

## N. M. Oil Cons. Division

01 Form 3160-3  
(July 1992)811 S. 1ST ST.  
SUBMIT IN THE STATE  
ARTESIA, NM 88210-2834  
(Include instructions on  
reverse side)FORM APPROVED  
OMB NO. 1004-0136  
Expires: February 28, 1995UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

## 1a. TYPE OF WORK

DRILL ☒DEEPEN ☐

## b. TYPE OF WELL

OIL  
WELL ☐GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☐MULTIPLE  
ZONE ☐

## 2. NAME OF OPERATOR

Chi Operating, Inc. 4378 915/685-5001

## 3. ADDRESS AND TELEPHONE NO.

P. O. Box 1799 Midland, Texas 79702

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*  
At surface1980' FNL & 1980' FEL  
At proposed prod. zone

Same

Unit 6

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

32 road miles W. Carlsbad, NM

10. DISTANCE FROM PROPOSED\*  
LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drlg. unit line, if any)

1980'

## 16. NO. OF ACRES IN LEASE

640

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

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

1320'

## 19. PROPOSED DEPTH

10,300'

## 20. ROTARY OR CABLE TOOLS

Rotary

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

4479' G.L.

ROSWELL CONTINGUOUS WATER BASIN

## 22. APPROX. DATE WORK WILL START\*

July 15, 1997

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8" J-55	54.5#	450'	Circ. 450 sx "C" <b>WITNESS</b>
11"	8 5/8" J-55	32.0#	2,200'	Circ. 700 sx "C"
7 7/8"	5 1/2" J-55	17.0#	10,300'	Tie back w/850 Sx "C"

## Mud Program:

0' - 450': Fresh water Gel/Lime:	Mud Wt. 8.8- 9.0 ppg	- Vis. 34 - 36	- W/L Control No W/L control
450' - 2,200': Fresh water w/lime:	10.0-10.1 ppg	28 - 29	No W/L control
2,200' - 5,600': Fresh water w/gel & lime:	8.4- 9.0 ppg	28 - 29	No W/L control
5,600' - 9,000': Cut Brine Water:	8.4- 9.0 ppg	28 - 29	No W/L control
9,000' - 10,300': Brine water mud w/gel & soda:	9.0-10.0 ppg	35 - 40	W/L control 6-10cc

## BOP Program:

A 11" 5000 psi wp Shaffer Type LWS BOP will installed on the 13 3/8" casing. Casing and BOP will be tested before drilling out with 11" and will be tested daily.

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 Smith*

TITLE

Agent for:

Chi Operating, Inc.

DATE June 30, 1997

(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

TITLE

40M. RUFFIN

DATE

7/16/97

\*See Instructions On Reverse Side

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.

RECEIVED

1997 JUN 30 P 2:43

Posted ID-1  
NL & API  
7-25-97

District I  
PO Box 1980, Hobbs, NM 88241-1980  
District II  
PO Drawer DD, Artesia, NM 88211-0719  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico  
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION  
PO Box 2088  
Santa Fe, NM 87504-2088

Form C-102  
Revised February 10, 1994  
Instructions on back  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number		Pool Code	Pool Name Wildest
Property Code	Property Name BIG FREDDY FEDERAL UNIT		Well Number 1
OGRID No.	Operator Name CHI OPERATING, INC.		Elevation 4479.

<sup>10</sup> Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
G	10	23-S	22-E		1980	NORTH	1980	EAST	EDDY

<sup>11</sup> Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

<sup>12</sup> Dedicated Acres	<sup>13</sup> Joint or Infill	<sup>14</sup> Consolidation Code	<sup>15</sup> Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16				

1980'

NM-90847  
Chi Energy, Inc.

1980'

<sup>17</sup> OPERATOR CERTIFICATION

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

*George R. Smith*  
Signature  
George R. Smith, agent for:  
Printed Name  
Chi Operating, Inc.  
Title  
June 30, 1997  
Date

<sup>18</sup> 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 belief.

JUNE 30 1997  
Date of Survey  
Signature and Seal of Professional Surveyor:  
NEW MEXICO  
REGISTERED LAND SURVEYOR  
5412  
Certificate Number  
NM REGS NO. 5412

KEN REYNOLDS—PRESIDENT  
ARNIE NEWKIRK—VICE-PRESIDENT

WEK

DRILLING CO., INC. — OIL WELL DRILLING CONTRACTORS

P. O. Box 1498 ROSWELL, NEW MEXICO 88202-1498  
505/623-5070 505/746-2719  
ROSWELL, NM ARTESIA, NM

RIG #1

BLOWOUT PREVENTOR ARRANGEMENT

11" SHAFFER TYPE LWS, 5000 psi WP  
11" GK HYDRIL, 5000 psi WP  
80 GALLON, 4 STATION PAYNE ACCUMULATOR  
3000 psi WP CHOKE MANIFOLD

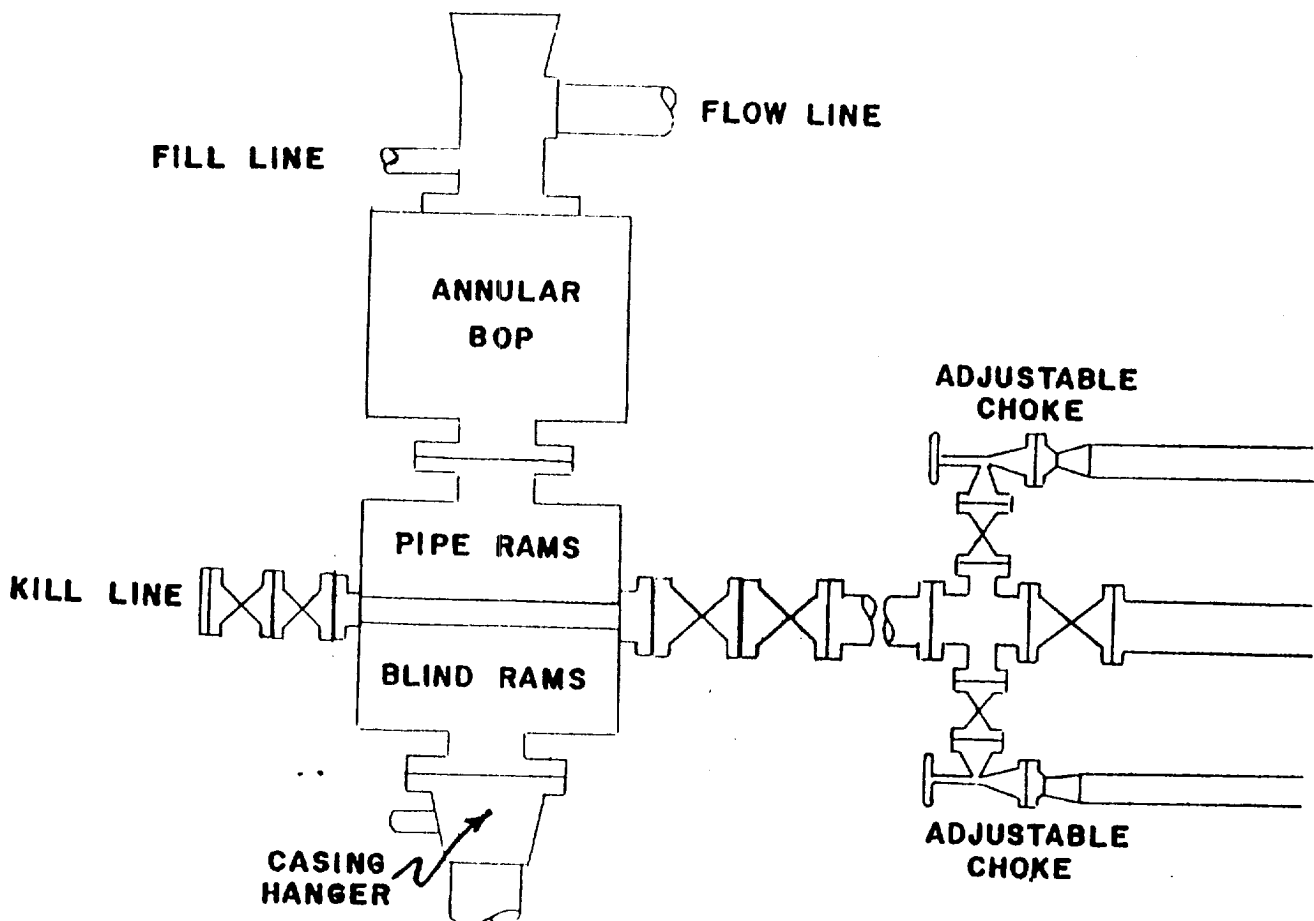


EXHIBIT "E"  
CHI OPERATING, INC.  
Big Freddy Federal Unit, Well No. 1  
BOP Specifications