

NM OIL CON COMMISSION
DRAWER DD
ARTESIA, NM 88210 STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN 1 APPLICATION
(Other instructions on reverse side)

30-015-28007
Form approved.
Budget Bureau No. 1004-0136
Expires: December 31, 1991

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. NM-13232A	
B. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Chi Operating, Inc.		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO. P. O. Box 1799 Midland, Texas 79701		8. FARM OR LEASE NAME, WELL NO. Winchester Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.) At surface 600' FNL & 2000' FWL At proposed prod. zone Same		9. AP WELL NO. 4	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE 12 miles NE of Carlsbad		10. FIELD AND POOL, OR WILDCAT Old Millman Ranch Bone Spring	
15. DISTANCE FROM PROPOSED LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) 600'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA 48035	
16. NO. OF ACRES IN LEASE 318.23		12. COUNTY OR PARISH Eddy	
17. NO. OF ACRES ASSIGNED TO THIS WELL 80		13. STATE New Mexico	
18. DISTANCE FROM PROPOSED LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 60'		14. DISTANCE FROM PROPOSED LOCATION TO NEAREST TOWN OR POST OFFICE 12 miles NE of Carlsbad	
19. PROPOSED DEPTH 6700'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 3279' GL		22. APPROX. DATE WORK WILL START August 15, 1994	

PROPOSED CASING AND CEMENTING PROGRAM

Capitan Controlled Water Basin

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8" H-40	48.0#	500'	Circulate 500 sx "C"
7 7/8"	5 1/2" J-55	15.5#	6700'	Circ. 1660 sx "C" & "H"
Note: If drilling conditions dictate, will ream out with 12 1/4" and run following program:				
12 1/4"	8 5/8" J-55	24.0#	3000'	Circulate 635 sx "C"
7 7/8"	5 1/2" J-55	15.5#	6700'	Tieback with 535 sx "C"

Mud Program:

	Mud Wt.	Vis.	W/L Control
0' - 500': Fresh water w/Gel spud mud:	8.4-9.0 ppg	32-38	No W/L control
500' - 6200': Cut Brine w/gel & lime:	9.0-9.2 ppg	28-30	No W/L control
6200' - 6700': Cut brine w/gel & starch:	9.0-9.3 ppg	29-31	W/L control 10cc

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

BOP Program:

A 12" 3000 psi wp Cameron SS Space Saver double ram BOP will be installed on the 13 3/8" casing. Casing and BOP will be tested before drilling out with 7 7/8". BOP will be tested daily as a 2M system.

**Approval Subject to
General Requirements and
Special Stipulations
Attached**

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, 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 R. Smith Agent for: Chi Operating, Inc. May 10, 1994
TITLE Chi Operating, Inc. DATE May 10, 1994

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that 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:

APPROVED BY SL Ron Dunton FOR AREA MANAGER DATE 6/17/94

***See Instructions On Reverse Side**

Submit to Appropriate
District Office
State Lease - 4 copies
Fee Lease - 3 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised 1-1-89

OIL CONSERVATION DIVISION

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

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

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

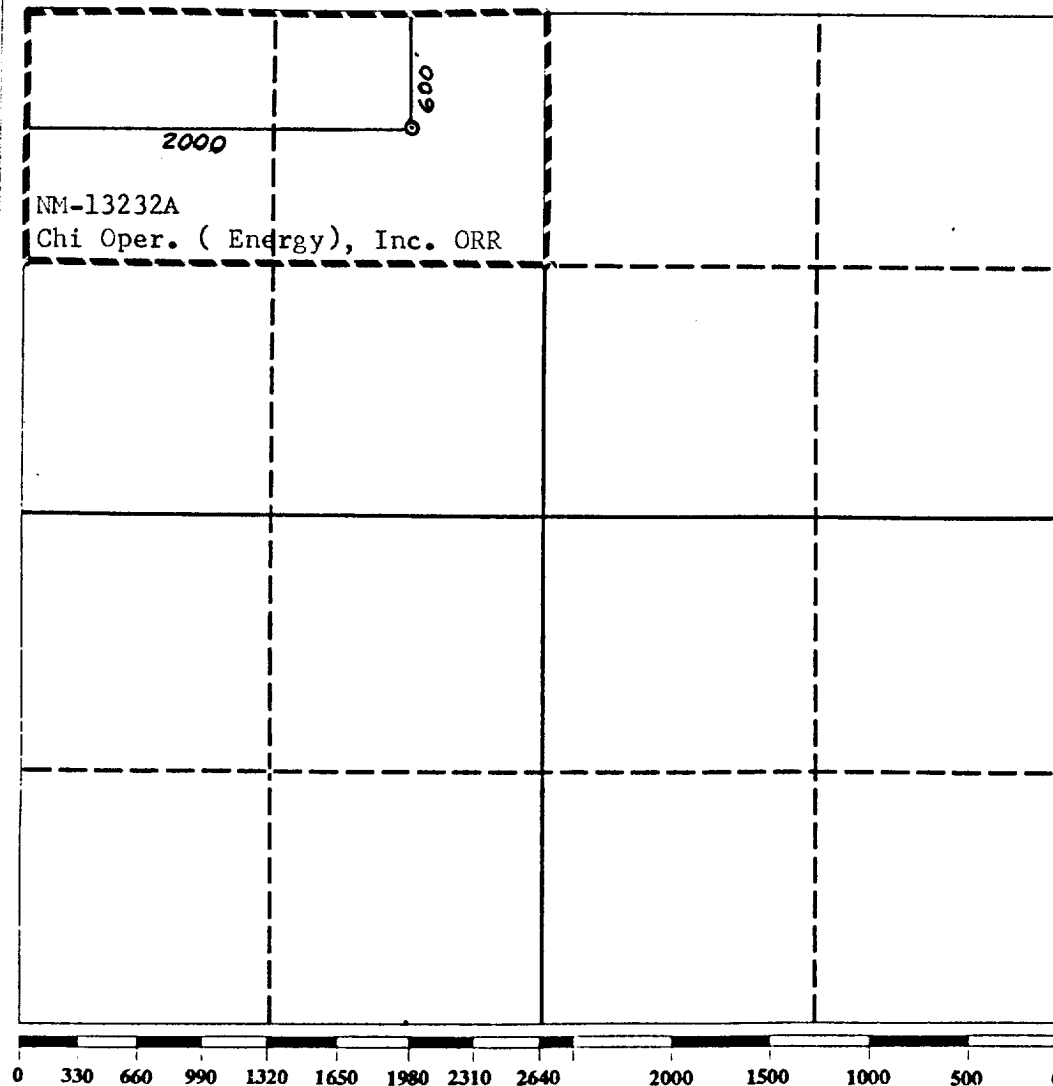
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

Operator CHI OPERATING, INC.			Lease WINCHESTER FEDERAL		Well No. 4
Unit Letter C	Section 3	Township 20 SOUTH	Range 28 EAST	County EDDY COUNTY, NM	
Actual Footage Location of Well: 600 feet from the NORTH line and 2000 feet from the WEST line					
Ground level Elev. 3279.	Producing Formation Bone Spring		Pool Old Millman Ranch Bone Spring	Dedicated Acreage: 80 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc?
☐ Yes ☐ No If answer is "yes" type of consolidation _____
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary). _____
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature
George R. Smith
Printed Name
George R. Smith
Position
Agent for:
Company
Chi Operating, Inc.
Date
May 10, 1994

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
APRIL 19, 1994
Signature & Seal of Professional Surveyor

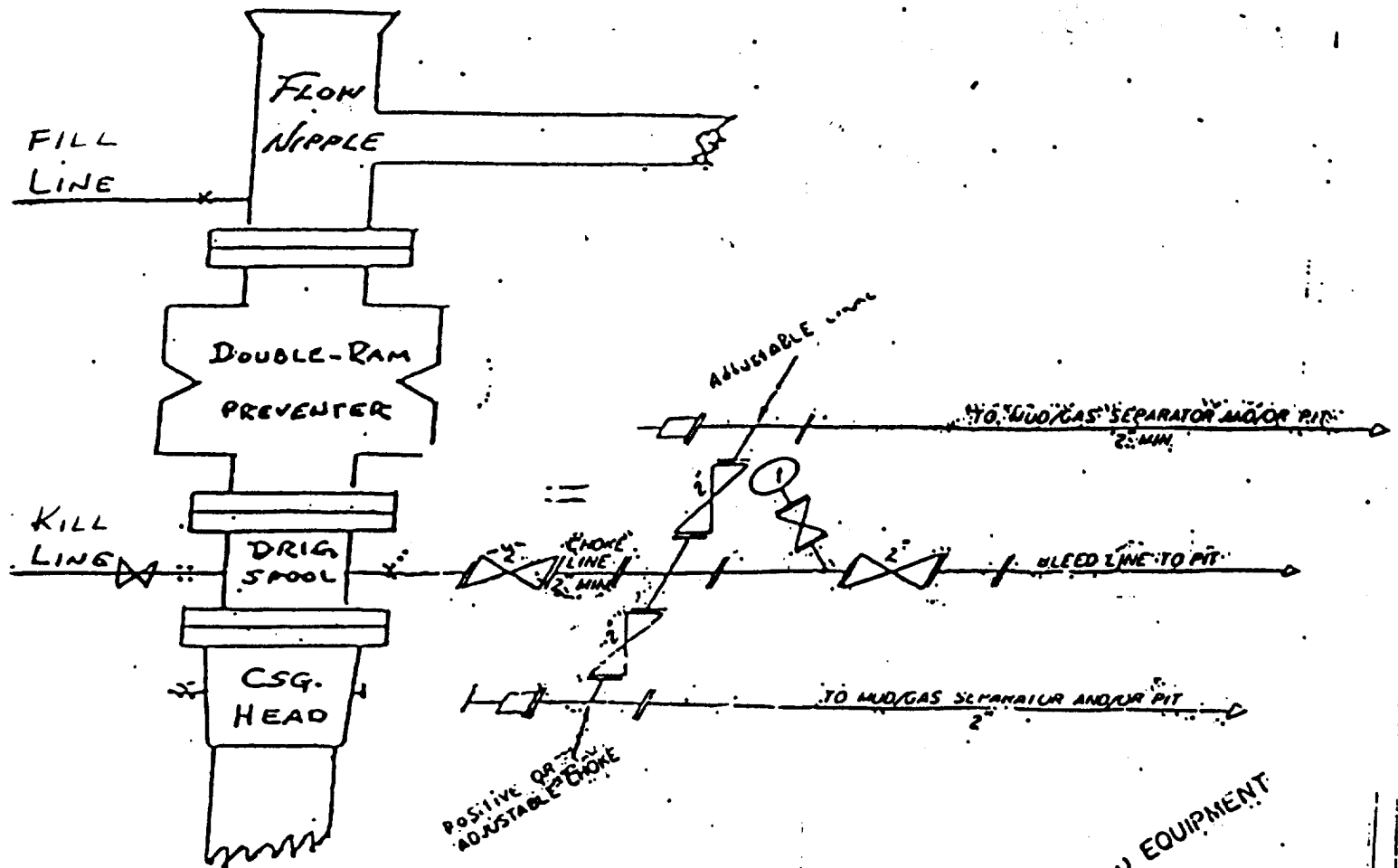
Date
NOV 1994
Professional Engineer

B O P & CHOKE MANIFOLD

2 M System

12"/900 Cameron SS Space Saver
3000# Working Pressure

3000# Working Pressure Choke Manifold.



2M CHOKE MANIFOLD EQUIPMENT