FORM APPROVED Budget Bureau No. 1004-0135 UNITED STATES Form 3160-5 DEPARTMENT OF THE INTERIOR Expires: March 31, 1993 (June 1990) **BUREAU OF LAND MANAGEMENT** 5. Lease Designation and Serial No. SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals SUBMIT IN TRIPLICATE 7. If Unit or CA, Agreement Designation 1. Type of Well RECEIVED B. Well Name and No. Well Freeway Federal #1 2. Name of Operator APR 0 4 2005 CHI OPERATING, INC. 9. API Well No. OUL MATERIA 30-015-33790 3. Address and Telephone No. P.O. BOX 1799 MIDLAND, TEXAS 79702 10. Field and Pool, or Exploratory Area 4. Location of Well (Footage, T., R., M., or Survey Description) 11. County or Parish, State 1980' FNL & 1980' FWL, Sec. 30, T19S, R30E Eddy CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Notice of Intent Abandonment Change of Plans Recompletion New Construction Subsequent Report Plugging Back Non-Routine Fracturing Casing Repair Water Shut-Off Final Abandonment Notice Altering Casing Conversion to Injection Dispose Water 13. Describe Proposed or Completed Operations (Clearly state all pertinet details, and give pertinet dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markders and zones pertinent to this work.)\* Spud 1/5/05. Drld 17 1/2" hole t/410'. Ran 13 3/8" csg, Cmtd w/10sx"H" + add, 270sx "C" + add, Tail 100sx "C", WOC 23 1/4 hrs, tst csg t/1000#-1/2 hr. Drlg 11" hole t/3605'. Ran 8 5/8" 32# J-55 csg, Cmtd w/1250sx "C" + 15% Gel + 10% Salt + 1pps Gils, Tail w/200sx "C" + 1/4 pps CF, Circ 67sx, WOC 18 hrs, tst csq t/2000#-1/2 hr. 14. I hereby certify that the Regulatory Clerk 2/7/05 Signed Date (This space for Federal or State office use)

Title 18 U.S. C. Section 1001, makes 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.

Title

Approved by

Conditions of approval, if any:

Date