

**N. M. Oil Cons. Division**  
 811 S. 1ST ST  
 ALBUQUERQUE, NM 87102-1000

C/SF

Form 3160-3  
 (August 1999)

UNITED STATES  
 DEPARTMENT OF THE INTERIOR  
 BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED  
 OMB No. 1004-0136  
 Expires November 30, 2000

RECEIVED  
 OGD - ARTESIA

5. Lease Serial No. NM-84851

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

26494

8. Lease Name and Well No.  
 Carbon Valley 15 Federal #1

9. API Well No.

30-015-31281

10. Field and Pool, or Exploratory  
 Diamond Mound Morrow

11. Sec., T., R., M., or Bk. and Survey or Area

Sec 15-T16S-R27E

12. County or Parish  
 Eddy

13. State  
 NM

1a. Type of Work: ☒ DRILL ☐ REENTER

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☐ Multiple Zone

2. Name of Operator Chi Operating, Inc

4378

3a. Address  
 PO Box 1799 Midland, TX 79702

3b. Phone No. (include area code)  
 (915) 685-5001

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

At surface 660' FNL & 660' FEL

At proposed prod. zone Same

UNIT A

14. Distance in miles and direction from nearest town or post office\*  
 18 road miles NE of Artesia, NM

15. Distance from proposed\*  
 location to nearest  
 property or lease line, ft.  
 (Also to nearest drig. unit line, if any) 660'

16. No. of Acres in lease  
 1040

17. Spacing Unit dedicated to this well  
 320

18. Distance from proposed location\*  
 to nearest well, drilling, completed,  
 applied for, on this lease, ft. 2900'

19. Proposed Depth  
 9,200'

20. BLM/BIA Bond No. on file  
 NM-1616

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
 3587' GL

22. Approximate date work will start\*  
 07/15/00

23. Estimated duration  
 30 days

24. Attachments **ROSWELL CONTROLLED WATER BASIN**

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, shall be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature

*George R. Smith*

Name (Printed/Typed)

George R. Smith

Date

06/29/00

Title

Agent for: Chi Operating, Inc.

Approved by (Signature)

*LARRY D. BRAY*

Name (Printed/Typed)

/S/LARRY D. BRAY

Date

AUG 01 2000

Title

Assistant Field Manager,  
 Lands And Minerals

Office

ALBUQUERQUE, NM

APPROVED FOR 1 YEAR

Application approval does not warrant or certify the the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

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.

\*(Instructions on reverse)

Lease Responsibility Statement: Chi Operating, Inc. accepts all applicable terms, conditions, stipulations, and restrictions concerning operations conducted on the leased land or portion thereof.

APPROVAL SUBJECT TO  
 GENERAL REQUIREMENTS  
 SPECIAL STIPULATIONS  
 ATTACHED

*George R. Smith*  
 George R. Smith, agent

RECEIVED  
JUN 29 P 11:09  
JUN 29 P 11:09  
KOSWELL OFFICE