

OCD-ARTESIA

Form 3160-5  
(April 2004)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

AUG 13 2007

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

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.

5. Lease Serial No.  
LC028785B

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE- Other instructions on reverse side.**

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
PINON FEDERAL COM. #1

2. Name of Operator  
CHI OPERATING, INC.

9. API Well No.  
30 015 36041

3a. Address  
P.O. BOX 1799, MIDLAND, TX 79702

3b. Phone No. (include area code)  
432-685-5001

10. Field and Pool, or Exploratory Area  
ANDERSON PENN

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEC. 6-T17S-R30E

950' FSL & 990' FWL

11. County or Parish, State

EDDY

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> <b>Corrected</b>	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
<input type="checkbox"/> Final Abandonment Notice	<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 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 recomplate 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 recompletion 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.)

CHANGE PRORATION UNIT FROM SW/4 OF SECTION 6 -17S-R30E TO THE S/2 OF SECTION 6-17S-R30E. PLAT ATTACHED.

**SUBJECT TO LIKE APPROVAL BY STATE**

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)

PAM CORBETT

Title REGULATORY CLERK

Signature

*Pam Corbett*

Date

7/20/07

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

**APPROVED**  
AUG 10 2007  
FREDERICK WRIGHT  
PETROLEUM ENGINEER

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.

(Instructions on page 2)

State of New Mexico

DISTRICT I

1220 N. FRENCH DR., HOBBS, NM 88240

Energy, Minerals and Natural Resources Department

Form C-102

DISTRICT II

1301 W. GRAND AVENUE, ARTESIA, NM 88210

OIL CONSERVATION DIVISION  
1220 SOUTH ST. FRANCIS DR.  
Santa Fe, New Mexico 87505

Revised October 12, 2005  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number		Pool Code	Pool Name
Property Code	Property Name PINON FEDERAL COM		Well Number 1
OGRID No.	Operator Name CHI OPERATING, INC.		Elevation 3680'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
7	6	17-S	30-E		950	SOUTH	990	WEST	EDDY

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres		Joint or Infill	Consolidation Code		Order No.				

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

LOT 4 36.82 AC	LOT 3 39.78 AC	LOT 2 39.63 AC	LOT 1 39.48 AC	<p><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p>Signature _____ Date _____</p> <p>Printed Name _____</p> <p><b>SURVEYOR CERTIFICATION</b></p> <p><i>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.</i></p> <p>NOVEMBER 4, 2006</p> <p>Date Surveyed _____ JR</p> <p>Signature &amp; Seal of Professional Surveyor <i>Gary J. Eidson 11/8/06</i></p> <p>06.11.1744</p> <p>Certificate No: GARY EIDSON 12841</p>
LOT 5 37.03 AC	<p>GEODETIC COORDINATES NAD 27 NME</p> <p>Y=676280.2 N X=597464.5 E</p> <p>LAT.=32.858775° N LONG.=104.015933° W</p>			
LOT 6 37.17 AC				
LOT 7 37.31 AC				