

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

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

**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 <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC068431
2. Name of Operator CHESAPEAKE OPERATING INC		6. If Indian, Allottee or Tribe Name
3a. Address OKLAHOMA CITY, OK 73154-0496		7. If Unit or CA/Agreement, Name and/or No 891000303X
3b. Phone No (include area code) Ph: 405-935-2896		8. Well Name and No PLU REMUDA BASIN 4 24 30 USA 1H
4. Location of Well (Footage, Sec, T., R., M., or Survey Description) Sec 4 T24S R30E NENE 175FNL 1250FEL		9. API Well No. 30-015-40660-00-X1
		10. Field and Pool, or Exploratory UNKNOWN
		11. County or Parish, and State EDDY COUNTY, 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"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Recomplete
	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Change to Original APD
	<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 recomplete 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.)

CONFIDENTIAL

CHESAPEAKE REQUESTS TO:

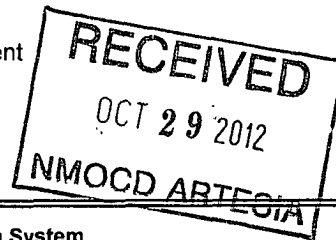
*Wade 10/30/12*  
*Accepted for record*  
NMOCD

**SEE ATTACHED FOR  
CONDITIONS OF APPROVAL**

Lead & Tail on surface cement.  
LEAD: 13.7 PPG, 1.65 YLD.  
TAIL: 14.8 PPG, 1.33 YLD.

Adjust depth of DV tool & include open hole packer to ensure full returns on the production cement job.

ATTACHED IS THE UPDATED DRILLING PLAN.



14 I hereby certify that the foregoing is true and correct.

Electronic Submission #154401 verified by the BLM Well Information System

For CHESAPEAKE OPERATING INC, sent to the Carlsbad

Committed to AFMSS for processing by KURT SIMMONS on 10/22/2012 (13KMS3521SE)

Name (Printed/Typed) ERIN CARSON

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 10/11/2012

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By WESLEY INGRAM

Title PETROLEUM ENGINEER

Date 10/25/2012

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 Carlsbad

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.

**Additional data for EC transaction #154401 that would not fit on the form**

**32. Additional remarks, continued**

CHK PN 643672

**5. CEMENTING PROGRAM**

Slurry	Type	Top	Bottom	Weight	Yield	%Excess	Sacks
<u>Surface</u>							
Lead	C + 4% Gel	0'	525'	13.7	1.65	250	671
Tail	Class C	525'	625'	14.8	1.33	250	213
<u>Intermediate</u>							
Lead	TXI + 5% Salt	0'	3,300'	12	1.99	250	1346
Tail	50C/50Poz +5% Salt	3,300'	3,800'	14.2	1.37	250	336
<u>Production</u>							
1st Stage Lead	35/65Poz H +8% Gel	3850'	8,625'	12.4	2.19	100	589
1st Stage Tail	50/50Poz H +2% Gel	8,625'	13,950'	14.5	1.28	100	1446
2nd Stage Lead	35/65Poz C +6% Gel + 5% Salt	0'	3,100'	12.8	1.88	0	292
2nd Stage Tail	C	3,100'	3,850'	14.8	1.34	200	112

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. The production casing will be cemented in two stages with DV tool placed at 3850' with an open hole packer set below the stage tool. Caliper log results will be evaluated for best placement of packer and DV and set no shallower than 50' outside of the Intermediate Casing Shoe
4. Production casing will have one centralizer on every other joint from TD to KOP (horizontal type) and from KOP to intermediate casing (bowspring type).

**Pilot Hole Plugging Plan:**

Pilot hole will be plugged from Pilot Hole TD to Kick Off Point with a single balanced plug using tubing that will be cemented in place on the bottom of the Smith Trackmaster OH- Openhole whipstock cementing system (previously approved by BLM)

Slurry	Type	Top	Bottom	Weight	Yield	%Excess	Sacks
<u>Plug Cement</u>							
Plug Cement	Class H	8,625'	9,460'	17	0.99	40	399

**PLU Remuda Basin 4 24 30 USA 1H  
30-015-40660  
Chesapeake as Agent for BOPCO  
October 25, 2012  
Conditions of Approval**

- 1. Cement program for surface casing is approved.**
- 2. Operator also changed the cement volumes for the intermediate casing. New cement volumes are adequate.**
- 3. Production casing cement program approved. BLM corrected TOC for first stage to 3850' – chart has 4900'. Operator shall abide by the original COA regarding stage one and stage two cementing.**

**WWI 102512**