

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88201

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

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Form C-104
Revised March 25, 1999

Submit to Appropriate District Office
5 Copies



AMENDED

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | |
|---|--|---|
| ¹ Operator name and Address CHI OPERATING, INC P.O. BOX 1799 MIDLAND, TEXAS 79702 | | ² OGRID Number 004378 |
| | | ³ Reason for Filing Code K.W. |
| ⁴ API Number 30-015-30933 22202 | ⁵ Pool Name Cotton (South Benton Flat) | ⁶ Pool Code 97215 |
| ⁷ Property Code 22234 | ⁸ Property Name USA "9" Federal | ⁹ Well Number 2 |

II. ¹⁰ Surface Location

| | | | | | | | | | |
|--------------------|--------------|-----------------|--------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------|
| UL or lot no. A | Section 9 | Township 20S | Range 28E | Lot Idn | Feet from the 660 | North/South line NORTH | Feet from the 660 | East/West line EAST | County EDDY |
|--------------------|--------------|-----------------|--------------|---------|----------------------|---------------------------|----------------------|------------------------|----------------|

¹¹ Bottom Hole Location

| | | | | | | | | | |
|------------------------|--|----------|---|---------|-----------------------------------|------------------|------------------------------------|----------------|-------------------------------------|
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| ¹² Lsc Code | ¹³ Producing Method Code FLOWING | | ¹⁴ Gas Connection Date 11/12/03 | | ¹⁵ C-129 Permit Number | | ¹⁶ C-129 Effective Date | | ¹⁷ C-129 Expiration Date |

III. Oil and Gas Transporters

| | | | | |
|---------------------------------|--|-------------------|-------------------|--|
| ¹⁸ Transporter OGRID | ¹⁹ Transporter Name and Address | ²⁰ POD | ²¹ O/G | ²² POD ULSTR Location and Description |
| | NAVAJO | | O | |
| | DUKE | | G | |
| | | | | RECEIVED |
| | | | | MAR - 1 2004 |
| | | | | OCD-ARTESIA |

IV. Produced Water

| | |
|-------------------|--|
| ²³ POD | ²⁴ POD ULSTR Location and Description |
|-------------------|--|

V. Well Completion Data

| | | | | | |
|------------------------------------|--------------------------------------|-----------------------------|------------------------------|--|-----------------------|
| ²⁵ Spud Date 7/29/03 | ²⁶ Ready Date 11/12/03 | ²⁷ TD 11,440' | ²⁸ PBD 11,390' | ²⁹ Perforations 10,007-24' | ³⁰ DHC, MC |
| ³¹ Hole Size | ³² Casing & Tubing Size | ³³ Depth Set | ³⁴ Sacks Cement | | |
| 17 1/2" | 13 3/8" | 372' | 425sxs, did not circ | | |
| 11" | 8 5/8" | 3267' | 885sxs, Circ 32sxs | | |
| 7 7/8" | 5 1/2" | 11,440' | 1" -430sxs, 2" -500sxs | | |

VI. Well Test Data

| | | | | | |
|--|---|-------------------------------------|-------------------------------------|------------------------------------|------------------------------------|
| ³⁵ Date New Oil 10/16/03 | ³⁶ Gas Delivery Date 10/16/03 | ³⁷ Test Date 11/01/03 | ³⁸ Test Length 24 hrs | ³⁹ Tbg. Pressure 41# | ⁴⁰ Csg. Pressure 41# |
| ⁴¹ Choke Size 48/64 | ⁴² Oil 0 BO | ⁴³ Water 0 BW | ⁴⁴ Gas 92 MCF | ⁴⁵ AOF | ⁴⁶ Test Method |

⁴⁷ I hereby certify that the rules 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: *Robin Askew*

Printed name: ROBIN ASKEW

Title: REGULATORY CLERK

Date: 1/13/04

Phone: 432-685-5001

OIL CONSERVATION DIVISION

Approved by:

ORIGINAL SIGNED BY TIM W. GUM
DISTRICT II SUPERVISOR

Approval Date:

MAR 03 2004

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator

| | | | |
|-----------------------------|--------------|-------|------|
| Previous Operator Signature | Printed Name | Title | Date |
|-----------------------------|--------------|-------|------|