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Appropriate District Office
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P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department.

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

RECEIVED

AUG 12 1991

O. C. D.

REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT OIL AND NATURAL GAS

Operator CHI OPERATING, INC	Well API No. 30-015-26589
Address P. O. BOX 1799 MIDLAND, TEXAS 79702	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input checked="" type="checkbox"/>	Change in Transporter of:
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Dry Gas <input type="checkbox"/>
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/> Condensate <input type="checkbox"/>

If change of operator give name
and address of previous operator

II. DESCRIPTION OF WELL AND LEASE

Lease Name HONDO FEDERAL	Well No. 3	Pool Name, including Formation E. CATCLAW DRAW/DELAWARE	Kind of Lease State, Federal or Fee	Lease No. NM-04000877
Location Unit Letter <u>G</u> : <u>2310</u> Feet From The <u>NORTH</u> Line and <u>2160</u> Feet From The <u>EAST</u> Line Section <u>9</u> Township <u>21S</u> Range <u>26E</u> , <u>NMPM</u> , <u>EDDY</u> County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/> PERMIAN	Address (Give address to which approved copy of this form is to be sent) P. O. BOX 1183, HOUSTON, TX 77251	
Name of Authorized Transporter of Casinghead Gas <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/> DELAWARE NATURAL GAS	Address (Give address to which approved copy of this form is to be sent) 1000 LOUISIANA, SUITE 6770, HOUSTON, TX 77002	
If well produces oil or liquids, give location of tanks.	Unit J	Sec. 9
	Twp. 21	Rge. 26
	Is gas actually connected? YES	When? May, 15, 1991

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well X	Gas Well	New Well X	Workover	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded 01/7/91	Date Compl. Ready to Prod. 01/27/91		Total Depth 4150'		P.B.T.D. 4135'			
Elevations (DF, RKB, RT, GR, etc.) 3232 GR	Name of Producing Formation DELAWARE		Top Oil/Gas Pay 2999		Tubing Depth 2925			
Perforations 2999-3133					Depth Casing Shoe			
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
17 1/2"	13 3/8"		350'		720 sks Class C			
12 1/4"	8 5/8"		1270'		1130 sks Class C			
5 1/2"	5 1/2"		4150'		500 sks Class C			
	2 3/8"		2925'		NONE			

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

Date First New Oil Run To Tank 2/01/91	Date of Test 3/05/91	Producing Method (Flow, pump, gas lift, etc.) FLOW	
Length of Test 24 hr	Tubing Pressure 125	Casing Pressure 435	Choke Size 32/64
Actual Prod. During Test	Oil - Bbls. 88	Water - Bbls. 105	Gas- MCF 225

GAS WELL

Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations 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 DAVID H. HARRISON PRESIDENT
Printed Name 08/09/91 Title 915-685-5001
Date 08/09/91 Telephone No. 915-685-5001

OIL CONSERVATION DIVISION

Date Approved AUG 7 1991

By ORIGINAL SIGNED BY
MIKE WILLIAMS
Title SUPERVISOR, DISTRICT II

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.