District I PC Box 1980, Hobbs, NM 88241-1980 District II

811 South First, Artesia, NM 88210 District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

Form C-101 Revised October 18, 1994 Instructions on back Submit to Appropriate District Office State Lease - 6 Copies Fee Lease - 5 Copies

OIL CONSERVATION DIVISION 2040 South Pacheco Santa Fe, NM 87505

RECEIVED AMENDED REPORT :D - ARTE<u>STA</u>

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Chi Operating, Inc.	Operator Name and Address	20GRID Number 4378	
P.O. Box 1799 Midland, Texas 79702			3API Number 115 - 23809
*Property Code	₃Property Name Pardue Farms 21		₀Well No. #1

,Surface Location

UL ar lot no. B	Section 21	Township 24S	Range 28E	Lot Idn	Feet from the 990	North/South line NORTH	Feet from the 1980	East/West Line EAST	County EDDY	
						the second s				

Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lotidin	Feet from the	North/South line	Feet from the	East/West Line	County
۹Proposed Pool 1 Wildcat Bone Spring						L	₁₀₽ropose	ed Pool 2	

11Work Type Code	u₂Well Type Code	n3Cable/Rotary	⊮Lease Type Code	Ground Level Elevation
E	O		P	3022
₀Muttiple No	17Proposed Depth 7800	seFormation	19Contractor	28Spud Date 04-01-98

^aProposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
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				1	
			·····		·
	·····		W when the data an the set	seent and other some and pr	and new production
ribe the proposed (program. If this applicatio	n is to DEEPEN or PLUG BAC Jse additional sheets if necess	K give the data on the pr	esem productive zone and pro	opuseu new productive

Maddox Energy Corp. had originally drilled this morrow prospect in 1981. After plug back, it was completed @ 6125'-6478'. Well was taken over by P & P in Nov. 1986. P & A' d in Jan. 1987. We plan on re-entering well bore as follows: MIRU workover unit. Install wellhead, BOP. Drill out P&A plugs @ surface, 450', 2550' 5270', JNK., 6510'. Tag plug @ 7800'. RIH with correlation log(s), perforate @ +/- 7220'-7300'. Acidize with 7.5% NEFE HCL acid & balls. Test & evaluate for further stimulation.

²¹ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.	OIL CONSERVATION DIVISION			
Signature: fot m w 'M H	Approved By: ORIGINAL SIGNED BY TIM W. GUM			
Printed name: John W. Wolf Date: 3/5/98	Title: DISTRICT II SUPERVISOR			
Title: Engineer	Approval Date: 3-27-98 Expiration Date: 3-37-99			