



Form 3160-5
(June 1990)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 07 2007
OCD-ARTESIA

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: 760' FNL & 2380' FEL, Sec. 33, T21S, R26E

BHL: 660' FSL & 660' FEL, Sec. 28 (S/2) T21S R26E

5 Lease Designation and Serial No

NM-0265356-A

6 If Indian, Allottee or Tribe Name

7 If Unit or CA, Agreement Designation

8 Well Name and No

CROZIER 28 FEDERAL #1

9 API Well No.

30-015-35573

10 Field and Pool, or Exploratory Area

HAPPY VALLEY MORROW

11 County or Parish, State

EDDY

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



Recompletion



Plugging Back



Casing Repair



Altering Casing



Other Casing Report



Change of Plans



New Construction



Non-Routine Fracturing



Water Shut-Off



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 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 6/3/07, drilled 17 1/2" hole to 512', ran 13 3/8" csg. 48#J-55. Cmt. w/Lead 35:65 POZ C 300 sxs 6% D/20+4PPSD42+0.125#D130+3% S1, Tail C 200 sxs 2% S1+0.2SPPS D29, WOC 21 1/4 hrs. Drilled 12 1/4" hole to 2142', ran 9 5/8" csg 40#J-55, cmt. w/800 sxs, WOC. RIH w/ 1" pipe to 1238', cmt w/25sxs, WOC; tag @1240', pmp 25 sxs, WOC; tag @ 1215', pmp 50 sxs, WOC; tag @ 1197', pmp 50 sxs, WOC, tag 1197', pmp 50 sxs; tag @ 1192', pmp 70 sxs, WOC; tag @ 1192' pmp 50 sxs woc, tag @ 1191', pmp 25 sxs, woc, tag @ 1190', pmp 25 sxs, woc, tag @ 1190', pmp 25 sxs, woc, tag @ 1190', pmp 25 sxs, woc tag @ 1190', pmp 25 sxs, woc, tag @ 1190', pmp 25 sxs, woc, tag @ 1184', pmp 50 sxs, woc, tag @ 1070', pmp 50 sxs, woc, tag @ 970', pmp 50 sxs, woc 2 - 3 hrs between each string. TST BOP RIH tag @ 731', pmp 50 sxs, tag @ 479', pmp 50 sxs, tag @ 167', pmp 30 sxs @ surf., 16 total stages & 700 sxs, cmt. 8 hrs. Drilled 12 1/4" hole to 4075'. Start kick off curve. Drilled 8 3/4" to 11960', ran 5 1/2 20# P-110 csg. Ran cmt, Lead "C" TX1 1232 sxs 1.33% W44+.3% D167+.2% D65+.2% D46+4% D13. TST to 2500 PSI. Release Rig @ 6pm.

14 I hereby certify that the foregoing is true and correct

Signed

Pam Cochran

Title

Regulatory Clerk

8/2/07

(This space for Federal or State office use)

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

*See Instructions on Reverse Side

Accepted for record - NMOCD

8/8/07