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NMCD - ARTESIA

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB NO. 1004-0137  
Expires: July 31, 2010NMCD - ARTESIA  
WELL ABANDONMENT OR RECOMPLETION REPORT AND LOG

|                                                                                                                                                                                                                       |  |                                                                                                                                                                                                                                                                                                                        |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| 1a. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other                                                           |  | 5. Lease Serial No.<br>NM-0560353                                                                                                                                                                                                                                                                                      |  |
| b. Type of Completion: <input type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resrv.,<br>Other: _____ |  | 6. If Indian, Allottee or Tribe Name                                                                                                                                                                                                                                                                                   |  |
| 2. Name of Operator<br>CHI OPERATING, INC.                                                                                                                                                                            |  | 7. Unit or CA Agreement Name and No.                                                                                                                                                                                                                                                                                   |  |
| 3. Address P.O. BOX 1799 Midland, Texas 79702                                                                                                                                                                         |  | 8. Lease Name and Well No.<br>MUNCHKIN FEDERAL #14                                                                                                                                                                                                                                                                     |  |
| 3a. Phone No. (include area code)<br>432-685-5001                                                                                                                                                                     |  | 9. AFI Well No.<br>30-015-37333                                                                                                                                                                                                                                                                                        |  |
| 4. Location of Well (Report location clearly and in accordance with Federal requirements)*<br>480' FNL & 370' FWL<br>At surface<br><br>At top prod. interval reported below<br><br>At total depth                     |  | 10. Field and Pool or Exploratory<br>BENSON DELAWARE ✓                                                                                                                                                                                                                                                                 |  |
| 14. Date Spudded<br>04/27/2010                                                                                                                                                                                        |  | 11. Sec., T., R., M., on Block and<br>Survey or Area 12-T19S-R30E                                                                                                                                                                                                                                                      |  |
| 15. Date T.D. Reached<br>05/07/2010                                                                                                                                                                                   |  | 12. County or Parish<br>EDDY                                                                                                                                                                                                                                                                                           |  |
| 16. Date Completed 07/22/2010<br><input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.                                                                                                    |  | 13. State<br>NM                                                                                                                                                                                                                                                                                                        |  |
| 17. Elevations (DF, RKB, RT, GL)*<br>3469 GL                                                                                                                                                                          |  |                                                                                                                                                                                                                                                                                                                        |  |
| 18. Total Depth: MD 5256'<br>TVD                                                                                                                                                                                      |  | 20. Depth Bridge Plug Set: MD<br>TVD                                                                                                                                                                                                                                                                                   |  |
| 19. Plug Back T.D.: MD 5118'<br>TVD                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                        |  |
| 21. Type Electric & Other Mechanical Logs Run (Submit copy of each)<br>DLL, COM NEU, CBL                                                                                                                              |  | 22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)<br>Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report)<br>Directional Survey? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes (Submit copy) |  |

## 23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade  | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer<br>Depth | No. of Sk. &<br>Type of Cement | Slurry Vol.<br>(BBL) | Cement Top* | Amount Pulled |
|-----------|-------------|-------------|----------|-------------|-------------------------|--------------------------------|----------------------|-------------|---------------|
| 17"       | 13 3/8" J55 | 54.5#       | 494.49'  |             |                         | 500SX C                        | CIRC 225SX           | SURF        |               |
| 11"       | 8 5/8" J55  | 32#         | 2045.20' |             |                         | 800SX C                        | CIRC 98SX            | SURF        |               |
| 7 7/8"    | 5 1/2" J55  | 15.5#       | 5230'    |             | 1st 300sx C             | 2nd 400SX C                    | CIRC 18SX            | SURF        |               |
|           |             |             |          |             | Circ 105sx t/pit        |                                |                      |             |               |
|           |             |             |          |             |                         |                                |                      | TOC @ 3590' |               |

## 24. Tubing Record

| Size   | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|--------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2 7/8" | 4716'          |                   |      |                |                   |      |                |                   |

## 25. Producing Intervals

| Formation   | Top  | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|-------------|------|--------|---------------------|------|-----------|--------------|
| A) DELAWARE | 4974 | 5076   | 4974-5076           | 2SPF | 52 SHOTS  | PRODUCING    |
| B) DELAWARE | 4762 | 4904   | 4762-4904           | 2SPF | 170 HOLES | PRODUCING    |
| C) DELAWARE | 4510 | 4534   | 4510-4534           | 2SPF | 48 HOLES  | PRODUCING    |
| D)          |      |        |                     |      |           |              |

## 26. Perforation Record

| Depth Interval | Amount and Type of Material                                                                              |
|----------------|----------------------------------------------------------------------------------------------------------|
| 4974-5076      | Acid P/8bbbls 7.5% w/15balls, stgd w/gelled pad 250#                                                     |
| 4762-4904      | Acid P/10bbbls 7.5%; Frac Ttl of 46,866# of white 16/30 sand & 20,813# Super LC & ttl of 822bbbls of gel |
| 4510-4534      | Acid P/ttl 100balls 7 ttl 48bbbls 7.5% acid                                                              |

## 27. Acid, Fracture, Treatment, Cement Squeeze, etc.

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method         |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|---------------------------|
| 7/22/10             | 7/28/10              | 24hrs        | →               | 80 BO   | 100 MCF | 150 BW    |                       |             | AUG - 4 2010              |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio         | Well Status | /s/ Roger Hall            |
|                     |                      |              | →               |         |         |           |                       |             | BUREAU OF LAND MANAGEMENT |

## 28. Production - Interval B

| Date First Produced | Test Date            | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
|                     |                      |              | →               |         |         |           |                       |             |                   |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate     | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio         | Well Status |                   |
|                     |                      |              | →               |         |         |           |                       |             |                   |

\*(See instructions and spaces for additional data on page 2)

ACCEPTED FOR RECORD

AUG - 4 2010

Is/ Roger Hall

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

mrl