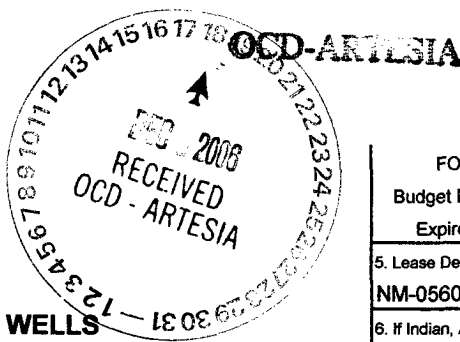




Form 3100-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. Type of Well

☐ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CHI OPERATING, INC.

3. Address and Telephone No.

P.O. BOX 1799 MIDLAND, TEXAS 79702

4. Location of Well (Footage, T., R., M., or Survey Description)

SHL 2475' FNL & 2310' FWL, Sec.12-19S-30E

BHL 1980' FSL & 1980' FWL, Sec.12-19S-30E

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

TYPE OF SUBMISSION

☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

☐ Abandonment ☐ Change of Plans
☐ Recompletion ☐ New Construction
☐ Plugging Back ☐ Non-Routine Fracturing
☐ Casing Repair ☐ Water Shut-Off
☐ Altering Casing ☐ Conversion to Injection
☐ Other ☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent 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 markers and zones pertinent to this work.)

Spud 9/16/06. Drld 12 1/4" hole t/526'. Ran 9 5/8" J-55 csg, cmtd w/Lead 200sxs "H" 10%A-10+2%CACL2+8#LCM-1 + 1/4#CF, Tail 400sxs "C"+ 4% gel + 2% CACL2+2#LCM-1, circ 60sxs. NU BOP & tst t/2000# for 30min, WOC-35 1/4 hr. Drld 8 3/4" hole t/1900', PU Directional tools finish hole t/5500'. Ran 5 1/2" J-55 15.5# csg, TMD @ 5366' (TVD @ 5228'), cmtd w/1stage Lead 450sxs "C" 7/10%FL52+3/10%CD32+3/10%SMS+1/4#CF, circ 80sxs, Est TOC @3733'. WOC 10hrs. 2nd stage Lead 500sxs "C" + 15% gel + 10#SALT + 1/4# LCM-1, Tail 50sxs "C" + 2% SMS, circ 10sxs. Est.TOC @ surf. ND BOP, set csg slips, cut off csg, jet pits, release rig 10/01/06.

14. I hereby certify that the foregoing is true and correct

Signed

Title

REGULATORY CLERK

(This space for Federal or State office use)

Approved by

Title

Conditions of approval, if any:

ACCEPTED FOR RECORD

Date 11/16/06

DEC 13 2006

Date LES BABYAK
PETROLEUM ENGINEER

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.

Accepted for record - NMOCD

12/19/06