

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 & Natural Resources

Form C-104  
Reformatted July 20, 2001

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

Submit to Appropriate District Office  
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

|                                                                                                                    |                                                               |                                                                 |
|--------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-----------------------------------------------------------------|
| <sup>1</sup> Operator name and Address<br>Chi Operating, Inc.<br>P.O. Box 1799<br>Midland, TX 79702<br>AUG 07 2007 |                                                               | <sup>2</sup> OGRID Number<br>004378                             |
|                                                                                                                    |                                                               | <sup>3</sup> Reason for Filing Code/ Effective Date<br>New Well |
| <sup>4</sup> API Number<br>30-015- 34554                                                                           | <sup>5</sup> Pool Name<br>HAPPY Valley L. MRRW<br>OCD-ARTESIA | <sup>6</sup> Pool Code<br>78060                                 |
| <sup>7</sup> Property Code                                                                                         | <sup>8</sup> Property Name<br>WC "4"                          | <sup>9</sup> Well Number<br>4                                   |

II. <sup>10</sup> Surface Location

|                    |              |                 |              |         |                       |                       |                      |                     |                |
|--------------------|--------------|-----------------|--------------|---------|-----------------------|-----------------------|----------------------|---------------------|----------------|
| UL or lot no.<br>H | Section<br>4 | Township<br>22S | Range<br>26E | Lot.Idn | Feet from the<br>1100 | North/South Line<br>N | Feet from the<br>990 | East/West line<br>E | County<br>EDDY |
|--------------------|--------------|-----------------|--------------|---------|-----------------------|-----------------------|----------------------|---------------------|----------------|

<sup>11</sup> Bottom Hole Location

|                        |                                             |                                   |                                   |                                    |                                     |                  |               |                |        |
|------------------------|---------------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|-------------------------------------|------------------|---------------|----------------|--------|
| UL or lot no.          | Section                                     | Township                          | Range                             | Lot Idn                            | Feet from the                       | North/South line | Feet from the | East/West line | County |
| <sup>12</sup> Lse Code | <sup>13</sup> Producing Method Code<br>FLWG | <sup>14</sup> Gas Connection Date | <sup>15</sup> C-129 Permit Number | <sup>16</sup> C-129 Effective Date | <sup>17</sup> C-129 Expiration Date |                  |               |                |        |

III. Oil and Gas Transporters

|                                          |                                                      |                   |                        |                                                  |
|------------------------------------------|------------------------------------------------------|-------------------|------------------------|--------------------------------------------------|
| <sup>18</sup> Transporter OGRID<br>15694 | <sup>19</sup> Transporter Name and Address<br>NAVAJO | <sup>20</sup> POD | <sup>21</sup> O/G<br>O | <sup>22</sup> POD ULSTR Location and Description |
|                                          | Natural Gas Transmission Services                    |                   | G                      |                                                  |
|                                          |                                                      |                   |                        |                                                  |
|                                          |                                                      |                   |                        |                                                  |
|                                          |                                                      |                   |                        |                                                  |
|                                          |                                                      |                   |                        |                                                  |

47 Produced Water

|                   |                                                              |
|-------------------|--------------------------------------------------------------|
| <sup>23</sup> POD | <sup>24</sup> POD ULSTR Location and Description<br>LOCATION |
|-------------------|--------------------------------------------------------------|

47 Well Completion Data

|                                    |                                                        |                                 |                                                                        |                                          |                       |
|------------------------------------|--------------------------------------------------------|---------------------------------|------------------------------------------------------------------------|------------------------------------------|-----------------------|
| <sup>25</sup> Spud Date<br>10/4/06 | <sup>26</sup> Ready Date<br>7/30/07                    | <sup>27</sup> TD<br>11,538'     | <sup>28</sup> PBTD<br>11,425'                                          | <sup>29</sup> Perforations<br>11320-349' | <sup>30</sup> DHC, MC |
| <sup>31</sup> Hole Size<br>17 1/2" | <sup>32</sup> Casing & Tubing Size<br>13 3/8" 65 # J55 | <sup>33</sup> Depth Set<br>518' | <sup>34</sup> Sacks Cement<br>Lead - 1005x5ft<br>4005x5'C, Tail 1505x5 |                                          |                       |
| 12 1/2"                            | 9 5/8" 36 # J55                                        | 2132'                           | Lead 250 5x5 ft + circ. 10<br>4005x5'C Tail 2005x5C 5x5 to surface     |                                          |                       |
| 8 3/4"                             | 5 1/2" 20/17 #N80                                      | 11,538'                         | 1st - 6405x5 C TOC<br>2nd Lead - 5505x5 C 4040'<br>Tail 505x5'C        |                                          |                       |

47 Well Test Data

|                            |                                 |                                    |                           |                                    |                                               |
|----------------------------|---------------------------------|------------------------------------|---------------------------|------------------------------------|-----------------------------------------------|
| <sup>35</sup> Date New Oil | <sup>36</sup> Gas Delivery Date | <sup>37</sup> Test Date<br>7/31/07 | <sup>38</sup> Test Length | <sup>39</sup> Tbg. Pressure<br>500 | <sup>40</sup> Csg. Pressure                   |
| <sup>41</sup> Choke Size   | <sup>42</sup> Oil<br>O          | <sup>43</sup> Water<br>O           | <sup>44</sup> Gas<br>89   | <sup>45</sup> AOF                  | <sup>46</sup> Test Method<br>TOTAL FLOW METER |

<sup>47</sup> I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature: Pam Corbett

Printed name: Pam Corbett

Title:  
REGULATORY CLERK

Date: 8/2/07  
Phone: 432-685-5001

OIL CONSERVATION DIVISION

Approved by: BRYAN G. ARRANT  
DISTRICT II GEOLOGIST

Title:

Approval Date: DEC 13 2007