

OCD-ARTESIA

Form 3160-5
(April 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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, TX 79702

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

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

At Surface: 10' FNL & 2310' FEL (Horizontal) ~ 1-195-30E ULF
At proposed prod. zone: 330' FSL & 2310' FEL

5. Lease Serial No. **54L Nm LC 063613**
BHL NM0560353

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No. **Wizard Federal Com., Well No 6**

9. API Well No.
30-015-38543 ✓

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

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 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.)

CHI Operating, Inc. is proposing to use a 2 M psi Annular Preventer from the surface to 2,050 feet for the surface and intermediate casing. The 13 3/8" 5,000 psi wp Shaffer Type E BOP will be installed after drilling in the 2,050' depth and will be used to complete the well. The 5 M psi BOP will be tested to 3 M psi as approved in the APD. See Exhibit A for the Annular Preventer diagram.

Accepted for record - NMOCD
8-30-11

APPROVED

AUG 25 2011
/s/ Chris Walls

RECEIVED
AUG 29 2011
NMOCD ARTESIA

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

Pam Corbett pamc@chienergyinc.com 432-685-5001

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE
 Title **CHI Operating, Inc. Regulatory Clerk**

Signature

Pam Corbett

Date

8/23/11

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)

2000 psi System

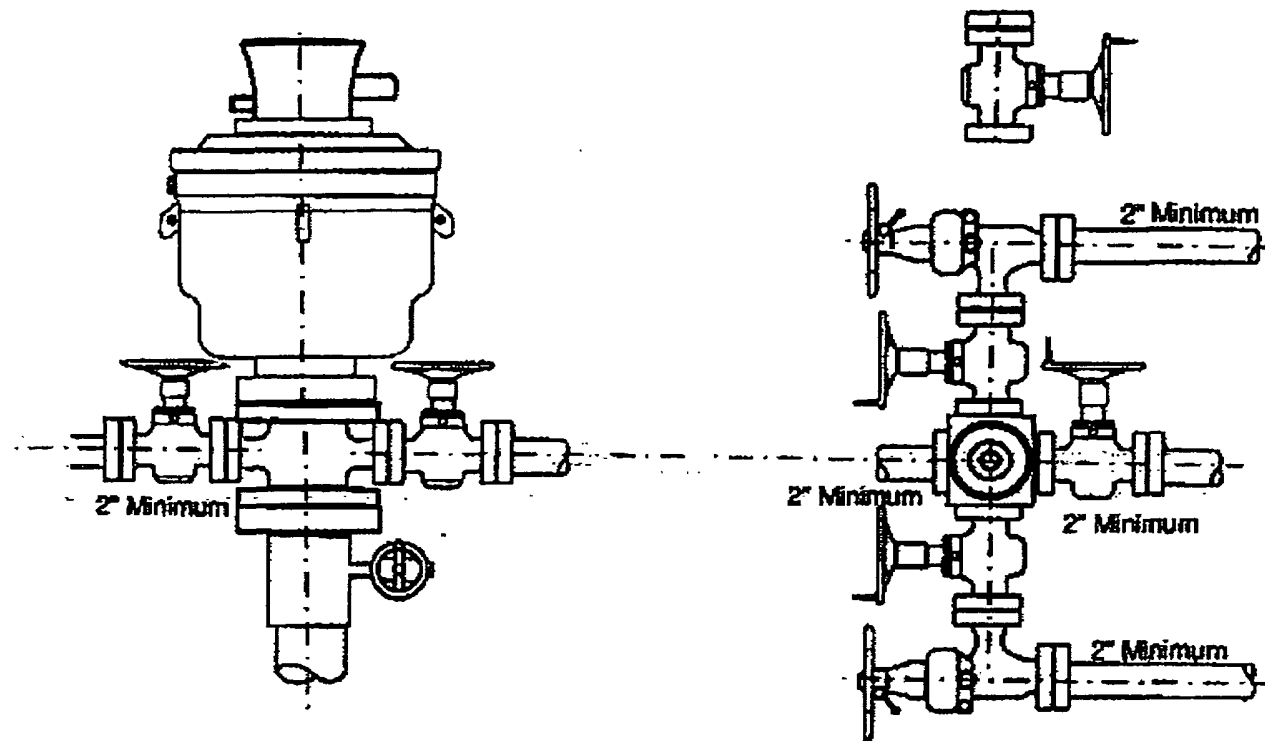


Figure 3-1A