Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED

OMB NO. 1004-0135 Expires. July 31, 2010

Explies, 30
Lease Serial No.
NMNM02862

- 5	Lease Serial No.
	NMNM02862

SUNDRY	NMNM02862					
Do not use thi abandoned wel	6 If Indian, Allottee or Tribe Name					
SUBMIT IN TRI	7 If Unit or CA/Agreement, Name and/or No.					
1. Type of Well ☑ Oil Well ☐ Gas Well ☐ Oth	8 Well Name and No. PLU BIG SINKS 26 FEDERAL 1H					
2. Name of Operator CHESAPEAKE OPERATING,		9 API Well No. 30-015-37031				
3a. Address P.O. BOX 18496 OKLAHOMA CITY, OK 73154 4. Location of Well (Footage, Sec. 7) Sec 26 T24S R30E SWSW 15	ED 009	10 Field and Pool, or Exploratory WILDCAT BONE SPRING 11 County or Parish, and State EDDY COUNTY, NM				
12. СНЕСК АРРГ	Sec 26 T24S R30E SWSW 150FSL 600FWL NOV 11 2009 EDDY COUNTY, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICALE NATURE OF NOTICE, REPORT, OR OTHER DATA					
TYPE OF SUBMISSION TYPE OF ACTION						
Notice of Intent ☐ Subsequent Report ☐ Final Abandonment Notice	☐ Actdize ☐ Alter Casing ☐ Casing Repair ☐ Change Plans ☐ Convert to Injection	Deepen Fracture Treat New Construction Plug and Abandon Plug Back	Reclam	olete carily Abandon	□ Water Shut-Off □ Well Integrity □ Other □ Drilling Operations	
13. Describe Proposed or Completed Op- If the proposal is to deepen directions Attach the Bond under which the wo following completion of the involved testing has been completed Final At- determined that the site is ready for f	cration (clearly state all pertinen ally or recomplete horizontally, it will be performed or provide operations. If the operation respondent performent Notices shall be file	at details, in give subsur the Bond K sults in a mi	cluding estimated startir face locations and meast o on file with BLM/BL altiple completion or rec r all requirements, include	ig date of any pured and true vol. A. Required submitted submitted in a ding reclamation.	proposed work and appro- critical depths of all pertin ibsequent reports shall be new interval, a Form 316 on, have been completed,	nent markers and zones. filed within 30 days 60-4 shall be filed once
ATTN: WESLEY INGRAM SEE ATTACHED FOR						
Per your conversation and email with Yenu: CONDITIONS OF APPROVAL						
The 13-3/8" casing was set at 675' and losses started at 1,010? while drilling 12-1/4" hole. Attempts have been made to cure losses without success. The rig is currently drilling at 3,150' with 10 ? 20 bbls/hr losses. The original plan was to drill to 4,010', set 9-5/8" casing and cement it to surface in a single stage. However, due to the ongoing losses, we propose a two stage cement job to help circulate cement to surface. The DV tool will be installed at 950' (60' above the depth where losses started). The first stage will be cemented with 11 8 ppg, 500 sacks (100% excess) lead slurry and 14.2 ppg, 490 sacks (100% excess) tail slurry. The second stage will be cemented with 11 8 ppg, 200 sacks (200% excess).						

14. Thereby certify t	hat the foregoing is true and correct Electronic Submission #76971 verified For CHESAPEAKE OPERATIN Committed to AFMSS for processing	G. INC.	sent to t	the Carlst	bad			
Name (Printed/Typed) LINDA GOOD			Title SR REGULATORY COMPLIANCE SPEC					
Signature	(Electronic Submission) THIS SPACE FOR FEDERA	Date	11/06/2 STATE		RHR	OVED		
Approved By		Title			MOA	6 2009	1	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		FSLEY V	W. INGRAM		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and will Ally IR O LE LIMING DESCRIPTION of the United States any false. Firstitious or fraudulent statements or representations as to any matter within its jurisdiction.								

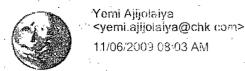
Additional data for EC transaction #76971 that would not fit on the form

32. Additional remarks, continued

cement slurry.

The condition for this proposal per BLM will read that the BLM is to be contacted prior to pumping second stage if first stage does not circulate. BLM is asking for this contact so that they can review the situation and usually request a 6 hour WOC to allow the first stage to harden somewhat so that the entire second stage does not disappear downhole. The Rig will call the P.E.T. on call and they will in turn call Wesley.

(CHK PN 624842)



To "wesley_ingram@nm.blm.gov"
<wesley_ingram@nm.blm.gov>

cc Linda Good < linda.good@chk.com>.

bcc

Subject Cement Properties

Wesley,

Find below the cement properties

Stage 1.

Lead: Density 11 80 lb/gal, Yield 2 56 ft3/sk Tail: Density 14.20 lb/gal, Yield 1.36 ft3/sk

Stage 2:

Lead: Density 11.80 lb/gal, Yield ② 56 ft3/sk

Thanks.

Yemi Aiiiolaiva

Senior Drilling Engineer - Permian Basin Chesapeake Energy Corporation Office (405) 935-6802

Fax: (405) 849-6802 Cell: (405) 625-5468

Email: yemi.ajijolaiya@chk com

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PLU Big Sinks 26 Federal 1H 30-015-37031 Chesapeake Operating, Inc November 6, 2009 Conditions of Approval

1.	The m	inimum required fill of cement behind the 9-5/8 inch intermediate casing is:
\	a.	First stage to DV tool, cement shall:
		Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job. Excess cement per BLM program is 99% - Chesapeake 100%.
	b.	Second stage above DV tool, cement shall:
		Cement to circulate. If cement does not circulate, contact the appropriate BLM office. Excess cement per BLM program is 50% - Chesapeake 200%. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry due to potash.
2.	The m	inimum required fill of cement behind the 5-1/2 inch production casing is:
	a.	First stage to DV tool, cement shall:
		Cement to circulate. If cement does not circulate, contact the appropriate BLM office before proceeding with second stage cement job.
	b.	Second stage above DV tool, cement shall:
		Cement should tie-back at least 200 feet above the DV tool setting depth in the 9-5/8" casing. Operator shall provide method of verification.

WWI 110609