

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No 1004-0137
Expires July 31, 2010

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.

5. Lease Serial No.
NMNM0560353

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

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

7. If Unit of CA/Agreement, Name and/or No.
Benson Delaware NM126412X

8. Well Name and No.
Benson Delaware Unit #7 ✓

9. API Well No.
30-015-33933

10. Field and Pool or Exploratory Area
Benson Delaware Unit

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
F-12-19S-R30E 2475' FNL & 2310' FWL
BHL 1980' FSL 1980 FWL NESW

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

12. CHECK THE 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other _____
	<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	

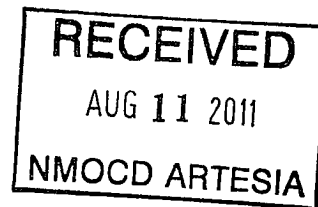
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection)

CHI Operating, Inc. plans to Plug back to the Yates sand. Procedure is attached.

See
Attached
Document

Denied
8/8/11

Wesley M. Ingram
Supr. Petr. Engr.



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)
PAM CORBETT pamc@chienergyinc.com 432-685-5001

Title Regulatory Clerk

Signature

Pam Corbett

Date 06/01/2011

Accepted for record
NMOCD

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

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)

Chi Operating, Inc.
Plugback to Yates Sand
Munchkin Federal #7
Eddy County, New Mexico
API # 30-015-33933

Location: SHL-2475' FNL & 2310' FWL, Section 12 -19S-30E
BHL-1980 FSL & 1980 FWL, Section 12-19S-30E

SUPERVISORY PERSONNEL:

	<u>Office</u>	<u>Home</u>	<u>Mobile</u>
Gary Womack	432-685-5001	432-682-5315	432-634-8958
Sonny Mann	432-365-2722	432-365-2722	432-634-7062

CURRENT WELLBORE:

KB	14'	
Surf Csg:	@ 526'	9-5/8", 36#, J-55 cmt surf
Intermediate	@ 5500'	5-1/2", 15.5# J55 cmt surf

Prod Tbg:	2 7/8"-6.5#-N-80 - 8rd.	<u>ID:</u>	<u>Drift:</u>
Capacity:	.0058 bbl/ft	2.441"	2.347"
Capacity annulus:	.0152 bbl/ft		

Existing Perfs: **4993-5000' 2SPF-60 deg. Delaware**

Procedure: Plugback to Yates Sand

MIRU DDP. NUBOP (screw on -2000#.)

POOH w/production string.

RU WL. Set CIBP at 4975'. Dump 35' cement on top.

TIH w/4" gun . Correlate to Schlumberger *Measured Depth* log and perforate selected intervals:

Yates Sand : 2478-2486 4 SPF-60 deg. .

Spot 7.5% NEFE acid across perfs. Acidize w/750 gals pumped at 4-6 BPM dropping ballsealers for Recover load and test. Evaluate for further stimulation.

**Benson Delaware Unit #7
30-015-33933
Chi Operating, Inc.
August 8, 2011
Denied**

Response to sundry dated November 13, 2009

Operator has not provided any additional information that will enable this plug back operation to be approved.

An e-mail was sent to Pam Corbett regarding the plug back operation in August 2008 with the statement that a salt protection string was not set as required by the R-111-P Potash Order. The lack of this salt protection string will have to be resolved with the BLM and NMOCD. This has not been resolved as of 11/19/2009.

As a result, this plug back procedure is being rejected at this time.

Response to sundry dated December 12, 2009

Operator ran CBL on 11/24/2009, which showed good coverage in proposed completion zone, but weak coverage in the potash zone.

Rejected – CBL run by operator shows weak coverage in the potash zone. Liner will be required to cover the salt zone before approval to plug back is granted.

August 8, 2011

Plug back operations will not be considered without a liner being installed.

Operator to submit plans for installation of liner or plans to plug and abandon the well by September 15, 2011.

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