

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒GAS
WELL ☐OTHER ☐SINGLE
ZONE ☐MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Chi Operating, Inc.

3. ADDRESS OF OPERATOR

P. O. Box 1799

Midland, Texas

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

1930' FNL & 610' FWL

At proposed prod. zone

Same

JUL 28 1992

O.C.D.

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

30 miles SE of Artesia, NM

10. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.

710'

18. DISTANCE FROM PROPOSED LOCATION*
TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

1270'

16. NO. OF ACRES IN LEASE

318.23

19. PROPOSED DEPTH

8000'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

3287' GL

22. APPROX. DATE WORK WILL START*

July 15, 1992

23.

PROPOSED CASING AND CEMENTING PROGRAM

Capitan Controlled Water Basin

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24.0#	400'	400 sx "C" circulated
7 7/8"	5 1/2"	15.5#	8000'	400 sx "C" to 5000' CIRCULATE

Mud Program:

	Mud Wt.	Vis.	W/L Control
0' - 400': Fresh water gel spud mud:	8.4- 9.0 ppg	32-38	No W/L cont.
400' - 6500': Cut brine w/gel & lime:	9.0- 9.2 ppg	28-30	No W/L cont.
6500' - 8000': Cut Brine w/gel & starch:	9.0- 9.3 ppg	29-31	W/L cont. 10cc

PH = 10 in fresh water mud and 9.5-10.5 in brine mud.

BOP Program:

A 10" 3000 psi wp Cameron Space Saver BOP will be installed on the 8 5/8" casing. Casing and BOP will be tested before drilling out with 7 7/8". BOP will be used as a 2000 psi wp system and will be tested daily. No high pressure gas known to be in the area at this depth. See exhibit "E".

Post ID-1
7-31-92
Newhoe
+ API

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

George Smith

Agent for:

TITLE Chi Operating, Inc.

DATE

June 26, 1992

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

Ron Austin

TITLE

DATE

7-24-92

CONDITIONS OF APPROVAL, IF ANY:

APPROVAL SUBJECT TO

GENERAL REQUIREMENTS AND
SPECIAL STIPULATIONS

*See Instructions On Reverse Side

ATTENTION:
Title 18 U.S.C. Section 1001, makes 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.