

SEP 23 2009

Form 3160-5  
(August 2007)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED  
OMB No. 1004-0137  
Expires: July 31, 2010

RM

**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 page 2.

## 1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator  
CHI OPERATING, INC.3a. Address  
P.O. BOX 1799, MIDLAND, TEXAS 797023b. Phone No. (include area code)  
432-685-50014. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
G-11-19S-30E

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
MUNCHKIN #139. API Well No.  
30-015-3642510. Field and Pool or Exploratory Area  
BENSON BONESPRING/DELAWARE11. Country or Parish, State  
EDDY COUNTY, NM

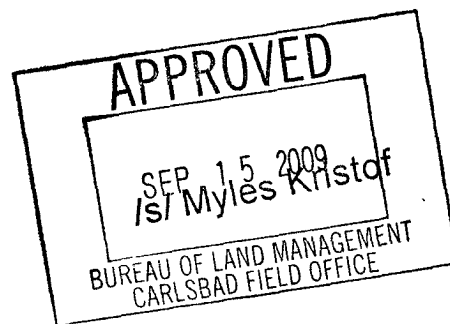
## 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

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 TEST
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	DELAWARE SAND
	<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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

MIRU DDP. NU BOP(screw on -2000#)  
POOH w/production string.  
RU Wireline. Set BP @ 8550' to blank off Bone Spring.  
RU perforators. TIH w/4" gun w/packoff. Tie in & perforate selected intervals @ 2SPF-60 Deg.  
Acidize/Frac as warranted.

Procedure attached.

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)  
ROBIN ASKEW

Title REGULATORY CLERK

Signature

Date 09/01/2009

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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 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)

Chi Operating, Inc.  
Test Delaware Sand  
**Munchkin Federal #13**  
Eddy County, New Mexico  
API #30-015- 36425  
Lease # - NM-0560353

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Location: 1550' FNL & 1850' FEL, Sec. 11, Unit G, T19S R30E

Directions: From intersection of Hwy 360 & Co. Rd. 222, take Co. Rd 222 approx. 12 miles. Turn left/west on Co.Rd 250/blacktop. Go approx 2.5 miles, go through cattle guard in backtop. Turn left (south) on lease rd. Go approx. .8 mile, turn right just past injection station. Go approx .2 mile, turn left at fork for approx. .6 mile. Turn right approx .2 mile, left approx .2 mile, right approx .2 mile, left approx .4 mile to Munchkin Fed #4 location, right approx. .2 mile to Muchkin # 5 location, continue south to location.

**SUPERVISORY PERSONNEL:**

	<u>Office</u>	<u>Home</u>	<u>Mobile</u>
Sonny Mann	432-365-2722	432-365-2722	432-634-7062

**CURRENT WELLBORE:**

KB	13'		
Surf Csg:	@ 497'	13-3/8", 48#, J-55	
Int Csg	@ 3148'	8-5/8", 24# J-55	
Production Csg	@ 8900'	5-1/2", 17# P-110	
DV Tool	@ 3691'		
Prod Tbg:	2 7/8"-6.5#-N-80 - 8rd.	ID: 2.441"	Drift: 2.347"
Capacity:	.0058 bbl/ft		Burst:80% / Collapse: 80%
Capacity annulus:	.0152 bbl/ft		/

## Delaware Sand Completion

MIRU DDP. NUBOP (screw on -2000#.)

POOH w/production string.

RU wireline. Set BP @ 8550' to blank off Bone Spring

RU Perforators. TIH w/4" gun w/packoff. Tie in & perforate selected intervals @ 2 SPF-60 deg.

**4,732 – 4,742**

**4,747 – 4,751**

**4,754 – 4,762**

**4,766 – 4,769**

**4,777 – 4,783**

Acidize/Frac as warranted. (See below).

If no entry, unset pkr & TIH to btm perf & spot 7.5% NeFe acid.. PUH & reverse acid and & reset Pkr. (If there is fld. entry) Load & PSI annulus to 500# w/2% KCL. Monitor during treatment. Acidize w/1500 gals of acid & 1500 gals of gelled pad @ 3 bpm @ an est. STP of 1300#, as follows:

**Note: If acid spot is necessary do not get over zealous when breaking down.**

- a). Pmp 500 gals of 7.5% NeFe Acid
- b). Pmp 500 gals of gelled Pad w/750 lbs of 20/40 mesh sand.
- c.). Drop 10, 1.1 sp.gr. ball sealers.
- d). Repeat, a, b, & c.
- e). Repeat, a & b.

Flush to top perf. w/2% KCL. Recover load & tst. Evaluate for further stimulation.

**Munchkin #13  
30-015-36425  
CHI Operating, INC.  
September 15, 2009  
Conditions of Approval**

- 1. Surface disturbance beyond the existing pad must have prior approval.**
- 2. Closed loop system required.**
- 3. The bridge plug to be set at 8850' must be capped with 50' of cement, 35' is sufficient if cement is bailed on top of plug.**
- 4. Contact BLM 575-361-2822 a minimum of 4 hours prior to setting BP above Bone Spring.**
- 5. Subsequent sundry and completion report required detailing work performed.**

**MAK 091509**