

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTNM OIL CONSERVATION
ARTESIA DISTRICT OFFICEFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

MAR 09 2015

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC063613
2. Name of Operator CHI OPERATING INC		6. If Indian, Allottee or Tribe Name
Contact: PAM CORBETT E-Mail: pamc@chienergyinc.com		7. If Unit or CA/Agreement, Name and/or No. NMNM130779
3a. Address PO BOX 1799 MIDLAND, TX 79702	3b. Phone No. (include area code) Ph: 432-685-5001 Fx: 432-687-2662	8. Well Name and No. WIZARD 6
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T19S R30E Mer NMP 10FSL 2310FEL		9. API Well No. 30-015-38543
		10. Field and Pool, or Exploratory HACKBERRY; BONE SPRING, N
		11. County or Parish, and State EDDY COUNTY, NM

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Water from this facility comes from the Bone Springs formation and produces approximately 150 barrels per day.
Water is stored in a 500 barrel tank then transferred through a pipeline to the Benson Delaware Water Flood Unit (NM126412X).

APD 3/10/15
Accepted for record
NMOC

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Electronic Submission #262565 verified by the BLM Well Information System For CHI OPERATING INC, sent to the Carlsbad Committed to AFMSS for processing by LINDA DENNISTON on 12/02/2014 ()	
Name (Printed/Typed) SONNY MANN	Title FIELD SUPERVISOR
Signature (Electronic Submission)	Date 09/10/2014
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
APPROVED FEB 17 2015	
Approved By	Title
Conditions of approval, if any, are attached. Approval of this notice 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.	
Office	
JAMES A. AMOS SUPERVISOR-EPS	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make 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.	

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Wizard #6
NMNM 05603S3
Com # 130179

API # 30015 38543

WATER DISPOSAL ONSHORE ORDER #7

The following information is needed before your method of water disposal can be considered for approval.

1. Name(s) of formation (s) producing water on the lease.

Bone Springs

2. Amount of water produced from each formation in barrels per day.

150 barrels pr/day

3. How water is stored on the lease.

500 barrel tank

4. How water is moved to disposal facility.

Transported through a pipeline to the Benson Delaware WFL unit

5. Operator's of disposal facility

CHI operating, inc.

- a. Lease name or well name and number

Benson Delaware WFL unit

- b. Location by ¼ ¼ Section, Township, and Range of the disposal system

SESW 1 T19S R30E

- c. The appropriate NMOCD permit number

Submit above information on 1 original and 3 Copies of Sundry Notice 3160-5 or Submit above information on Sundry Notice 3160-5 electronically (EC) thru WIS system.

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Disposal of Produced Water From Federal Wells
Conditions of Approval

Approval of the produced water disposal methodology is subject to the following conditions of approval:

1. This agency shall be notified of any change in your method or location of disposal.
2. Compliance with all provisions of Onshore Order No. 7.
3. This agency shall be notified of any spill or discharge as required by NTL-3A.
4. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
5. Any on-lease open top storage tanks shall be covered with a protective cover to prevent entry by birds and other wildlife.
6. This approval should not constitute the granting of any right-of-way or construction rights not granted by the lease instrument.
7. If water is transported via a pipeline that extends beyond the lease boundary, then you need to submit within 30 days an application for right-of-way approval to the Realty Section in this office if you have not already done so.
8. Disposal at any other site will require prior approval.
9. Subject to like approval by NMOCD.

7/10/14