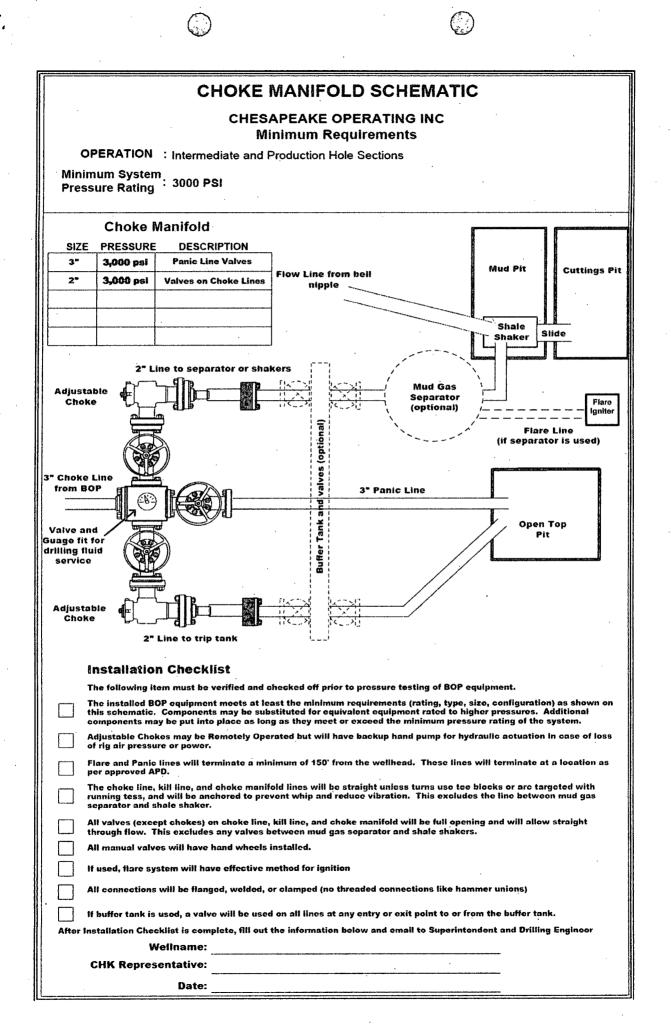
|  | UNITED STATE<br>EPARTMENT OF THE I<br>UREAU OF LAND MANA  | NTERIOR  | NI<br>I                                 | MOCE<br>Iobbs                           | OMB N   | APPROVED<br>O. 1004-0135<br>July 31, 2010  |  |  |
|--|---|--|---|---|---|--|--|--|
| Do not use th  | SUNDRY NOTICES AND REPORTS ON WELLS<br>Do not use this form for proposals to drill or to re-enter an<br>abandoned well. Use form 3160-3 (APD) for such proposals.<br>SUBMIT IN TRIPLICATE - Other instructions on reverse side. |  |   |   |   | 6. If Indian; Allottee or Tribe Name   |  |  |
| SUBMIT IN TRI  |   |  |   |   |   | 7. If Unit or CA/Agreement, Name and/or No.  |  |  |
| 1. Type of Well<br>Oil Well  Gas Well Otl  | ner   |  |   |   | 8. Well Name and No.<br>NEREID 1 FEDERAL 1H   |  |  |  |
| Her And Aume of Operator<br>CHESAPEAKE OPERATING   | Contact:<br>INC E-Mail: carol.adler   | <u> </u>   |   | UOBRS OCI                               | 9. API Well No.<br>30-005   | -29145   |  |  |
| 3a. Address<br>PO BOX 18496<br>OKLAHOMA CITY, OK 73154   |   | 3b. Phone No. (include area code)<br>Ph: 817-556-5825                                  |   |   | 10. Field and Pool, or Exploratory<br>WILDCAT-WOLFCAMP      115      11. County or Parish, and State      CHAVES COUNTY, NM |  |  |  |
|  | 4. Location of Well (Footage, Sec., T., R., M., or Survey Description<br>Sec 1 T15S R31E SESE 660FSL 100FEL   |  |   | RECEIVER                                |   |  |  |  |
| 12. CHECK APPF   | ROPRIATE BOX(ES) TO   | D INDICATE N   | ATURE OF                                | NOTICE, RE                              | PORT, OR OTHEI  | R DATA   |  |  |
| TYPE OF SUBMISSION   | · · · · · · · · · · · · · · · · · · ·   |  | ТҮРЕ О                                  | OF ACTION                               | ·   |  |  |  |
| <ul> <li>Notice of Intent</li> <li>Subsequent Report</li> <li>Final Abandonment Notice</li> </ul>  | <ul> <li>Acidize</li> <li>Alter Casing</li> <li>Casing Repair</li> <li>Change Plans</li> <li>Convert to Injection</li> </ul>  | Fracture Treat   Recland     New Construction   Recommode     Plug and Abandon   Tempo |   | □ Reclamat<br>□ Recompl                 | ete<br>rily Abandon   | <ul> <li>Water Shut-Off</li> <li>Well Integrity</li> <li>Other</li> <li>Drilling Operations</li> </ul> |  |  |
| Attach the Bond under which the wor<br>following completion of the involved<br>testing has been completed. Final Ab<br>determined that the site is ready for fi<br>CONFIDENTIAL<br>CHESAPEAKE RESPECTFUI<br>THE SUBJECT WELL           | operations. If the operation rea<br>andonment Notices shall be file<br>nal inspection.)   | sults in a multiple of only after all red  | completion or rec<br>quirements, includ | completion in a ne<br>ding reclamation, | w interval, a Form 3160<br>have been completed, a   | )-4 shall be filed once<br>and the operator has  |  |  |
| PLEASE SEE ATTACHMENT  | S   |  |   |   |   |  |  |  |
| CHK PN 632183  |   |  |   |   |   |  |  |  |
|  |   |  |   |   |   |  |  |  |
| 14. I hereby certify that the foregoing is<br>Con<br>Name (Printed/Typed) CAROL AI   | #Electronic Submission<br>For CHESAPEA<br>mmitted to AFMSS for proc   | KE OPERATING   | G INC, sent to<br>ID GLASS on 0         | the Roswell                             | RG0530SE)   | · ·  |  |  |
| Signature (Electronic S  | ubmission)  | I  | Date 02/12/2                            | 2013                                    |   |  |  |  |
|  | THIS SPACE FO   | R FEDERAL  | OR STATE                                | OFFICE US                               | E   |  |  |  |
| Approved By DAVIDR GLASS<br>Conditions of approval, if any, are attached<br>certify that the applicant holds legal or equivalent to condu-<br>which would entitle the applicant to condu-<br>Title 18 U.S.C. Section 1001 and Title 43 | itable title to those rights in the<br>et operations thereon.<br>U.S.C. Section 1212, make it a   | not warrant or<br>subject lease  | Office <b>Roswel</b>                    | d willfully to mak                      |   | Date 02/25/2013 agency of the United   |  |  |
| States any false, fictitious or fraudulent s   | SED ** BLM REVISED  | ) ** BLM RE\   |   | M REVISED                               | ** BLM REVISEI  | RED IN<br>MSS &  |  |  |

|              | OPE      | RATION                        | CHES.  | PREVENTOR SCHEMATIC<br>APEAKE OPERATING INC<br>Inimum Requirements<br>Production Hole Sections   |
|--------------|----------|-------------------------------|--|--|
| Mi           |          | n System                      |  |  |
| Pr           | essur    | e Rating                      | : 3000 PSI   |  |
|              |          |                               |  |  |
| {            | SIZE     | PRESSUR                       | E DESCRIPTION  | •  |
| A            |          | N/A                           | Bell Nipple  | ]  |
| 8            | 13 5/8"  | 3,000 psi                     | Annutar  |  |
| С            | 13 5/8"  | 3,000 psi                     | Pipe Ram   | Flowline to Shaker   |
| D            | 13 5/8"  | 3,000 psi                     | Blind Rom  | Fill Up Line A   |
| Ε            | 13 5/8"  | 3,000 psi                     | Mud Cross  |  |
| F            |          |                               |  |  |
|              | DSA      | As requir                     | ed for each hole size                                  |  |
|              | Sec      |                               |  |  |
|              | -Sec     | 13-5/                         | B" 3K x 11" 3K   |  |
|              | -Sec     | 13-3/8"                       | 50W x 13-5/8" 3K                                       |  |
|              |          | Kill                          | Line   | ( The second sec |
|              |          | RESSURE                       | DESCRIPTION  | c c  |
| 2            | ·• :     | 3,000 psi                     | Check Valve  |  |
| 2            | •        | 3,000 psi                     | Gate Valve   |  |
|              |          |                               |  |  |
|              |          |                               |  | Kill Line 27 minimum Choke Line to Choke Manifold 3"   |
|              |          |                               |  | Kill Line- 2" minimum  |
|              |          | Choke                         | e Line   |  |
|              |          | RESSURE                       | DESCRIPTION  |  |
| 3'           |          |                               | Gate Valve   | Remotoly<br>Controled  |
|              | 3        | ,000 psi <sub>v</sub>         | alve Centroled Valve                                   |  |
|              |          |                               |  | I Bestand  |
|              |          |                               |  |  |
| ·            |          |                               |  |  |
|              | Ins      | stallatio                     | n Checklist  |  |
|              | The      | e following i                 | tem must be verified and                               | d checked off prior to pressure testing of BOP equipment.  |
|              |          |                               |  | east the minimum requirements (rating, type, size, configuration) as shown on  |
| ٤            |          |                               |  | bstituted for equivalent equipment rated to highor pressures. Additional<br>ng as they meet or exceed the minimum pressure rating of the system.   |
|              | ) All v  | alves on the                  | e kill line and choke line                             | will be full opening and will allow straight though flow.  |
|              |          |                               | choke line will be straig<br>nored to prevent whip and | ght unless turns use toe blocks or are targeted with running tess,<br>d reduce vibration.  |
|              |          |                               | heels) or automatic locki<br>manual valves on the cho  | ting devices will be installed on all ram preventers. Hand wheels will also be<br>oke line and kill line.  |
| Ŀ            |          |                               | nstalled in the closing lin<br>emain open unless accur | ne as close as possible to the annular preventer to act as a looking device.<br>mulator is inoperative.  |
| C            |          | er kelly coc<br>nections in ( |  | be available on rig floor along with safoty valve and subs to fit all drill string   |
| <u>۵</u> 44- | r Instal | lation Charl                  | dist is complete fill and                              | the information below and omail to Superintendent and Drilling Engineer  |
| ~116         |          |                               |  |  |
|              |          |                               |  | · · · ·  |
|              | CHI      | K Represe                     | •ntative:<br>  |  |
|              |          |                               | Date:  |  |



|       |   | $\odot$   |   |   |   |       |  |
|-------|---|---|---|---|---|-------|--|
|       |   | B   | OPE Testin  | Ig  |   |       |  |
|       |   | CUECAD  |   | TING  | ,   |       |  |
|       |   |   | EAKE OPERA<br>num Requirer  |   |   |       |  |
|       |   |   | •   |   |   |       |  |
|       | The following it  | Closing Unit a  |   | OF Checklist<br>ied off at least once pe  | r well prior to low/high  |       |  |
|       |   |   |   | d after 6 months on the   |   |       |  |
|       |   | Tested precharge pres   | sures must be recor   | ded for each individual   | may be further charged<br>bottle and kept on location                               | n     |  |
| Che-  | ck Accumulator working  | Minimum acceptable  | Desired precharge   | Maximum acceptable  | Minimum acceptable  |       |  |
| appli |   | operating pressure<br>1500 psi  | pressure<br>750 psi   | precharge pressure<br>800 psi   | precharge pressure<br>700 psi   |       |  |
|       | 2000 psi  | 2000 psi  | 1000 psi  | 1100 psi  | 900 psi   |       |  |
|       | 3000 psi  | 3000 psi  | 1000 psi  | 1100 psi  | 900 psi   |       |  |
|       | with test pressure recor<br>Accumulator fluid reserv  | preventer, and retain a<br>re) on the closing mani<br>ded and kept on locati<br>roir will be double the r | minimum of 200 psi<br>fold without the use<br>on through the end o<br>usable fluid volume d | above the maximum a<br>of the closing pumps.<br>f the well<br>of the accumulator syst |   |       |  |
| ,     | be recorded. Reservoir f<br>location through the end  | luid level will be recor<br>of the well.  | ded olong with manu   | facturer's recommend  | ation. All will be kept on  |       |  |
|       | Closing unit system will<br>preventers.   | have two independent  | power sources (not  | counting accumulator i  | botties) to close the   |       |  |
|       |   | nanifold pressure decr  | eases to the pre-set  |   | s will automatically start<br>ed to check that air line to                          | ,     |  |
|       |   | nnular preventer on th<br>optable procharge proc  | e smallest size drill j<br>sure (see tablo abov   | pipe within 2 minutes a<br>(e) on the closing mani                                    | y-operated choke line valve<br>nd obtain a minimum of 20<br>fold. Tost pressuro and |       |  |
|       | -   | OPE system will be lo   | -   |   | le of opening and closing   |       |  |
|       | Romote controls for the floor (not in the dog hous  |   |   |   | and located on the rig  |       |  |
|       | Record accumulator test   | s in drilling reports an  | d IADC sheet  |   | •   |       |  |
|       |   | BOPE TO   | est Checklist   |   |   |       |  |
|       | Th  | e following item must   | be ckecked off prior  | to beginning test   |   |       |  |
|       | BLM will be given at leas   | t 4 hour notice prior to  | beginning BOPE tes  | ting  |   |       |  |
|       | Valve on casing head be   | low test plug will be op  | beu .   |   |   |       |  |
|       | Test will be performed using clear water.   |   |   |   |   |       |  |
| -     | The follow  | ing item must be porfe  | rmod during the BOI   | PE testing and then cho   | ocked off   |       |  |
| ]     | BOPE will be pressure to<br>following related repairs<br>party on a test chart and                              | sted when initially insi<br>, and at a minimum of 3   | tailed, whenever any<br>30 days intervals. To   | scal subject to test pr<br>est pressure and times                                     | essure is broken,   |       |  |
|       | Test plug will be used  |   |   |   |   |       |  |
|       | Ram type preventer and all related well control equipment will be tested to 250 psi (low) and 3,000 psi (high). |   |   |   |   |       |  |
|       | Annular type proventer will be tested to 250 psi (low) and 1,500 psi (high).                                    |   |   |   |   |       |  |
|       | Valves will be tested from<br>held open to test the kill  |   | e side with all down  | stream valves open. T   | he check valve will bø  |       |  |
|       | Each pressure test will b   | e held for 10 minutes v   | with no allowable les   | sk off.   |   |       |  |
|       | Master controls and rem   | ote controis to the clos  | sing unit (accumulat  | or) must be function te   | sted as part of the BOP tes   | sting |  |
|       | Record BOP tests and pr   | essures in drilling repo  | erts and IADC sheet   |   |   |       |  |
|       | any/all BOP and accumul   | ator test charts and ro   |   |   | ant and Drilling Engineer g   | leng  |  |
|       | Wellnan   |   |   |   | - many dang bilit   |       |  |
|       | CHK Representation  | ve:   |   | ·   |   |       |  |
|       | Da  | te:   |   |   |   |       |  |