

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Avenue, Artesia, NM 88203  
District III  
1000 Rio Brazos Road, Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

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MAY 18 2009  
HOBBSD

State of New Mexico  
Energy Minerals and Natural Resources

MAY - 6 2009

Form C-101  
May 27, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

☒ AMENDED REPORT

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

Operator Name and Address CHI OPERATING, INC P.O. BOX 1799 MIDLAND, TEXAS 79702		OGRID Number 004378
Property Code 37244		API Number 30-025-39007
Property Name SUNRISE 25 STATE		Well No. 1
Proposed Pool 1 Wildcat Yates		Proposed Pool 2

**7 Surface Location**

UL or lot no A	Section 25	Township 18S	Range 37E	Lot Idn	Feet from the 495	North/South line N	Feet from the 691	East/West line E	County LEA
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**8 Proposed Bottom Hole Location If Different From Surface**

UL or lot no	Section	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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**Additional Well Information**

Work Type Code A	Well Type Code O	Cable/Rotary R	Lease Type Code S	Ground Level Elevation 3662
Multiple N	Proposed Depth 3,500'	Formation	Contractor	Spud Date
Depth to Groundwater 42'		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner Synthetic <input type="checkbox"/> Closed-Loop System <input checked="" type="checkbox"/>		Clay <input type="checkbox"/> Pit Volume. _____ bbls		Drilling Method: Fresh Water <input checked="" type="checkbox"/> Brine <input checked="" type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>

**21 Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5	13 3/8	conductor	40'	Redimix	Surface
12 1/4	8 5/8	24	1500'	675	surface
7 7/8	5 1/2	14	3500'	520	surface

22 Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

PROCEDURE ATTACHED.

**Permit Expires 2 Years From Approval  
Date Unless Drilling Underway**

**Oil Conservation Division**

Conditions of approval : Approval for drilling/workover  
ONLY-- CANNOT produce Downhole Commingled until  
DHC is approved in Santa Fe.

23 I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒, a general permit ☐, or an (attached) alternative OCD-approved plan ☐.

Printed name: PAM CORBETT

Title: REGULATORY CLERK

E-mail Address: pamc@chienergyinc.com

Date: 5/5/2009

Phone 432-685-5001

**OIL CONSERVATION DIVISION**

Approved by:

Title:

PETROLEUM ENGINEER

Approval Date

OCT 28 2009

Expiration Date:

Conditions of Approval Attached ☐

**Chi Operating, Inc.**  
**Chi Operating, Inc.**  
**Test Yates and Commingle**  
**Sunrise State 25 #1**  
**Lea County, New Mexico**  
**API #30-025-39007**

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**Location:** 495' FNL & 691' FEL, Sec. 25, T18S, R37E

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**DIRECTIONS:** From the intersection of Bender Blvd & Shell Road, turn left and go South approx. 0.1 miles, veer Right and go West approx 0.2 miles, the location is approx. 300' South of Road.

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**ELEVATION:** GL - 3662' KB - 3680'

**SUPERVISORY PERSONNEL:**

	<b><u>Office</u></b>	<b><u>Home</u></b>	<b><u>Mobile</u></b>
Ronnie Rogers			432-631-2717
Sonny Mann			432-634-7062
Gary Womack	432-685-5001	432-682-5315	432-634-8958

**CURRENT WELLBORE:**

KB 14'

Surf Csg: @ 1490' 8 5/8", 32#, J-55

Prod Csg.: @ 3550' 5 1/2" - 17# - J-55 - Burst: 80% / Collapse: 80%  
ID 4.892" 5320:4250 / 4910:3930  
Drift: 4.767"  
Capacity: .0232 bbls/ft

Tbg Head: 2 7/8" x 7 1/16"-3M.

Prod Tbg: 2 7/8"-6.5#-J-55, 8rd. ID: 2.441" Drift: 2.347" Burst: 80% / Collapse: 80% 7260:5800 / 7680:6100

Rod String: 78 3/4", 51 7/8", subs : 8'-6'-4' 7/8"

Capacity: .0058 bbl/ft  
Capacity annulus: .0152 bbl/ft

**FORMATION:**

Perfs: Est. F. Gradient: .60  
BHP:  $\pm$ 2000#  
BHT: 100 deg. F

**Current Perfs: Bowers: 3277-3290', 3242-3246' (2 spf)**

**Sunrise State 25 No. 1**

**Test Yates and Commingle**

**Completion Procedure: Yates: 2859-2937'**

**Procedure: Test Yates**

**MIRU DDP. NU BOP.**

**POOH w/production string.**

**RU perforators.**

**RIH w/casing guns to perforate Yates as follows:**

<b>2932-2937'</b>	<b>6' @ 2 spf</b>	<b>12 holes</b>
<b>2919-2921'</b>	<b>3' @ 2 spf</b>	<b>6 holes</b>
<b>2914-2916'</b>	<b>3' @ 2 spf</b>	<b>6 holes</b>
<b>2866-2868'</b>	<b>3' @ 2 spf</b>	<b>6 holes</b>
<b>2859-2862'</b>	<b>4' @ 2 spf</b>	<b>8 holes</b>
<b>Total</b>		<b>338</b>

**PU RBP, ballcatcher, and pkr on tubing. RBIH isolate Yates perfs.**

**RU acidizers. Pump 3000 gals 15% NeFe dropping ballsealers for diversion. Flow back and evaluate further stim.**