

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

AUG - 8 2008  
OCD-ARTESIA

FORM APPROVED  
OMB No 1004-0137  
Expires March 31, 2007

**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.**

<b>SUBMIT IN TRIPLICATE - Other instructions on page 2.</b>		7. If Unit of CA/Agreement, Name and/or No. NMNM88499X
1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	2 Name of Operator CHESAPEAKE OPERATING, INC. ATTN: LINDA GOOD	8. Well Name and No. BENSON SHUGART WFU 26
3a Address P.O. BOX 18496 OKLAHOMA CITY, OK 73154-0496	3b. Phone No (include area code) 405-767-4275	9. API Well No 30-015-21426
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) 1650 FSL & 330 FEL, NESE, SEC 25, T18S, R30E		10. Field and Pool or Exploratory Area SHUGART
		11 Country or Parish, State EDDY CO., 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 _____
	<input type="checkbox"/> Change Plans	<input checked="" 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 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 recompletion 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.)

CHESAPEAKE, RESPECTFULLY, REQUESTS, VERBAL APPROVAL TO PLUG & ABANDON THIS WELL PER THE FOLLOWING PROCEDURE.

1. Notify the NMOCD 24 hrs in advance prior to commencing plug and abandonment operations.
2. Test anchors. MIRU workover rig, wireline unit and reverse unit.
3. POH with 3/4" rod string and 1-1/2" pump, LD. ND WH. NU BOP. TOH with 2-3/8" tubing.
4. RIH and set CIBP at 3,450', POH. RIH and dump bail 35' cement on top of CIBP. This will properly abandon the Grayburg perforations.
5. RIH and set CIBP at 3,070', POH. RIH and dump bail 35' cement on top of CIBP. This will properly abandon the Penrose perforations.
6. RIH and set CIBP at 2,500', POH. RIH and dump bail 35' cement on top of CIBP. This will properly abandon the Seven Rivers perforations.
7. RIH with 2-3/8" tubing to 2,465' (PBD) and circulate hole with salt gel mud containing 9.5 pound brine and 12.5 lbs of gel per barrel.
8. PU and spot 25 sx cement plug with bottom starting at 871' (starting 50' below 8-5/8" casing shoe). PUH and WOC. Tag plug to verify.
9. PUH and spot 10 sx plug at surface.
10. ND BOP. Cut off casing 3' below ground level. Install dry hole marker.
11. RDMO workover rig and reverse unit. Restore location.

(CHK PN 890944)

ACCEPTED FOR RECORD

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

14 I hereby certify that the foregoing is true and correct. Name (Printed/Typed) LINDA GOOD	Gerry Guye, Deputy Field Inspector Title: REGULATOR/INSURANCE SPECIALIST NMOCD-District II ARTESIA
Signature <i>Linda Good</i>	Date 08/05/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE		<b>APPROVED</b> Date AUG 6 2008 JAMES A. AMOS SUPERVISOR-EPS
Approved by	Title	
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)



890944

**Benson Shugart WFU 26  
P&A Procedure  
Eddy County, New Mexico**

**Current Wellbore Information:**

**Location:** 1,650' FSL & 330' FEL Sec. 25-T18S-R30E

**Prod. Casing:** 5-1/2", 14# 0-3,450', ID-5.012", Drift-4.887", Burst-3,110 psi

**Tubing:** 2-3/8" tubing set at 3,074'

**PBTD/TD:** 3,670' / 3,800'

**Existing Perfs:**

2,515' – 2,534'	Seven Rivers
3,108' – 3,306'	Penrose
3,330' – 3,406'	Penrose
3,504' – 3,716'	Grayburg

**Procedure**

1. Notify the NMOCD 24 hrs in advance prior to commencing plug and abandonment operations.
2. Test anchors. MIRU workover rig, wireline unit and reverse unit.
3. POH with 3/4" rod string and 1-1/2" pump, LD. ND WH. NU BOP. TOH with 2-3/8" tubing.
4. RIH and set CIBP at 3,450', POH. RIH and dump bail 35' cement on top of CIBP. This will properly abandon the Grayburg perforations.
5. RIH and set CIBP at 3,070', POH. RIH and dump bail 35' cement on top of CIBP. This will properly abandon the Penrose perforations.
6. RIH and set CIBP at 2,500', POH. RIH and dump bail 35' cement on top of CIBP. This will properly abandon the Seven Rivers perforations.
7. RIH with 2-3/8" tubing to 2,465' (PBTD) and circulate hole with salt gel mud containing 9.5 pound brine and 12.5 lbs of gel per barrel.
8. PU and spot 25 sx cement plug with bottom starting at 871' (starting 50' below 8-5/8" casing shoe). PUH and WOC. Tag plug to verify.
9. PUH and spot 10 sx plug at surface.

10. ND BOP. Cut off casing 3' below ground level. Install dry hole marker.

11. RDMO workover rig and reverse unit. Restore location.

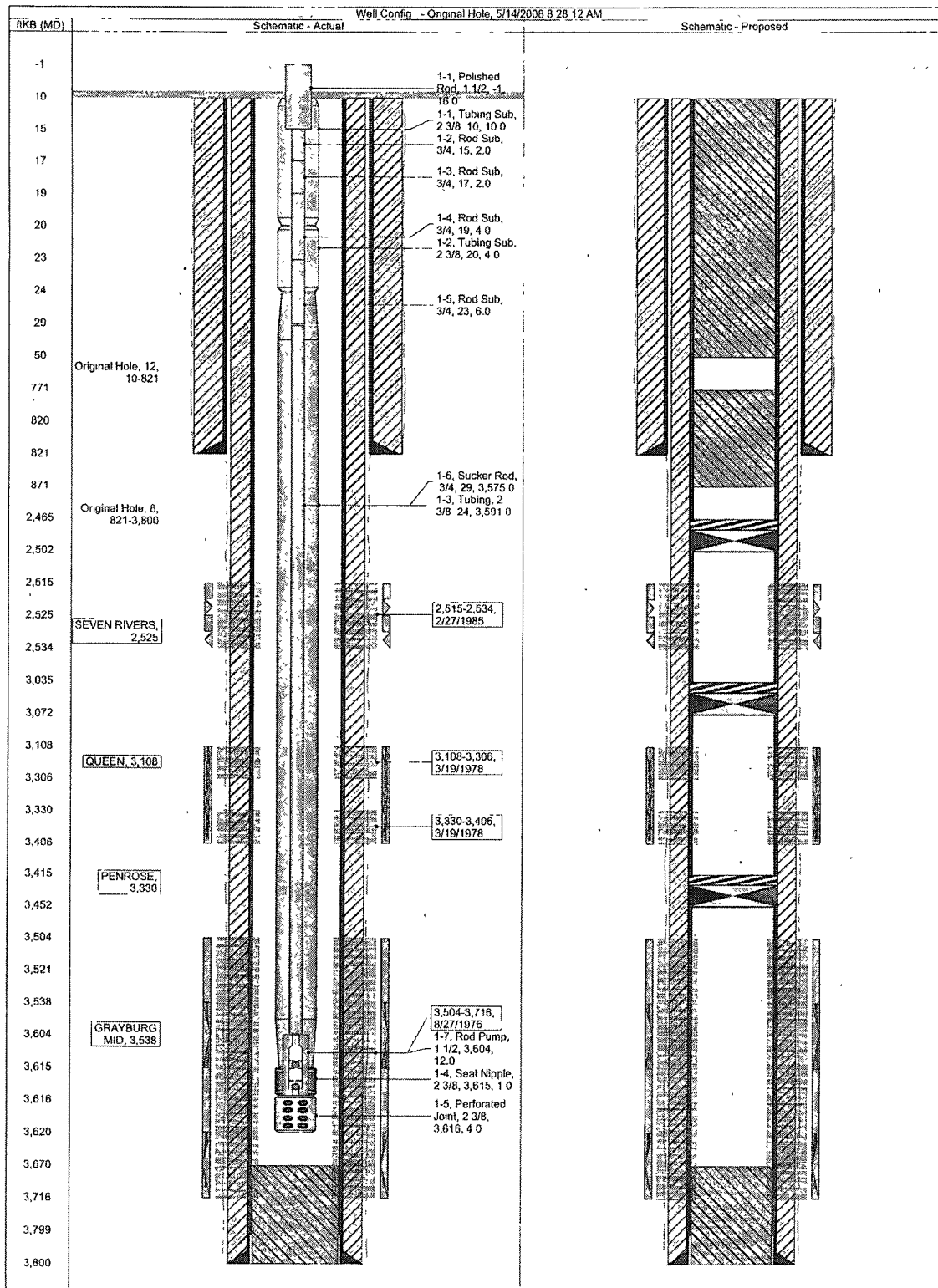


# Proposal for Workover

BENSON SHUGART WFU 26

Field: SHUGART (YATES-SEVEN RIVERS-QUEEN-GRAYBURG)  
County: EDDY  
State: NEW MEXICO  
Location: SEC 25-18S-30E, 1650 FSL & 330 FEL  
Elevation: GL 3,568.00 KB 3,578.00  
KB Height: 10.00 SEC 25, 18S-30E, 1650 FSL & 330 FEL

Spud Date: 8/13/1976  
Initial Compl. Date:  
API #: 3001521426  
CHK Property #: 890944  
1st Prod Date: 9/1/1976  
PBDT: Original Hole - 3670.0  
TD: 3,800.0



Chesapeake Operating, Inc.  
MNM01375A; Benson Shugart WFU #26  
1650 FSL & 330 FEL Sec. 25, T18S-R30E  
Eddy County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

1. OK as is.
2. OK as is.
3. OK as is.
4. OK as is.
5. OK as is.
6. OK as is.
7. OK as is
8. Perforate the 5-1/2" casing @ 1900'. Attempt to squeeze adequate cement to fill 120' in/out of the 5-1/2" casing. WOC and tag no lower than 1780' (covers the base of the salt).
9. Perforate the 5-1/2" casing @ 871'. Attempt to squeeze adequate cement to fill 167' in/out of the 5-1/2" casing. WOC and tag no lower than 704' (covers the top of salt).
10. Perforate the 5-1/2" casing @ 60'. Attempt to circulate cement to surface filling the annulus of the 5 1/2" and filling the inside to surface.

See attached standard COA's.

James A. Amos  
505-234-5909

8/6/08

**BUREAU OF LAND MANAGEMENT  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
575-234-5972**

**Permanent Abandonment of Federal Wells  
Conditions of Approval**

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

**If you are unable to plug the well by the 90<sup>th</sup> day provide this office, prior to the 90<sup>th</sup> day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.**

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet, and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4 feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.