

*cl/4*

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK  
**DRILL**  **DEEPEN**

b. TYPE OF WELL  
 OIL WELL  GAS WELL  OTHER

2. NAME OF OPERATOR  
 Chi Operating, Inc. *4378*

3. ADDRESS AND TELEPHONE NO.  
 P. O. Box 1799  
 Midland, Texas 79702  
 15/685-5001

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)  
 At surface: 1750 FSL & 1650 FEL  
 At proposed prod. zone: same Unit 3

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*  
 14.6 miles E. of Artesia, NM

10. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any)  
 1650'

18. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.  
 300'

16. NO. OF ACRES IN LEASE  
 717.37

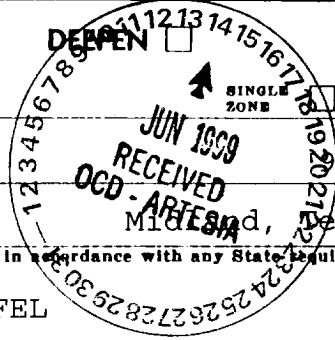
17. NO. OF ACRES ASSIGNED TO THIS WELL  
 320 (240)

18. PROPOSED DEPTH  
 10,400'

20. ROTARY OR CABLE TOOLS  
 Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)  
 3580' GL

22. APPROX. DATE WORK WILL START\*  
 June 1, 1999



5. LEASE DESIGNATION AND SERIAL NO.  
 NMLC-028446A

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.  
 Orient Express Federal Com. #1

9. API WELL NO.  
 30-075-30663

10. FIELD AND POOL, OR WILDCAT  
 Crow Flats Morrow UNOES SE

11. SEC. T. R. M. OR BLK. AND SURVEY OR AREA  
 Sec. 5-T17S-R28E

12. COUNTY OR PARISH  
 Eddy

13. STATE  
 New Mexico

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
17 1/2"	13 3/8"H-40	48.0# STC	425'	350 sx "C"
12 1/4"	8 5/8"J-55	32.0# STC	2,000'	Circ. 650 sx "C"
7 7/8"	5 1/2"N-80	17.0# LTC	10,400	475 sx "H" to 8000'

ROSWELL CONTROLLED WATER BASIN

Mud Program

0' - 425': Fresh water spud:  
 425' - 2,000': Brine water:  
 2,000' - 6,600': Fresh water:  
 6,600' - 9,100': Cut brine:  
 9,100' - 9,500': Cut brine:  
 9,500' - 10,400': Cut brine:

Mud Wt. - Vis. - W/L Control  
 8.4- 8.7 ppg 32 - 34 No W/L control  
 10.0-10.1 ppg 28 - 29 No W/L control  
 8.3- 8.4 ppg 28 - 29 No W/L control  
 9.6-10.0 ppg 28 - 29 No W/L control  
 9.6-10.0 ppg 32 - 36 W/L control 10cc +/-  
 9.6-10.0 ppg 42 - 48 W/L control 8 cc +/-

*Post ID-1  
 6-14-99  
 API & loc*

BOP Program:

A 11" 5000 psi wp Shaffer Type LWS BOP will be installed on the 13 3/8" casing. After setting the 8 5/8" casing, the casing and BOP will be tested to 5000 psi before drilling out and tested daily.

APPROVAL SUBJECT TO GENERAL REQUIREMENTS AND SPECIAL STIPULATIONS ATTACHED

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED George R. Smith TITLE Agent for: Chi Operating, Inc. DATE May 11, 1999

(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_

Application approval 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. CONDITIONS OF APPROVAL, IF ANY:

Acting

Assistant Field Office Manager,  
 Lands and Minerals

JUN 11 1999

APPROVED BY Larry D. Bray TITLE \_\_\_\_\_ DATE \_\_\_\_\_

\*See Instructions On Reverse Side

RECEIVED

MAY 11 '99

BLM  
ROSWELL, NM

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT III  
1000 Rio Brazos Rd., Artec, NM 87410

AMENDED REPORT

DISTRICT IV  
P.O. Box 2088, Santa Fe, NM 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code	Pool Name
Property Code	Property Name ORIENT EXPRESS Federal Com.	Well Number 1
OGRID No.	Operator Name CHI OPERATING, INC.	Elevation 3580

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	5	17 S	28 E		1750	SOUTH	1650	EAST	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.
320			

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

<p>NMLC-012897</p>	<p>NMLC-028446-A Burlington Resources</p>		<p><b>OPERATOR CERTIFICATION</b></p> <p><i>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><u>George R. Smith</u> Signature George R. Smith, agent for:</p> <p>Printed Name Chi Operating, Inc.</p> <p>Title May 11, 1999 Date</p>
		<p>NMLC-028446-A Burlington Resources</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>APRIL 22, 1999 Date Surveyed JLP</p> <p>Signature: <u>Rowald J. Edson</u> Professional Surveyor NEW MEXICO No. 3239 P.O. Num 99-165354</p> <p>Certificate No. ROWALD J. EDSON, 3239 EDSON, 12641 McDONALD, 12185</p>

# TRIMMERS//SHARP DR. LING

B.O.P. Equipment Intended for use on Rig # 23 "22"

Well To Be drilled for CHI OPER.

- \* All B.O.P. equipment is H2E Trim \*
- \* All Accumulators are Koomey Type-80 : Dual Power Electric/Air \*
- \* Choke Manifold: \* See sheet 2
- 4' Valves : Cameron F/FC, Shaffer DB Hydraulic
- 2' Check Valve: Cameron Type R
- 2' Valves : Cameron or Shaffer

Annular: \_\_\_\_\_ Type: Shaffer

Annular PSI: 5000

( If Shaffer: Spherical , If Hydril: Type GK )

BOP Type SHAFER - LWS

( If Shaffer: LWS or SL, If Cameron: Type U )

BOP Size: 11" - 5000 PSI

Rams in top gate: Blind

Rams in bottom: 4 1/2"

Rotating Head Type Williams furnished By Cont.

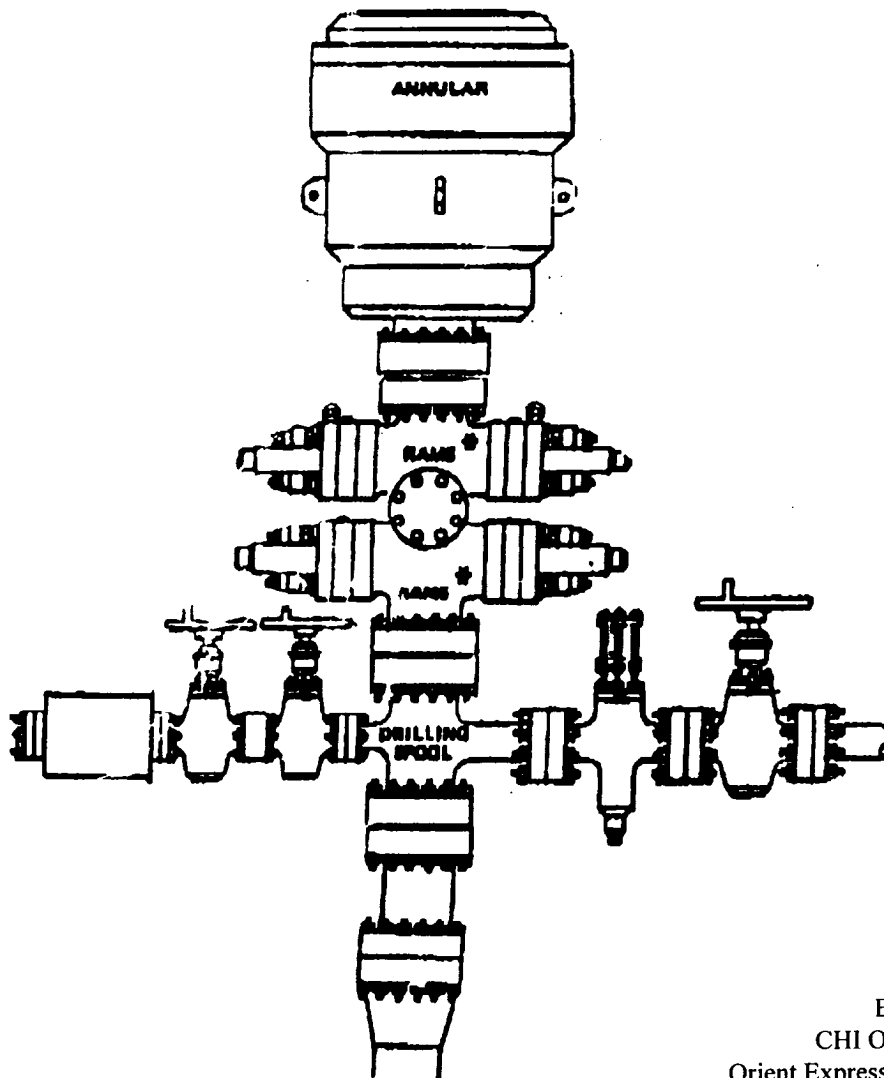


EXHIBIT "E"  
CHI OPERATING, INC.  
Orient Express Federal Com., Well No. 1  
BOP Specifications

**RIG #22**

**BLOWOUT PREVENTOR ARRANGEMENT**

- 11" SHAFFER TYPE LWS, 5000 psi WP**
- 11" CAMERON SPHERICAL, 5000 psi WP**
- 120 GALLON, 5 STATION KOOMEY ACCUMULATOR**
- 5000 psi WP CHOKE MANIFOLD**

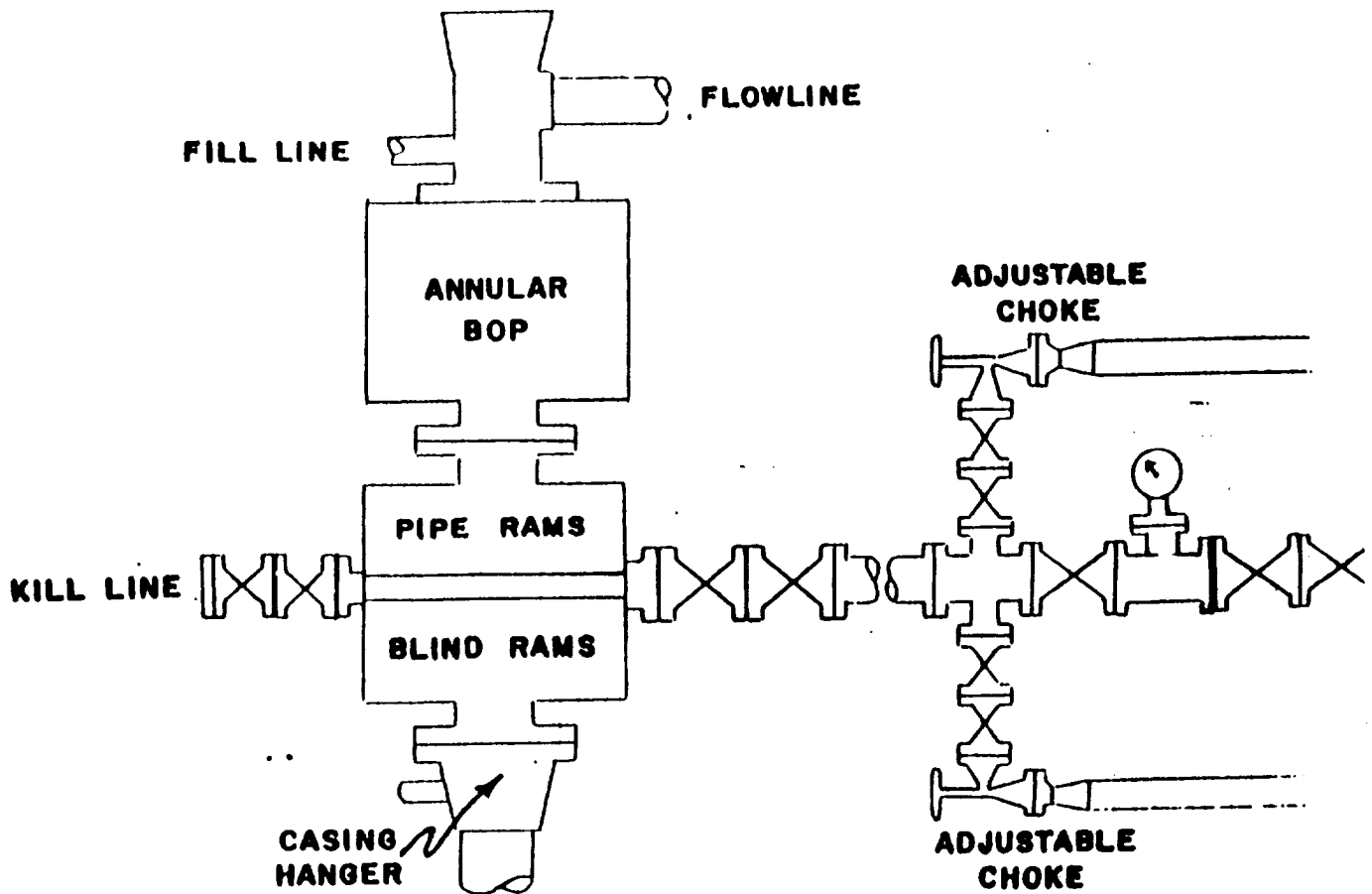


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