

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

OCD-ARTESIA

(See other in-
structions on
reverse side)



FORM APPROVED

OMB NO 1004-0137

Expires: February 28, 1995

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a TYPE OF WELL: OIL WELL ☐ GAS WELL ☒ DRY ☐ Other _____		5. LEASE DESIGNATION AND SERIAL NO NM - 012896 0265356A	
b. TYPE OF COMPLETION NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF RESVR ☐ Other _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Chi Operating, Inc.		7. UNIT AGREEMENT NAME	
3. ADDRESS AND TELEPHONE NO P.O. Box 1799 Midland, Texas 79702		8. FARM OR LEASE NAME, WELL NO Crozier 28 Federal #1	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)* At surface SHL 760 FNL & 2380 FEL BHL 660 FSL & 660 FEL At top prod, interval reported below At total depth		9. API WELL NO 3001535573	
15. DATE SPUDDED 6/3/2007		16. DATE T.D. REACHED 7/21/2007	17. DATE COMPL. (Ready to prod) 11/2/2007
20. TOTAL DEPTH, MD, & TVD 11,960'		21. PLUG BACK TD, MD&TVD 11,810'	22. IF MULTIPLE COMPL., HOW MANY* one
24. PRODUCING INTERVAL(S), OF THIS COMPLETION - TOP, BOTTOM, NAME (MD AN TVD)* 11,716-30'; 11836-40'		25. WAS DIRECTIONAL SURVEY MADE Yes	
26. TYPE ELECTRIC AND OTHER LOGS RUN CBL/CC/GR		27. WAS WELL CORED	
28. CASING RECORD (Report all strings set in well)			
CASING SIZE/GRADE	WEIGHT, LB/FT.	DEPTH SET (MD)	HOLE SIZE
13 3/8" J-55	48#	512'	17.5"
9 5/8" J-55	40#	2142'	12 1/4"
5 1/2" P-110	20#	11960'	8 3/4"
29. LINER RECORD		30. TUBING RECORD	
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*
			SCREEN(MD)
			SIZE
			DEPTH SET (MD)
			PACKER SET (MD)
31. PERFORATION RECORD (Interval, size and number) 11716-30'; 11836-40'		32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC DEPTH INTERVAL (MD) AMOUNT AND KIND OF MATERIAL USED A/32 bbls Frac/ prmpd #49500 sand w/CO2	
33.* PRODUCTION			
DATE FIRST PRODUCTION 11/2/2007	PRODUCTION METHOD (Flowing, gas lift, pumping - size and type of pump) FLOWING		WELL STATUS (Producing or shut-in) Producing
DATE OF TEST 11/6/2007	HOURS TESTED 24	CHOKE SIZE	PROD'N FOR TEST PERIOD
FLOW TUBING PRESS 550#	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL 0 BO
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc) Sold		TEST WITNESSED BY Sonya Mapp	
35. LIST OF ATTACHMENTS Dev. Survey		ACCEPTED FOR RECORD	
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records		FEB 28 2008	
SIGNED [Signature]		TITLE Regulatory Clerk	

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE

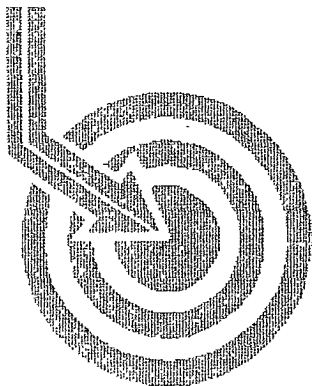
(See Instructions and Spaces for Additional Data on Reverse Side)

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.

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	2430'		
BONE SPRING LS	4662'		
3RD BONE SPRING SD	8318'		
WOLFCAMP	8863'		
CISCO/CANYON	10037'		
STRAWN LS.	10319'		
ATOKA	10630'		
MORROW CLASTICS	11402'		
LOWER MORROW	11696'		

38. GEOLOGICAL MARKERS			38. GEOLOGICAL MARKERS		
NAME	TOP		NAME	TOP	
	MEAS. DEPTH	TRUE VERT. DEPTH		MEAS. DEPTH	TRUE VERT. DEPTH



Scientific Drilling

ELITE VIDE
COPY
12 FEB -1 PM 3:35
REC 10

CHI OPERATING

Field: Happy Valley
Site: Eddy County, NM
Well: Crozier 28 Fed #1
Wellpath: VH - Job #32K0607521
Survey: 06/16/07

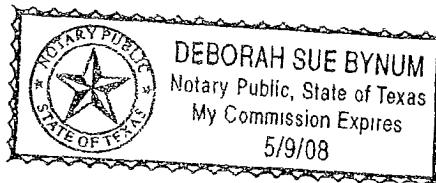
This survey is correct to the best of my knowledge
and is supported by actual field data.

.....*Deborah Sue Bynum*..... Company Representative

Notorized this date 23rd of July, 2007.

Deborah Sue Bynum
Notary Signature

County of Midland
State of Texas





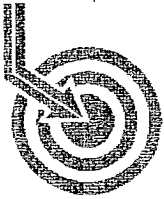
Scientific Drilling International Survey Report

Company: CHI OPERATING	Date: 07/22/2007	Time: 20:14:18	Page: 1
Field: Happy Valley	Co-ordinate(NE) Reference:	Site: Eddy County, NM, Grid North	
Site: Eddy County, NM	Vertical (TVD) Reference:	SITE 0.0	
Well: Crozier 28 Fed #1	Section (VS) Reference:	Well (0.00N,0.00E,46.82Azi)	
Wellpath: VH - Job #32K0607521	Survey Calculation Method:	Minimum Curvature	Db: Sybase

Survey: 06/16/07 KSRG 0'-4035'	Start Date: 06/16/2007
Company: Scientific Drilling International	Engineer: Gonzales w/GeoGyro
Tool: Keeper;Keeper Gyro	Tied-to: From Surface

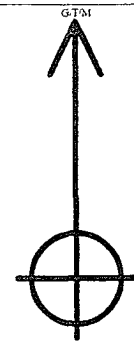
Survey

MD ft	Incl deg	Azim deg	TVD ft	VS ft	N/S ft	E/W ft	DLS deg/100ft	ClsD ft	ClsA deg
0.00	0.00	359.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.37	304.17	100.00	-0.07	0.18	-0.27	0.37	0.32	304.17
200.00	0.54	297.87	200.00	-0.29	0.58	-0.95	0.18	1.12	301.51
300.00	0.43	323.15	299.99	-0.41	1.10	-1.59	0.24	1.94	304.72
400.00	0.45	356.76	399.99	-0.11	1.80	-1.84	0.26	2.57	314.31
500.00	0.42	23.56	499.99	0.48	2.52	-1.72	0.20	3.05	325.80
600.00	0.17	292.80	599.99	0.75	2.92	-1.71	0.46	3.38	329.69
700.00	0.62	266.00	699.98	0.27	2.94	-2.38	0.47	3.78	320.96
800.00	1.17	263.35	799.97	-0.97	2.78	-3.94	0.55	4.82	305.24
900.00	1.44	257.11	899.94	-2.87	2.38	-6.17	0.30	6.62	291.10
1000.00	1.34	247.90	999.92	-5.05	1.66	-8.48	0.24	8.64	281.09
1100.00	1.59	228.40	1099.88	-7.53	0.30	-10.60	0.55	10.61	271.63
1200.00	1.36	235.60	1199.85	-10.09	-1.29	-12.62	0.29	12.69	264.16
1300.00	1.29	233.19	1299.82	-12.38	-2.64	-14.50	0.09	14.74	259.70
1400.00	1.35	232.61	1399.80	-14.67	-4.02	-16.34	0.06	16.83	256.16
1500.00	1.63	220.48	1499.76	-17.25	-5.82	-18.20	0.42	19.11	252.26
1600.00	2.09	214.79	1599.71	-20.45	-8.40	-20.16	0.50	21.84	247.38
1700.00	2.28	213.18	1699.64	-24.17	-11.56	-22.29	0.20	25.11	242.58
1800.00	2.12	212.13	1799.56	-27.89	-14.79	-24.36	0.16	28.50	238.73
1900.00	2.04	215.22	1899.50	-31.42	-17.82	-26.37	0.14	31.83	235.96
2000.00	1.80	216.67	1999.44	-34.71	-20.53	-28.34	0.24	34.99	234.08
2100.00	1.68	220.18	2099.40	-37.71	-22.91	-30.22	0.16	37.92	232.84
2200.00	1.71	217.21	2199.35	-40.64	-25.22	-32.07	0.09	40.80	231.82
2300.00	1.67	219.62	2299.31	-43.56	-27.53	-33.90	0.08	43.67	230.92
2400.00	1.75	221.04	2399.26	-46.52	-29.80	-35.83	0.09	46.61	230.25
2500.00	2.05	225.74	2499.21	-49.83	-32.20	-38.12	0.34	49.90	229.81
2600.00	1.88	226.37	2599.15	-53.26	-34.58	-40.58	0.17	53.32	229.57
2700.00	1.96	226.17	2699.09	-56.61	-36.90	-43.00	0.08	56.66	229.37
2800.00	2.01	227.91	2799.03	-60.07	-39.26	-45.54	0.08	60.13	229.24
2900.00	2.02	229.82	2898.97	-63.59	-41.57	-48.19	0.07	63.64	229.22
3000.00	2.02	230.24	2998.91	-67.10	-43.83	-50.89	0.01	67.17	229.26
3100.00	2.05	233.29	3098.85	-70.64	-46.03	-53.68	0.11	70.71	229.39
3200.00	2.19	238.09	3198.78	-74.29	-48.11	-56.73	0.23	74.39	229.70
3300.00	2.79	248.49	3298.68	-78.43	-50.01	-60.62	0.75	78.59	230.48
3400.00	3.00	251.29	3398.56	-83.07	-51.74	-65.36	0.25	83.36	231.63
3500.00	3.06	252.93	3498.42	-87.85	-53.37	-70.39	0.11	88.34	232.83
3600.00	3.11	251.93	3598.27	-92.70	-54.99	-75.52	0.07	93.42	233.94
3700.00	3.32	252.21	3698.11	-97.77	-56.72	-80.86	0.21	98.77	234.95
3800.00	3.45	253.37	3797.94	-103.08	-58.46	-86.50	0.15	104.40	235.95
3900.00	3.65	251.20	3897.75	-108.67	-60.35	-92.40	0.24	110.36	236.85
4000.00	3.30	251.67	3997.56	-114.18	-62.28	-98.14	0.35	116.24	237.60
4035.00	3.15	243.52	4032.51	-116.02	-63.03	-99.96	1.38	118.17	237.77

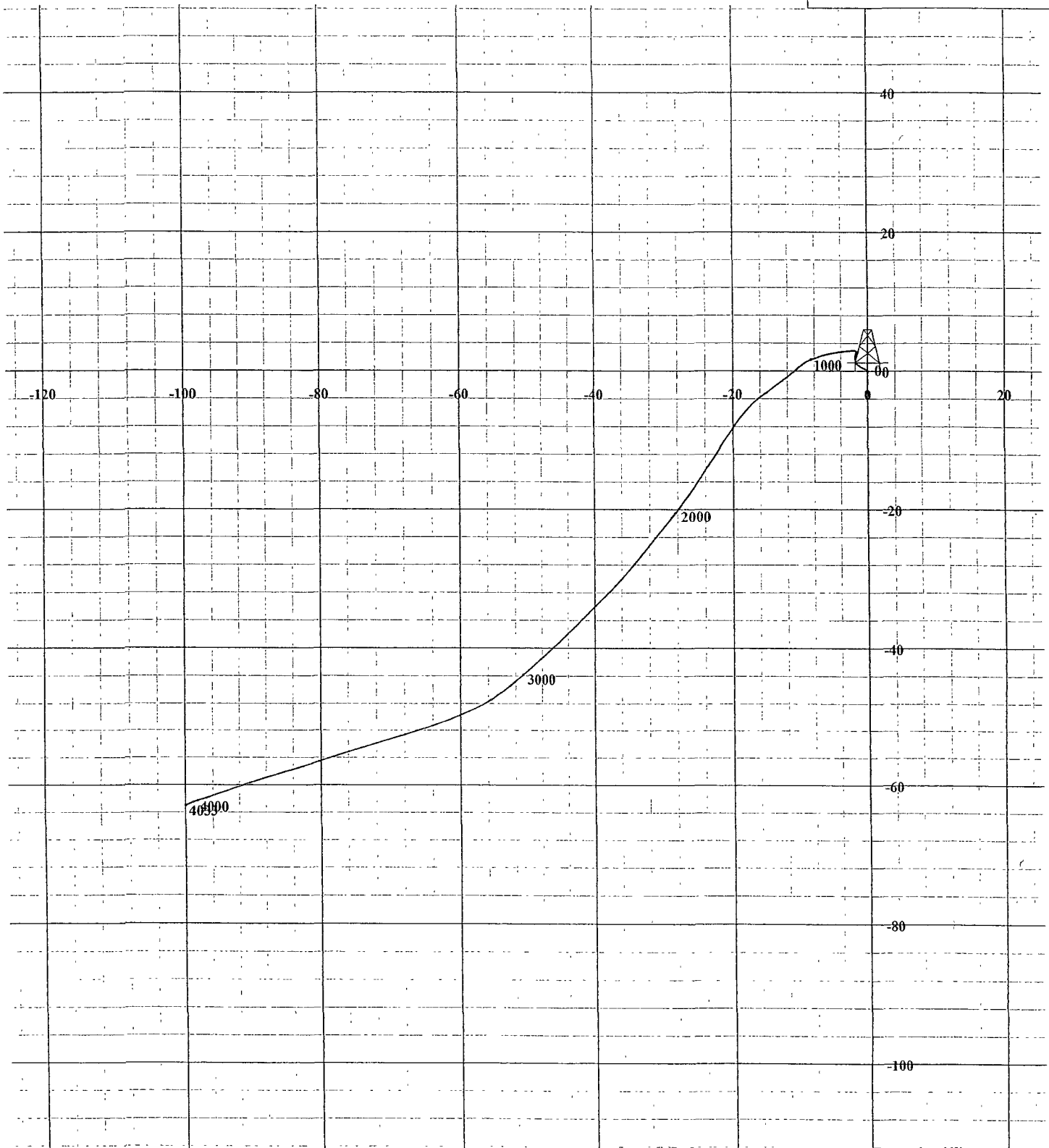


Scientific
Drilling

Field: Happy Valley
Site: Eddy County, NM
Well: Crozier 28 Fed #1
Wellpath: VH - Job #32K0607521
Survey: 06/16/07



Annotations to Grid Map
True North: 0.0
Magnetic North: 0.0
Magnetic Fix
Surround: 0.0
Dip Angle: 0.0
Date: 07/22/09
Model: igr200



West(-)/East(+) [20ft/in]