

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NM OIL CONSERVATION
Artesia Artesia
NOV 22 2016

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
NMNM0428657

1a. Type of Well ☒ Oil Well ☐ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other

RECEIVED

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator
CHI OPERATING INC

Contact: PAM CORBETT
E-Mail: pamc@chienergyinc.com

8. Lease Name and Well No.
ARCO 34 FEDERAL 3H

3. Address P.O. BOX 1799
MIDLAND, TX 79701

3a. Phone No. (include area code)
Ph: 432-685-5001

9. API Well No.
30-015-42387

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

Sec 34 T19S R28E Mer NMP
At surface 330FSL 330FWL
At top prod interval reported below 330FNL 330FWL
At total depth

10. Field and Pool, or Exploratory
OLD MILLMAN RNCH BONE SPR

11. Sec., T., R., M., or Block and Survey
or Area Sec 34 T19S R28E Mer NMP

12. County or Parish
EDDY

13. State
NM

14. Date Spudded
09/05/2014

15. Date T.D. Reached
11/05/2014

16. Date Completed
☐ D & A ☒ Ready to Prod.
05/15/2015

17. Elevations (DF, KB, RT, GL)*
3349 KB

18. Total Depth: MD
TVD 11458
7267

19. Plug Back T.D.: MD
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CB GR CCL LOG

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☐ No ☒ Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
17.500	13.375 J55	48.0	360			392		0	
12.250	9.625 J55	40.0	3054			1050		0	
6.125	4.500 P110	13.5	6429	7591		0			
8.750	7.000 P110	26.0	7501			930		0	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.875	11458							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) BONE SPRING	7637	11365	7637 TO 11365			OPEN HOLE PKR SYSTEM
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
7637 TO 11365	618,030 GAL SLICK WTR; 1,515,402 GAL 20# XL FLUID; 401,856 GAL 20# LINEAR GEL; 28,292 GEL FLUSH;

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
05/20/2015	05/24/2015	24	→	355.0	0.0	1211.0	37.1		FLOW FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
SI	2700	180.0	→	355	0	1211		POW	

ACCEPTED FOR RECORD

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
SI			→						

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Production Method
BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #356966 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Reclamation Due: 11/20/2015

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	

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

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
YATES	1200			YATES	1200
DELAWARE	3150			DELAWARE	3150
1ST BONE SPRING CARB	5400			1ST BONE SPRING CARB	5400
2ND SAND	7180			2ND SAND	7180
3RD SAND	8555			3RD SAND	8555
WOLFCAMP	8860			WOLFCAMP	8600

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7 Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #356966 Verified by the BLM Well Information System.
For CHI OPERATING INC, sent to the Carlsbad

Name (please print) SONNY MANNTitle FIELD SUPERVISOR

Signature _____ (Electronic Submission)

Date 11/03/2016

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.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

WELLBORE DIAGRAM/HISTORY

DATE: 12/12/14

LEASE: Arco 34 Federal

WELL NO. 3H

OPER: CHI Energy

API 30-015-42387

LOC: 330' FSL 330' FWL SEC 34 T 19S R28E EDDY CO. NM

TD 11,458' PBD 12,643' KB 3,349'DF 3,304'

TVD 7,267' DOD GL 3,305'

KOP 6,600' 30' 6,870' 60' 7,315' 90' 7,782'

CASING

SURF. 13 3/8" 48# J-55 STC DEPTH 360' CMT CIRC

INT. 9 5/8" 40# J-55 LTC DEPTH 3,054' CMT CIRC

INT. 7" 26# P-110 LTC DEPTH 7,501' CMT 930 SX

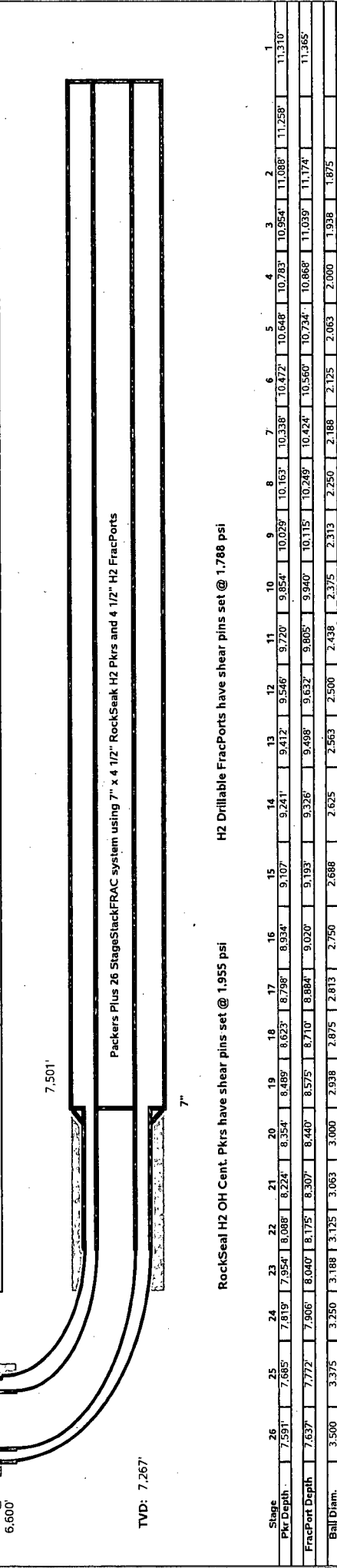
LINER 4 1/2" 13.5# P-110 LTC DEPTH 6,429'-7,591' CMT NONE

Packers Plus 26 StageStackFRAC system

9 5/8" 3,054'

4 1/2" TOL @ 6,429'

KOP @ 6,600'



Stage 1 FracPort Shear Pin Settings: Upper: 4301 psi Lower: 4410 psi
RockSeal IIS 10k OH Anchor Pkr has shear pins set @ 1944 psi
Toe Circ Sub Set @ 11,416'. 1,000" Ball Seat. Shear pins set @ 1098 psi

RockSeal H2 OH Cent. PKrs have shear pins set @ 1,955 psi

H2 Drillable FracPorts have shear pins set @ 1,788 psi

Packers Plus 26 StageStackFRAC system using 7" x 4 1/2" RockSeal H2 PKrs and 4 1/2" H2 FracPorts

Stage 1 FracPort Shear Pin Settings: Upper: 4301 psi Lower: 4410 psi

RockSeal IIS 10k OH Anchor PKr has shear pins set @ 1944 psi

Toe Circ Sub Set @ 11,416', 1,000" Ball Seat, Shear pins set @ 1098 psi