

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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DEC 19 2012

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.

Lease Serial No.

If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other

2. Name of Operator CHI OPERATING, INC.

3a. Address

P.O. BOX 1799, MIDLAND TX 79702

3b. Phone No. (include area code)

432-685-5001

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

SEC.1-T19S-R30E
150' FSL 1550' FWL, UNIT N

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

NM126412X

8. Well Name and No.

BENSON DELAWARE UNIT #15

9. API Well No.

3001538298

10. Field and Pool, or Exploratory Area

BENSON DELAWARE

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 type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" 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 checked="" 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 recomplete 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.)

5/2/12: MIRU, NUBOP, PU drill bit, drill collars, 151 jts, tag bttm @ 5163, displace well w/150 bbls 2% KCL, press test @ 1500 psi, good. RU wireline, PBTD @ 5150', pull 1000' no press, back to PBTD, pull w/1500 psi on csg, found TOC @ 72'.
Perf 5053-68, 5034-44, 5010-18, 4986-94, 4915-25, 4868-82, FL @ 200', PU 5 1/2" X 2 3/8 HD pkr, TIH w/136 jts.. Spotted 4 bbls across perfs @ 4915-5068, broke perfs down @ 1747 psi, started on acid/balls, staging 5 balls per every 2.2 bbl of acid, avg rte 5.5 BPM @ 1380 psi, pmpd 95 bbls of 7.5 acid. Did not ball out, flush to top perf, ISIP @ 595, 5 min-479, vacuum, PU 5 1/2 TSU plug w/ball catcher. Stage 2, Spotted 4 bbls acid across perfs @ 4786-4882, broke perfs down on water @ 1150 psi, started on acid, staging 5 balls per every 2.2 bbls of acid, Avg rate 5.5 BPM @ 1600 psi, Pumped 95 bbls of 7.5 acid, balled out, Pumped 200 ballsealers, flushed down to top perf, ISIP @ 550, 5 min-473, 10 min-246, vacuum. Stage 3 Spotted 4 bbls acid across perfs 4634-4664, rev out 4 bbls, set pkr @ 4543, pressured on backside to 500 psi, broke perfs down @ 2000 psi, started acid/balls staging 5 balls per 3.8 bbls acid, Avg rate 6.0 BPM @ 1804 psi, pumped 95 bbls 7.5% acid, showed good ball action, did not ball out, dropped 120 balls, ISIP @ 1075, 5 min-967, 10 min-828, 15 min-780 psi. Swab one run, FL @ 400'/water. Set pkr @ 4543, RU swab, IFL @ 400'; 6 runs to swab FL down to 3900', 6 runs w/ FL @ 4300', recov 36 bbls all water, no oil or gas. SD. IFL @ 2700', swab, FL @ 4100', recov 15 bbls, all water. SD. Open up BOP, POOH 137 jts, pkr. PU arrowset 1x2 7/8x 51/2 pkr with 2.25 nipple, PU 19 jts of IPC pipe. PU 120 jts + 19 in well, set pkr @ 4532 w/139 jts. Circ 120 bbls pkr fluid, ND BOP, flanged well up, ran chart recorder for 30 min @ 500psi, good, witnessed by NMOCD rep Richard Inge. Pumped out plug from pkr @ 600 psi, inj rate was 5 bbls/min @ 700 psi. RD PU, clean location, start surface hook up.

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

PAM CORBETT pamc@chienergyinc.com

Title REGULATORY CLERK

Signature

Pam Corbett

Date

ACCEPTED FOR RECORD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Office

Date DEC 16 2012

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)