

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**S****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.**FORM APPROVED
OMB No 1004-0137
Expires: March 31, 2007NOV 05 2007
OCD-ARTESIA

5. Lease Serial No.

NM-0560353

6. If Indian, Allottee or Tribe Name

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: 2547' FNL & 519' FWL, SEC. 12-T19S-R30E

AT PROPOSED PROD ZONE: 2310' FSL & 800' FWL, SEC. 12-T19S, R30E

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

8. Well Name and No.

Mnnchkin Federal #12

9. API Well No.

30-015-35791

10. Field and Pool, or Exploratory Area

Benson Delaware

11. County or Parish, State

Eddy Co.

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 checked="" type="checkbox"/> Other Well Spud
	<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 recomplate 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.)

(Notified BLM of spud and cement job)

Spud 9/19/07. Drld 17 1/2" hole t/511'. Ran 13 3/8" 48# J55 csg. Cmted w/Lead "H" 300sxs 10% A-10 + 2% CACL2 + 8#LCM + 1/4#CF, Lead "C" 200sxs 4% gel + 2% CACL2 + 2#LCM=1/4#CF, Tail "C" 100sxs 2% CACL2 + 1/4# CF. Circ 10sxs t/pit. WOC 23 3/4 hrs, NU & Tst csg t/1500#-30min-OK. Drld 11' hole t/2050'. Ran 8 5/8" 24# J55 csg. Cmted w/Lead 425sxs "C" 15% gel + 10% Salt-2# /LCM-1, Tail 200sxs "C" 2% CACL2 + 1/8" CF, Circ 165sxs. WOC 20 hrs, NU & Tst csg t/2000#-30min-OK. Drld 7 7/8" hole t/3250', Start Dir Drill @ 3250' to 5415'. Ran 5 1/2" 15.50# J55 prod csg. Cmted w/ 1stg Lead "C" 300sxs 7/10 FL-52A+3/10% CD-32 + 3/10% SMS, Circ 80sxs t/pit, 2nd Stg Lead "C" 325sxs 15% gel + 10% SALT + 1#LCM-1, Tail "C" 50sxs 2/10% SMS, Circ 30sxs t/pit. ND BOP, released rig 10/04/07. Waiting on completion.

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

Title Regulatory Clerk

Signature

Date

10/15/2007

ACCEPTED FOR FEDERAL OR STATE OFFICE USE

Approved by

/S/ DAVID R. GLASS

Title

Date

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.

Office

Title 18 U.S.C. Section 1001 and Title 18 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 representations as to any matter within its jurisdiction.

(Instructions on page 2)