Form 3160-5 (August 2007)



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

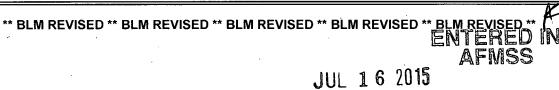
NMOCD Hobbarsocd

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

5.	Lease Serial No.
	NMNM120357

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. JUL 1 5 2015			Lease Serial No. NMNM120357 If Indian, Allottee or Tribe Name			
<u> </u>			·· · · · · · · · · · · · · · · · · · ·	K O Eq.	7. If Unit or CA/Agree	ement, Name and/or No.
SUBMIT IN TH	RIPLICATE - Other instru	ctions on rev		CEIVED	7. 11 O.111 O. 0, 1,7 1,8,200	omeni, rame and er rie.
I. Type of Well ☑ Oil Well ☐ Gas Well ☐ Other				8. Well Name and No. NEREID 1 FEDER	RAL 1H	
2. Name of Operator CHESAPEAKE OPERATING	Contact: G INC E-Mail: carol.adle	CAROL ADLI r@chk.com	₽R		9. API Well No. 5-	29145
3a. Address PO BOX 18496 OKLAHOMA CITY, OK 731	54-0496	3b. Phone No. Ph: 817-55	(include area code 6-5825	;)	10. Field and Pool, or WILDCAT-WOL	Exploratory FCAMP
4. Location of Well (Footage, Sec.,		n) .			11. County or Parish,	and State
Sec 1 T15S R31E SESE 66	OFSL 100FEL				CHAVES COUNTY, NM	
12. CHECK AP	PROPRIATE BOX(ES) T	O INDICATE	NATURE OF	NOTICE, R	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION			TYPE O	F ACTION		
Notice of Intent ■ Notice of Intent	☐ Acidize	☐ Dee _l	oen	☐ Product	tion (Start/Resume)	☐ Water Shut-Off
_	☐ Alter Casing	☐ Frac	ture Treat	☐ Reclam	ation	■ Well Integrity
☐ Subsequent Report	☐ Casing Repair	_	Construction	☐ Recomp		
☐ Final Abandonment Notice	☐ Change Plans	_	and Abandon	-	rarily Abandon	Drining Operations
-	Convert to Injection			☐ Water I		
13. Describe Proposed or Completed C If the proposal is to deepen directic Attach the Bond under which the w following completion of the involv testing has been completed. Final determined that the site is ready for	mally or recomplete horizontally ork will be performed or provid ed operations. If the operation r Abandonment Notices shall be fi	, give subsurface e the Bond No. on esults in a multiple	locations and meas ifile with BLM/BL e completion or rec	ured and true vo A. Required su completion in a	ertical depths of all pertir bsequent reports shall be new interval, a Form 316	nent markers and zones. filed within 30 days 10-4 shall be filed once
CONFIDENTIAL						
CHESAPEAKE RESPECTF PLUGGING PROCEDURE	ULLY REQUESTS TO UP	DATE OUR C	EMENT PROG	RAM OH PA	CKER COMPLETIO	N AND PILOT HOLE
PLEASE SEE ATTACHMEN	ITED UPDATE CEMENT	PROGRAM			•	
CHK PN 632183	* .					
		•				
	· · · · · · · · · · · · · · · · · · ·	}			<u> </u>	
14. I hereby certify that the foregoing	Electronic Submission : For CHESAPE	AKE OPERATÍ	NG INC. sent to	the Roswell		
Name (Printed/Typed) CAROL	Committed to AFMSS for pro	ocessing by DA)2/12/2013 (1: LATORY AN		
Name (1 time w 1 ypeu) CAROL	ADLLN		THIC NEGO	LATON I AN	ALISTII .	
Signature (Electroni	c Submission)		Date 02/12/2	2013		
	THIS SPACE F	OR FEDERA	L OR STATE	OFFICE U	SE	
		=				
_Approved_By_DAVID_R GLASS			TitlePETROLI	EUM ENGIN	EER	Date 02/25/2013
Conditions of approval, if any, are attac certify that the applicant holds legal or which would entitle the applicant to cor	equitable title to those rights in the		Office Roswel	II		

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.



5. **CEMENTING PROGRAM**

Slurry		Туре	Тор	Bottom	Weight	Yield	%Excess	Sacks
Surface					(ppg)	(sx/cu ft)	Open Hole	
	Lead	C + 4% Gel	0'	300'	13.7	1.65	250	339
	Tail	Class C	300'	400'	14.8	1.33	250	213
		***Note the 100' fill of Tail cement shown above is assuming 250% excess over 17-1/2" gauge hole. If a 17-1/2" gauge hole was used for volume calculations, the 213 sacks of Tail cement would result in 350' of fill.						
<u>Intermediate</u>				j				
	Lead	TXI + 5% Salt	01	3,500'	12	1.99	150	1295
	Tail	50C/50Poz +5% Salt	3,500'	4,000'	14.2	1.37	150	300
<u>Production</u>								
	Lead	35/65Poz H +8% Gel	3,500'	8,512'	12.4	2.19	50	840
	Tail	50/50Poz H +2% Gel	8,512'	9,162'	14.5	1.28	50	197

- 1. Final cement volumes will be determined by caliper.
- 2. Surface casing shall have at least one centralizer installed on each of the bottom three joints starting with the shoe joint.
- 3. Open hole packers and production casing will be left uncemented from TD of 13,601' MD to End of Curve of 9,162' MD, and the rest of the production casing will be cemented using a Stage Tool from 9,162' to 3,500'.
- 4. Production casing will have one centralizer on every other joint from Stage Tool to KOP (horizontal type) and from KOP to intermediate casing (bowspring type).

Pilot Hole Plugging Plan:

Please note that this 8-3/4" Pilot Hole will TD at 9020' within the Wolfcamp fromation, and the planned lateral will also be in the Wolfcamp formation.

Two cement plugs will be placed in the 8-3/4" Pilot Hole. The first will span 300' from Pilot Hole TD of 9020' MD/TVD to 8720' MD/TVD. This first plug will be set using 125 sx (20% excess) of 17.0 ppg 0.99 cuft/sk yield Class H cement. The second plug will span 300' from 8625' MD/TVD to 8325' MD/TVD and will serve as a kick off plug (kick off point is planned at 8512'). The second plug will also be set using 125 sx (20% excess) of 17.0 ppg, 0.99 cuft/sk yield Class H cement.

Form 3160-4 (August 200%)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS not use this form for proposels to drill or to re-enter an

NMOCD Hobbs

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

HOBBS OF Lease Serial No

6.	If Indian,	Allottee or	Tribe Name

abandoned we	II. Use form 3160-3 (APL)) for such proposals.	6. If Indian, Allow	tee or Tribe Name
SUBMIT IN TRI	PLICATE - Other Instruc	tions on reverse side.		Agreement, Name and/or No.
1. Type of Well Gas Well Oth	her Cheuro		RECEIVES Well Name and NEREID 1 FE	I No. EDERAL 1H
2. Name of Operator CHESAPEAKE OPERATING	Contact:	CAROL ADLER	OBBS OCD 9. API Well No.	005-39145
3a. Address PO BOX 18496 OKLAHOMA CITY, OK 7315	4-0496	3b. Phone No. (include area of Ph.: 817-556-5825	ode) 10. Field and Poo WILDCAT-V	
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description)	66	11. County or Par	rish, and State
Sec 1 T15S R31E SESE 660	FSL 100FEL	E	RECEIVED CHAVES CO	OUNTY, NM
12. CHECK APP	ROPRIATE BOX(ES) TO	INDICATE NATURE C	F NOTICE, REPORT, OR OT	HER DATA
TYPE OF SUBMISSION		ТҮРЕ	OF ACTION	
	☐ Acidize	□ Deepen	☐ Production (Start/Resume	e) Water Shut-Off
Notice of Intent	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	Casing Repair	□ New Construction	Recomplete	™ Other
☐ Final Abandonment Notice	☐ Change Plans	· Plug and Abandon	☐ Temporarily Abandon	Drilling Operations
	Convert to Injection	☐ Plug Back	☐ Water Disposal	
CONFIDENTIAL CHESAPEAKE RESPECTFU	ILLY REQUESTS PERMIS	SSION TO USE A FLEX H	OSE	
PLEASE SEE ATTACHMENT	rs			
CHK PN 632183	•		Subject To The Flex	
•	•	•	chored At Both Ends	
	4	No More	Than A 30 Degree I	Bend.
		• •		
14. I hereby certify that the foregoing i	Electronic Submission #1 For CHESAPE	198651 verified by the BLM LKE OPERATING INC, sent ressing by DAVID GLASS o	Well Information System to the Roswell n 02/12/2013 (13DRG0533SE)	
Name (Printed/Typed) CAROL A	DLER	Title REC	SULATORY ANALYST II	· · ·
	, , , , , , , , , , , , , , , , , , , ,			
Signature (Electronic	Submission)	Date 02/1	2/2013	
	THIS SPACE FO	R FEDERAL OR STA	TE OFFICE USE	
_Approved By_DAVID R GLASS _			DLEUM ENGINEER	Date 02/25/2013
Conditions of approval, if any, are attached certify that the applicant holds legal or en which would entitle the applicant to conditions.	uitable title to those rights in the	not warrant or subject lease Office Rosy	vell	

Title 18 U.S.C. Section 1001 and Title 42 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 insufficient attements of representations as the United States any false, fictitious or insufficient attements of representations as the United States and States and States are stated as the United States and States are stated as the United States and States are stated as the United States are stated as the United States and States are stated as the United States are state



Fwd: FW: FW: Nereid 1FED 1H well comp report

1 message

Collar, Albert <acollar@blm.gov>
To: Angel Mayes <amayes@blm.gov>

Fri, Dec 13, 2013 at 3:35 PM

----- Forwarded message -----

From: Cortez, Jennifer < jennifer.cortez@onrr.gov>

Date: Tue, Dec 10, 2013 at 9:46 AM

Subject: Fwd: FW: FW: Nereid 1FED 1H well comp report

To: Albert Collar <acollar@blm.gov>, "Darmosuwito, Jeanne" <JDJX@chevron.com>, Janice Lopez

<janice.lopez@onrr.gov>, Rebecca Dyess <rebecca.dyess@onrr.gov>

Hi Al,

Can you look at the attached sundry notice for lease NMNM120357? Chevron sent this to us because they believe this lease is producing and they are trying to pay us \$59,000 in royalties. Is this lease producing? If so, can yo please send me the First Production Memo?

Thanks for your help!

Jennifer Cortez
Financial Management
Ottice of Natural Resources Revenue
1.800.525.7922 x13636
303.231.3636
Fax # 303.462.9899
Jennifer.Cortez@onrr.gov

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----- Forwarded message ------

From: Darmosuwito, Jeanne < JDJX@chevron.com>

Date: Thu, Dec 5, 2013 at 2:36 PM

Subject: FW: FW: Nereid 1FED 1H well comp report To: "Cortez, Jennifer" < jennifer.cortez@onrr.gov>

Cc: Janice Lopez <janice.lopez@onrr.gov>, Rebecca Dyess <rebecca.dyess@onrr.gov>

I found the Sundry Notice for NMNM120357. If this one doesn't help, I need to wait on Monday since the regulatory person is out of office today.

Sorry for the inconvenience.

Thank you,

Jeanne Darmosuwito

Federal Royalty Reporting Analyst

Finance Shared Services - PR&RA

Chevron Services Company a Division of Chevron U.S.A. Inc. 4800 Fournace Place, Room E920B
Bellaire, TX 77401-2324
Tel 713 432 2807
Fax 1 866 394 5504
mailto:jdjx@chevron.com

From: Cortez, Jennifer [mailto:jennifer.cortez@onrr.gov]

Sent: Thursday, December 05, 2013 2:19 PM

To: Darmosuwito, Jeanne; Janice Lopez; Rebecca Dyess **Subject:** Fwd: FW: Nereid 1FED 1H well comp report

Hi Jeanne,

I was getting ready to put lease 0301203570 into a producing status per the attached information you sent me but when I look at the paper work it's for lease NMLC065347 not NMNM120357. I need the approved completion report from BLM. What you sent me was a Notice of Intent for a different lease number.

Thank you,

Jennifer Cortez
Financial Management
Ottice of Natural Resources Revenue
1.800.525.7922 x13636
303.231.3636
Fax # 303.462.9899
Jennifer.Cortez@onrr.gov

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----- Forwarded message -----

From: Darmosuwito, Jeanne < JDJX@chevron.com>

Date: Tue, Dec 3, 2013 at 3:40 PM

Subject: FW: Nereid 1FED 1H well comp report To: "Cortez, Jennifer" < jennifer.cortez@onrr.gov>

Hi Jennifer,

Attached is the Well information status from the New Mexico State website that showing the well is Active and producing. Also I attached the reports from BLM.

Could you please set up the well at ONRR side?

I really appreciate your help.

Thank you so much.

Jeanne Darmosuwito

Federal Royalty Reporting Analyst

Finance Shared Services - PR&RA

Chevron Services Company a Division of Chevron U.S.A. Inc. 4800 Fournace Place, Room E920B
Bellaire, TX 77401-2324
Tel 713 432 2807
Fax 1 866 394 5504
mailto:jdjx@chevron.com

From: Darmosuwito, Jeanne

Sent: Tuesday, December 03, 2013 8:51 AM

To: 'Cortez, Jennifer'

Subject: Nereid 1FED 1H well comp report

Good Morning Jennifer,

I am working with our Production/regulatory person who can provide me the well completion report for that well.

As soon as I receive it, will forward to you.

Thank you,

Jeanne Darmosuwito

Federal Royalty Reporting Analyst

Finance Shared Services - PR&RA

Chevron Services Company a Division of Chevron U.S.A. Inc. 4800 Fournace Place, Room E920B
Bellaire, TX 77401-2324
Tel 713 432 2807
Fax 1 866 394 5504
mailto:jdjx@chevron.com

From: Cortez, Jennifer [mailto:jennifer.cortez@onrr.gov]

Sent: Monday, December 02, 2013 2:52 PM

To: Darmosuwito, Jeanne

Subject: Fwd:

Hi Jeanne,

Please see the attached rejected lines for Chevron. The reason these lines are rejecting is because Chevron is trying to report royalties on lease 0301203570, however, according to our system and the Serial Register Page this lease is not producing yet. Has the completion report been sent to BLM? If so, can you please provide me with it?

Thank you!

Jennifer Cortez
Financial Management
Ottice of Natural Resources Revenue
1.800.525.7922 x13636
303.231.3636
Fax # 303.462.9899

Jennifer.Cortez@onrr.gov

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Al Collar geologist 575-627-0272 (work) 575-420-0645 (cell)

