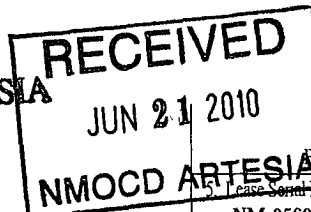


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA



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.

NM-0560353

6 If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1 Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8 Well Name and No.
MUNCHKIN FEDERAL #19

2 Name of Operator
CHI OPERATING, INC.

9 API Well No
30-015-37986

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)

**2310' FNL & 320' FEL, Sec. 11-T19S-R30E SHL
1300' FNL & 1000' FEL Sec. 11-T19S-R30E BHL**

10 Field and Pool, or Exploratory Area
Benson Delaware

11 County or Parish, State

EDDY,NM

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 checked="" type="checkbox"/> Other KICK OFF POINT
	<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 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.)

1. Run Freepoint back off.
2. TOH w/Fishing tools or fish stand Drill Collars in Drk LD/tools.
3. TIH w/Drl Pipe, open ended to Top of fish, circ, move pipe.
4. Set cmt balance plug for kick off, as per BJ specs. TOH t/4000' (+-), Circ excess cmt out of hole in to roll off bins, using sugar to kill cmt and vac. trk to haul off. Note: Give BJ hr. notice.
5. TOH LD excess Drill Pipe and all off Drill Collars, PU run Hughes RR Mill tooth bit that is on loc 30jts heavy weight drill pipe(that is on way from Weatherford) TIH tag cmt plug and drill to KOP 4250' or whatever Weatherford plan calls for we need to be below where we lost circ 4191-4206'. Weatherford Dir Driller will let us know if plug is OK for kick off.
6. Circ and mud up to ADF specs so we can drill to TD with no problems.
7. TOH pick up Dir Tools kickoff drill to TD.

Sidetrack plan and view is attached.

Operator must have an API number
prior to any sales.

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

ROBIN ASKEW

Title **REGULATORY CLERK**

Signature

Date

06/01/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

JUN 17 2010

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

/s/ Chris Walls

BUREAU OF LAND MANAGEMENT

Title 18 USC Section 1001 and Title 43 USC 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)

MR