OCD-ARTESIA

UNITED STATES

RECEIVED

FORM APPROVED

Form 3160-5 JUN - 8 2006 Budget Bureau No. 1004-0135 DEPARTMENT OF THE INTERIOR (June 1990) Expires: March 31, 1993 BUREAU OF LAND MANAGEMENT 5. Lease Designation and Serial No. NM-0560353 **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 R Well Name and No. Munchkin Federal #9 2. Name of Operator CHI OPERATING, INC. 9. API Well No. 30-015-34293 3. Address and Telephone No. P.O. BOX 1799 MIDLAND, TEXAS 79702 10. Field and Pool, or Exploratory Area **BENSON DELAWARE** 4. Location of Well (Footage, T., R., M., or Survey Description) 11. County or Parish, State Eddy BHL 990' FNL & 300' FEL, Sec.11-19S-30E CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA 12. 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 (Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.) 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.)* Drilled 8 3/4" hole to 5233'. E-logged, ran 5 1/2"-J-55-17# and set @ 5233'. Cmtd in two stages as follows: 1st stage 400 sks "C"+.4%D161+.2% D65+.3% D79+.2% D46, circ 90 sks off tool to pit. 2nd stage DV @ 3679' - Lead - 1050 sks "C"+15% gel, +10% salt+2 pps Gils. Tail - 50 sks "C"+.2% SMS. Good returns Did not circ, calc TOC @ 600'. ACCEPTED FOR RECORD Set slips, ND & NU wellhead. Released rig 5/27/06. Waiting on completion. JUN - 7 2006 14. I hereby certify true and correct GARY GOURLEY 5/30/06 LEUM ENGINEER Date Signed (This space for leral or State office Approved by Title Date Conditions of approval, if any

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.