

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARIESIA

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, TX

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

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

**660' FNL & 660' FEL
N-12-T19S-R30E**

5. Lease Serial No.
NM0560353

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 #2

9. API Well No.
3001531903

10. Field and Pool, or Exploratory Area

11. County or Parish, State
EDDY, NM

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 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 type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input checked="" 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 recomplete 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 recompletion 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.)

COMPLETION PROCEDURE FOR 2ND BONE SPRING SAND:

POOH w/packer and production tubing.

RU wireline. Set WL, set CIBP @ approximately 9900'. Dump 200' of cmt on top to abandon Wolfcamp. POOH. PU casing guns.

RIH and correlate to OH logs to perforate 2nd Bone Spring at the following intervals: 8598', 8600', 8650', 8651', 8652', 8653', 8678, 8679', 8680' (all @ 2 spf 180 deg. phasing). POOH w/guns. RBIH w/packer and tubing. Acidize w/2000 gals 15% HCL NeFe using ballsealers for diversion. Swab and flow test.

Frac down 2 7/8" tubing per design.

ACCEPTED FOR RECORD

AUG 12 2008

Gerry Guye, Deputy Field Inspector
NMOC-District II ARTESIA

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

PAM CORBETT

Title **REGULATORY CLERK**

Signature

Pam Corbett

Date

6/2/08

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

Office

Date

AUG 10 2008

JAMES A. AMOS

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 office of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)