

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

ARTESIA  
OCD-HOBBS

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 ☐ Other

2. Name of Operator  
Chi Operating, Inc.

3a. Address  
P.O. Box 1799 Midland, Texas 79702

3b. Phone No. (include area code)  
432-685-5001

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Unit Letter I, 2,300 FSL & 660 FEL, Section 12, T-19-S, R-30-E

5. Lease Serial No.  
NM-0560353

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
Landrush "12" Fed Com #1

9. API Well No.  
30-015-30297

10. Field and Pool, or Exploratory Area  
Benson Bone Spring

11. County or Parish, State  
Eddy, New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" 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 type="checkbox"/> Change Plans	<input checked="" type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input 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 recompleat 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 recompleat 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.)

13-3/8" @ 450' w/ 450 sx, circ. 8-5/8" csg @ 3,201' w/ 900 sx, circ.; 5 1/2" 17# N-80 csg @ 12,300' w/ 375 sx, sqz'd 800 sx thru sqz perfs @ 9,005, TOC @ 5,480' by CBL. Perforations 8,198 - 8,238' & 6,510 - 6,526'

06/14/06 Notified BLM, Jim Amos. MIRU Triple N plugging equipment, set steel pit, POOH w/ rods.

06/15/06 NU BOP. POOH w/ production tubing. Set CIBP @ 7,988'. SDFN.

06/16/06 Circulated hole w/ mud, pumped 25 sx C cmt on CIBP 7,988 - 7,741'. Pumped 25 sx C cmt @ 6,466'. WOC, no tag. Pumped 25 sx C cmt @ 6,466'. SD for weekend.

06/19/06 BLM Terry Wilson on location. Tagged cmt @ 6,149'. Circulated hole w/ mud. Cut & pulled 5 1/2" casing from 5,206'. SDFN.

06/20/06 Notified BLM. RIH w/ tubing to 5,262', pumped 45 sx C cmt @ 5,262'. WOC, no tag. Pumped 45 sx C cmt @ 5,262'. WOC and tagged cmt @ 5,190'. Pumped 45 sx C cmt @ 5,190'. SDFN.

06/21/06 Tagged cmt @ 5,123'. Pumped 50 sx C cmt @ 3,265'. WOC and tagged cmt @ 3,170'. Pumped 10 sx C cmt 3,170 - 3,131'. Pumped 35 sx C cmt 507 - 371'. Pumped 20 sx C cmt 63' to surface, RDMO.

Cut off wellhead & anchors, install dry hole marker, level location

Approved as to plugging of the well bore.  
Liability under bond is retained until  
surface restoration is completed.

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

James F. Newman, P.E.

Signature

Title Engineer, Triple N Services, Inc. 432-687-1994

Date

07/09/2006

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by Alexis C. Hobbs  
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.

PETROLEUM ENGINEER

Date JUL 17 2006

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)