

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
CHI OPERATING, INC.3a. Address
P.O. BOX 1799, MIDLAND TX 797023b. Phone No. (include area code)
432-685-5001

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

**SEC.1-T19S-R30E
150' FSL 1550' FWL, UNIT N**

5. Lease Serial No.

NM-0560353

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

NM0560353 NM126412X

8. Well Name and No.

BENSON DELAWARE UNIT #15

9. API Well No.

3001538298

10. Field and Pool, or Exploratory Area

BENSON DELAWARE

11. County or Parish, State

EDDY**12. CHECK 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 checked="" 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 type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input checked="" type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input checked="" 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 recomple 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 shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomple in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall 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. request that the Benson Delaware Unit #15, formerly the Munchkin #15 be completed and converted to an injection well.

Procedure attached.

APD 8-19-14
Accepted for record
NMOCOD

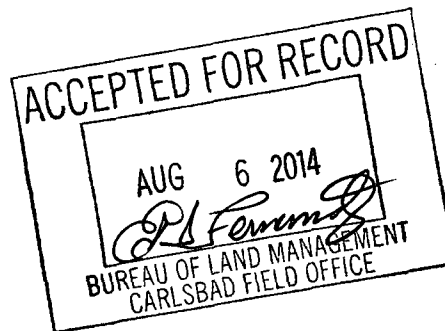
NM OIL CONSERVATION
ARTESIA DISTRICT

AUG 19 2014

Accepted for record
NMOCOD

RECEIVED

Work Already Done



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

PAM CORBETT

Title **REGULATORY CLERK**

Signature

Pam Corbett

Date

12/11/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

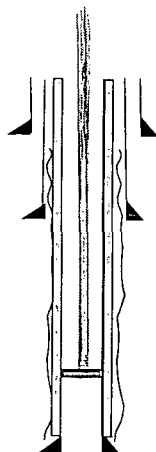
Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. 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)

Munchkin No. 15
 (Set up for Injection)
 API # 30-015-38298
 150' FSL & 1550 FWL
 Section 1, T19S R30E



13-3/8" 48# J55 @ 504'
 cmt at surface (circ)

8-5/8" 32# J55 @2072'
 cmt at surface (circ)

Injection packer @ 4542'

Tubing: 2-7/8 6.5# IPC @ 4500'

Perfs:

Zone 1: - 5053-5068', 5034-5044', 5010-5018', 4986-4994', 4915-4925' (2 spf)

Zone 2: 4868-4882', 4816-4842', 4786-4796' (2 spf)

Zone 3: 4634-4664' (2 spf)

Completion Procedure: Zone 1: - 5053-5068', 5034-5044', 5010-5018', 4986-4994', 4915-4925' (2 spf)

MIRU unit, pipe racks & tally tubing. Clean pins & boxes. NUBOP (screw on -2000#.)

TIH w/ 4 1/2" bit on 2 7/8" tbg. Drill/Clean out w/F.W to FC. (if tag within $\pm 100'$ of FC-OK). Close BOP & pressure test to 1500 psi. Circulate hole with 2% KCL water. TOH, LD bit.

RUWL (bring copy of open hole or get copy of logs from rig) TIH w/GR/CCL/CBL. Pull GR/CCL/CBL from PBTD to 4248'. (Pull repeat w/no psi) apply 1500# & pull to TOC or surface..

TIH w/4" gun w/packoff. Tie in & perforate selected intervals @ 2SPF-60 deg. PU J Lok Pkr, (2 3/8 x 5 1/4"), SN, XO, & TIH. Set Pkr @ ± 4850 RU & swb test while monitoring annulus.

RU acidizers. Pump 4000 bbls 7-1/2% NEFE HCL at 4-6 BPM dropping ballsealers for diversion.

Flush to top perf. w/2% KCL. Recover load & tst. Evaluate for further stimulation.

Flowback and swab until fluid level is stable.

Rig up pump truck and perform injectivity test.

If frac is WARRANTED have frac design run using 30,000 gals of Medallion 3000, 48000 lbs 16/30 white, 20000 lbs 16/30 CRS @ 10 bpm via tbg @ ± 1800 STP as follows: 10000 gals pad, 2000 gals w/1 ppg, 2000 gals w/2 ppg, 6000 gals w/3 ppg, 6000 w/4 ppg, & 4000 gals w/5 ppg 16/30 CRS sand.

Completion Procedure: Zone 2: 4868-4882', 4816-4842', 4786-4796' (2 spf)

Repeat above procedure

Completion Procedure: Zone 3: 4634-4664' (2 spf)

Repeat above procedure