

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT NM Oil Cons. Div. Dist. 2 1301 W. Grand Avenue

FORM APPROVED

OMB NO. 1004-0137

Expires: February 28, 1995

5. LEASE DESIGNATION AND SERIAL NO.

NM-13232

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL GAS WELL DRY Other

b. TYPE OF COMPLETION:

NEW WORK DEEP- PLUG DIFF. WELL OVER EN BACK RESVR. Other

2. NAME OF OPERATOR

Chi Operating, Inc.

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 surface 1980 FNL, 1980 FEL, Sec 9, T20S, R28E EDDY COUNTY, NEW MEXICO

At top prod, interval reported below

At total depth

14. PERMIT NO.

DATE ISSUED

15. DATE SPUDDED

5/11/2004

16. DATE T.D. REACHED

6/28/2004

17. DATE COMPL. (Ready to prod.)

8/7/2004

18. ELEVATIONS(DF,RKB,RT,GE,ETC.)\*

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD, & TVD

6602'

21. PLUG BACK TD, MD&TVD

6535'

22. IF MULTIPLE COMPL.,

HOW MANY\*

one

23. INTERVAL

DRILLED BY

ROTARY TOOLS

yes

CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AN TVD)\*

6405,6404,6503,6502,6500,6347,6329,6325,6323,6311,6309,6307,6305,6303'

25. WAS DIRECTIONAL

SURVEY MADE

Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN

GR-CAL-CNL,LDT,DDL,MSFL

27. WAS WELL CORED

28. CASING RECORD (Report all strings set in well)

CASING SIZE/GRADE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	TOP OF CEMENT, CEMENTING RECORD	AMOUNT PULLED
13 3/8 J-55	68	450'	17 1/2	550 sxs, Circ 208sxs	
4 1/2 J-55	11.6	6602'	7 7/8	150 sxs	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN(MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
							6232'

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

6405,6404,6503,6502,6500,6347,6329,6325,6323,6311,6309,6307,6305,6303'

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
	A/130,000# 16/30 White sand 30,000# Super set 18 bbls 7 1/2 % Acid

33.\* PRODUCTION

DATE FIRST PRODUCTION 8/7/2004	PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) Pumping						WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 8/15/2004	HOURS TESTED 24	CHOKE SIZE	PROD'N FOR TEST PERIOD	OIL - BBL 3 BO	GAS - MCF 3 MCF	WATER - BBL 129	GAS-OIL RATIO	
FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL GAS - MCF WATER - BBL				OIL GRAVITY - API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Sold

35. LIST OF ATTACHMENTS

Dev. Survey

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

PETROLEUM ENGINEER

SIGNED

Regulatory Clerk

DATE 1/25/2005

\*(See Instructions and Spaces for Additional Data on Reverse Side)

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.

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Delaware Bone Spring Limestone T. 1st Bone Spring Sand Base 1st Bone Spring Sand	3150' 4652' 6301' 6439'		

38. GEOLOGICAL MARKERS

NAME	TOP		NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH		MEAS. DEPTH	TRUE VERT. DEPTH
Atoka	9335	same			
Morrow	9664'	same			
Miss	9834'	same			
Chester	10016'	same			

OPERATOR: CHI ENERGY, INC  
WELL/LEASE: USA 9 FED #3  
COUNTY: EDDY, NM

622-0091


STATE OF NEW MEXICO  
DEVIATION REPORT

205	3/4	5,292	3
405	1	5,355	3 1/4
709	1 1/4	5,401	3
951	1	5,465	3
1,108	1/2	5,529	3
1,266	1/4	5,592	3 3/4
1,435	1/2	5,656	3
1,595	1/2	5,718	3 1/4
1,745	1/2	5,782	3 3/4
1,904	1/4	5,814	4
2,063	1/4	5,879	3 3/4
2,382	1/2	5,942	3 1/4
2,541	3/4	6,006	3
2,774	1	6,070	3
2,924	3/4	6,134	2
3,083	3/4	6,198	2 3/4
3,241	3/4	6,261	3 1/4
3,403	1	6,324	3 3/4
3,685	3/4	6,388	3
3,694	3	6,453	2 1/4
3,792	2 1/2		
3,856	2 1/2		
3,941	2		
4,110	2		
4,270	1 3/4		
4,450	1 1/2		
4,781	3/4		
5,004	2		
5,036	2		
5,132	3		
5,165	3		
5,228	3		

By: 

STATE OF TEXAS  
COUNTY OF MIDLAND

The foregoing instrument was acknowledged before me on this 6th day of July, 2004, by Steve Moore on behalf of Patterson-UTi Drilling Company LP, LLLP.

  
Notary Public for Midland County, Texas

My Commission Expires: 8/23/2007



J ROBERTSON  
Notary Public, State of Texas  
My Commission Expires:  
AUGUST 23, 2007