1600, HOUSTON, TX 77002-6794, (713)265-6834 **EL:** 3615 GR **LOCATION DATA:** APPROX 10 MI SE LOCO HILLS, NM **VERTICAL;**

D

....PERMIT EXTENSION APPROVED (LDIR:20020423) **LOC; \$\$\$\$**

OPER: CONCHO RESOURCES INCORPORATED;
 WELL: 6 WEST SHUGART '30';
 API: 30-015-32029;
 IC: 30015791372001;
LOC; \$\$\$\$

S-T-R: 30-18S-31E;
 C SW SE
 660 FSL 1980 FEL SEC

FIELD: SHUGART; PROJ DEPTH: 12400; MORROW (PMT APP'D 20011001) (FR:20010724 OKC MSW) LEASE TYPE:FEDERAL TARGET OBJ: GAS; **OPER ADD:** 110 W LOUISIANA, STE 410, MIDLAND, TX 79701, (915)683-7443 **EL:** 3578 GR **LOCATION DATA:** 660 TWP 8 MI SE LOCO HILLS, NM **VERTICAL;**

D

OPER: CONCHO RESOURCES INCORPORATED;
 WELL: 2 WEST SHUGART '31' FED;
 IC: 30015749332001;
LOC; \$\$\$\$

S-T-R: 31-18S-31E;
 SE SE SW
 560 FSL 2175 FWL SEC

FIELD: SHUGART NORTH; PROJ DEPTH: 7000; BONE SPRING (FR:20010129 MIDL ARF) TARGET OBJ: OIL; **OPER ADD:** 110 W LOUISIANA, STE 410, MIDLAND, TX 79701, (915)683-7443 **EL:** 3524 GR **LOCATION DATA:** 12 MI SE LOCO HILLS, NM **VERTICAL;**

D

OPER: CONCHO RESOURCES INCORPORATED;
 WELL: 1 WEST SHUGART '31' FED COM; 1780 FSL 1650 FWL SEC
 API: 30-015-31647;
 IC: 30015762672001;

S-T-R: 31-18S-31E;
 SW NE SW

FIELD: UNNAMED; PROJ DEPTH: 12300; (PMT APP'D 20010309) (FR:20010209 OKC MSW) LEASE TYPE:FEDERAL TARGET OBJ: GAS; **OPER ADD:** 110 W LOUISIANA, STE 410, MIDLAND, TX 79701, (915)683-7443 **EL:** 3528 GR **LOCATION DATA:** APPROX 10 MI SE LOCO HILLS, NM **VERTICAL;**

WDD GAS

CONTR: PATTERSON DRILLING COMPANY, **RIG # 144; SPUD:20010423 CSG:** 13 3/8 IN @ 755 W/650 SACK,9 5/8 IN @ 3205 W/1300 SACK,5 1/2 IN @ 12526 W/2460 SACK; **RIG REL:** 20010616 **TD: 12526;** (MORROW) (TD REACHED:20010614) **PRODUCING INTERVALS DATA: # 01 PERF (MORROW) ;** GAS: UG **DTD: 12526; COMPDATE: 20010816; # 01 IPF GAS: UG PROD ZONE: PERF (MORROW) INT NOT RPTD ; ; DISCOVERY - NEW FIELD HOLDING FOR DATA**(LDIR:20011105) **\$\$\$\$**

OPER: CHI OPERATING INCORPORATED;
 WELL: 1 KC STRIP STATE;
 API: 30-015-32538;
LOC; \$\$\$\$

S-T-R: 32-18S-31E;
 C SW SE
 660 FSL 1980 FEL SEC

FIELD: SHUGART; PROJ DEPTH: 12300; MORROW (PMT APP'D 20021126) (FR:20021205 NSO/ARF) LEASE TYPE:STATE TARGET OBJ: GAS; **OPER ADD:** P. O. BOX 1799, MIDLAND, TX 79702, (915)685-5001 **EL:** 3571 GR **VERTICAL;**

D

OPER: OXY USA WTP LP;
 WELL: 1 OXY T-BONE FEDERAL;
 IC: 30015791242001;

S-T-R: 33-18S-31E;
 C NE NW
 660 FNL 1980 FWL SEC

FIELD: SHUGART; PROJ DEPTH: 12300; MORROW (FR:20011026 OKC VAC) LEASE TYPE:FEDERAL TARGET OBJ: UNRPTD; **OPER ADD:** P O BOX 50250, MIDLAND, TX 79710-0250, (915)685-5717 **EL:** 3603 GR **LOCATION DATA:** 20 MI NE CARLSBAD, NM **VERTICAL;**

D

CONTR: TMBR/SHARP DRILLING INCORPORATED, **RIG # 22; SPUD:20021010**DRLG (LDIR:20021021) **\$\$\$\$**

OPER: RICKS EXPLORATION INCORPORATED;
 WELL: 15 GREENWOOD (PRE-GRAYBURG) UNIT;
 IC: 30015780942002;
LOC; \$\$\$\$

S-T-R: 34-18S-31E;
 W2 NE NE
 660 FNL 890 FEL SEC

FIELD: SHUGART; PROJ DEPTH: 14000; ORDOVICIAN (FR:20021009 NSO/VAC) LEASE TYPE:FEDERAL TARGET OBJ: UNRPTD; **OPER ADD:** 110 W LOUISIANA, STE 410, MIDLAND, TX 79701, (915)683-7443 **EL:** 3645 GR **LOCATION DATA:** 12 MI SE LOCO HILLS, NM **VERTICAL;**

D

CMD : 12/19/02 13:16:40
OG6C101 C101-APPLICATION FOR PERMIT TO DRILL OGOMES -TQGC
ONGARD
OGRID Idn : 4378 API Well No: 30 15 32538 APD Status(A/C/P): A
Opr Name, Addr: CHI OPERATING INC Aprvl/Cncl Date : 11-26-2002
PO BOX 1799
MIDLAND, TX 79702

Prop Idn: 30903 KC STRIP STATE Well No: 1

U/L	Sec	Township	Range	Lot	Idn	North/South	East/West
Surface Locn	: O	32	18S	31E		FTG 660 F S	FTG 1980 F E
OCD U/L	: O	API County : 15					

Work typ(N/E/D/P/A) : N Well typ(O/G/M/I/S/W/C): G Cable/Rotary (C/R) : R
Lease typ(F/S/P/N/J/U/I): S Ground Level Elevation : 3571

State Lease No: Multiple Comp (S/M/C) : S
Prpsd Depth : 12300 Prpsd Frmtn : SHUGART MORROW

E0009: Enter data to modify record
PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06 CONFIRM
PF07 PF08 PF09 PRINT PF10 C102 PF11 HISTORY PF12

CMD : 12/19/02 13:15:59
OG5SECT OGOMES -TQGC
PAGE NO: 1

Sec : 32 Twp : 18S Rng : 31E Section Type : NORMAL

D 40.00 CS E06947 0002 CHAMBERS & KENNED 02/10/63 A	C 40.00 CS E06947 0002 CHAMBERS & KENNED 02/10/63 A	B 40.00 CS B02023 0018 OCCIDENTAL PERMIA 07/10/43 P	A 40.00 CS E10001 0002 BURLINGTON RESOUR 04/17/66 A
E 40.00 CS E06947 0010 FINA OIL & CHEMIC 02/10/63	F 40.00 CS E06947 0002 CHAMBERS & KENNED 02/10/63 A	G 40.00 CS E10001 0002 BURLINGTON RESOUR 04/17/66 A	H 40.00 CS E10001 0002 BURLINGTON RESOUR 04/17/66 A

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12

CMD : 12/19/02 13:16:04
 OG5SECT OGOMES -TQGC
 INQUIRE LAND BY SECTION
 PAGE NO: 2

Sec : 32 Twp : 18S Rng : 31E Section Type : NORMAL

L 40.00 CS V05221 0001 NEARBURG EXPLORAT 01/01/03	K 40.00 CS E06947 0009 BURLINGTON RESOUR 02/10/63 P	J 40.00 CS E06947 0009 BURLINGTON RESOUR 02/10/63 A	I 40.00 CS E06947 0010 FINA OIL & CHEMIC 02/10/63
M 40.00 CS E10001 0002 BURLINGTON RESOUR 04/17/66 A	N 40.00 CS E06947 0002 CHAMBERS & KENNED 02/10/63 A	O 40.00 CS E06947 0009 BURLINGTON RESOUR 02/10/63 A A	P 40.00 CS E06947 0010 FINA OIL & CHEMIC 02/10/63

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
 PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12