

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas <input type="checkbox"/> Other	5. Lease Designation and Serial No. NM-0560353
2. Name of Operator CHI OPERATING, INC.	6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. P.O. BOX 1799 MIDLAND, TEXAS 79702	7. If Unit or CA, Agreement Designation
4. Location of Well (Footage, T., R., M., or Survey Description) 2300 FSL & 660 FEL SECTION 12, T19S, R30E	8. Well Name and No. LAND RUSH 12 FEDERAL. COM.
	9. API Well No. # 30-015-30297
	10. Field and Pool, or Exploratory Area WILDCAT
	11. County or Parish, State EDDY

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Altering Casing
	<input checked="" type="checkbox"/> Other TD THE WELL
	<input type="checkbox"/> Change of Plans
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Conversion to Injection
	<input type="checkbox"/> 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.)

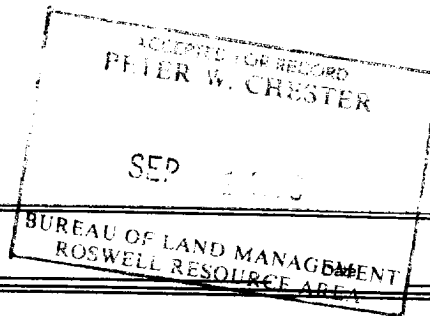
SPUDDED WELL 6/16/98. DRILLED 17 1/2" HOLE & SET 13 3/8" - 48# @ 450'. CEMENTED W/ 100 SKS. SUREFILL, 350 SKS. C+4% GEL+ 2% CACL2+ 25 CF. & 100 SKS. C+2% CACL2. CIRC. 100 SKS.

DRILLED 11" HOLE TO 588' & LOST RETURNS. DRY DRLD. TO 1763'. PUMPED LOST CIRC. PLUG & DRILLED OUT. REGAINED 100% RETURNS. DRILLED TO 3201' & SET 8 5/8" - 32#. CEMENTED W/ 700 SKS. C "LITE" + 2 PPS GIL. + 10% SALT & 200 SKS. C +1% CACL2 + 25 CF. CIRC. 79 SKS.

DRILLED 7 7/8" HOLE TO 12,300'. SET 5 1/2" - 17# N-80. CEMENTED W/ 375 SKS. H + 1% BA-56, .15% R-3.

RELEASED RIG 8/01/98.

COMPLETION TO COMMENCE AS SOON AS POSSIBLE



14. I hereby certify that the foregoing is true and correct	
Signed	Title ENGINEER
(This space for Federal or State office use)	
Approved by	Title
Conditions of approval, if any	Date 8/3/98