

OCD-ARTESIA

Form 3160-5
(April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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.

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)
**SHL: 760' FNL & 2380' FEL; BHL: 1045' FSL & 660' FEL
 SHL: 33-T21S-R26E; BHL: 28-T21S-R26E**

5. Lease Serial No.
NM-0265356A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Crozier 28 Federal #1

9. API Well No.
30-015-35573

10. Field and Pool, or Exploratory Area
Wolfcamp

11. County or Parish, State
Eddy Co., NM

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 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 Perf Wolfcamp
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 recompleat 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 recompleat 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.)

4/27/2010
 MIRU, TIH set plug @ 11,598', PU 3 1/2 cmt dump bailer, made 2 runs, dump 35' cmt on top of plug. Perf 10,198-10,214' (64 holes), 9624-9632', (16 holes) 9234-9238' (16 holes), set RBP @ 10,252, pulled up to 10,220', spotted 2 bbls across perfs dwn on wat @ 4140, stage out 110 ballsealers @ 5 balls per 2.5 bbls of 20% acid, good ball action, pumped total of 60 bbls of 20% HCK acid. TIH, latch to RBP @ 10,252', released plug, set @ 10,064', set pkr @ 9641', spotted 9 bbls of 20% acid across perfs @ 9234-9634', plld pkr to 9136', rev 9 bbls back, set pkr, ND BOP, NU tree, RU acid, staging 4 ball sealers per 2.5 bbls of 20% acid, P/total of 100 balls, w/60 bbls 20% acid, good ball action. Rel hd pkr, latched on to RBP @ 10,064', rel plug, left pkr hanging @ 7761'.

Accepted for record - NMOCD

[Signature]

RECEIVED

FEB 25 2011

NMOCD ARTESIA

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

Pam Corbett pame@chienergyinc.com

Title **REGULATORY CLERK 432-685-5001**

Signature

[Signature: Pam Corbett]

Date

12/14/2010

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

FEB 22 2011

/s/ Dustin Winkler

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 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)

PLUG HAPPY VALLEY; MORROW (78060)

PA as of 12/14/2010 *[Signature]*