

Form 3160-5  
(February 2005)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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.**5. Lease Serial No.  
NMNM23765

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

## 1. Type of Well

☐ Oil Well ☐ Gas Well ☒ Other SALTWATER DISPOSAL2. Name of Operator  
CHESAPEAKE OPERATING, INC.

ATTN: LINDA GOOD

3a. Address  
P. O. BOX 18496  
OKLAHOMA CITY, OK 73154-04963b. Phone No. (include area code).  
405-935-4275

7. If Unit of CA/Agreement, Name and/or No.

8. Well Name and No.  
PHILLIPS SWD FEDERAL 19. API Well No.  
30-015-2553010. Field and Pool or Exploratory Area  
SWD; DELAWARE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

327 FSL 2068 FEL, SWSE

11. Country or Parish, State  
EDDY CO., NM

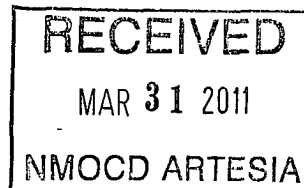
## 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

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 checked="" 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 checked="" type="checkbox"/> Other ADD PERFS AND FRAC
	<input type="checkbox"/> Change Plans	<input 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 recompleat 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 permission to add perfs and frac this well per the attached procedure.

(CHK PN 631381)

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

Accepted for record

NMOC D RT

4/7/11

SUBJECT TO LIKE  
APPROVAL BY STATE

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

Name (Printed/Typed)  
LINDA GOOD

Title SENIOR REGULATORY COMPLIANCE SPECIALIST

Signature

Linda Good

Date 03/25/2011

APPROVED

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

MAR 28 2011

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

WESLEY W. INGRAM  
PETROLEUM ENGINEER

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)

**Phillips Fed 1**  
**Eddy County, New Mexico**  
**Add Additional Perfs and Frac Procedure**

**Date:** March 25, 2011

**Location:** 330' FSL & 2063' FEL Sec. 1-T26S-R29E

**Casing:** 8 5/8" 24# & 32# K-55 0-3,155' ID - 7.921', Drift - 7.796', Burst - 2,950 psi  
5 1/2" 17# J-55 3,023'-5,650' ID - 4.892", Drift - 4.767", Burst - 5,320 psi

**PBTD/TD:** 5,265'/5,650'

**Current Perfs:** Cherry Canyon 5,095-5,150'

**Proposed Perfs:** Cherry Canyon 4,220-4320, 4,525-75', 4,675-4,730'

**Recommended Procedure:**

1. MIRU workover rig. ND WH/NU BOP. POH w/ 2 3/8" IPC tbg and packer.
2. RIH w/ packer on 3 1/2" tbg to 5,000'. Frac perfs 5-095-5,150' w/ 50,000# 20/40 brown sand in X-linked fluid at 25 BPM. POH w/ packer.
3. RU wireline co. Set Composite BP @ 5,000'. Perforate Cherry Canyon 4525-75', 4675-4,730' 1 spf w/ HSC gun.
4. RIH w/ packer on 3 1/2" tbg to 4,400'. Acidize perfs 4525-4730' w/ 5,000 gal 15% NEFE acid dropping 150 perf balls evenly throughout job. Release packer and drop down through perfs and wipe balls off. Pull packer back up 4,400'. Frac perfs w/ 50,000# 20/40 brown sand in X-linked fluid at 25 BPM. POH w/ packer
5. RU wireline co. Set Composite BP @ 4,400'. Perforate Cherry Canyon 4220-75', 4290-4,320' 1 spf w/ HSC gun.
6. RIH w/ packer on 3 1/2" tbg to 4,100'. Acidize perfs 4220-4320' w/ 5,000 gal 15% NEFE acid dropping 150 perf balls evenly throughout job. Pull packer back up 4,100'. Frac perfs w/ 50,000# 20/40 brown sand in X-linked fluid at 25 BPM. POH w/ packer laying down 3 1/2" frac string.
7. RIH w/ 4 3/4" bit and drill collars on tubing. Drill BP's @ 4,400' and 5,000'. Cleanout to PBTD. POH w/ bit laying down 2 7/8" workstring.
8. RIH w/ 2 3/8" plastic lined tbg and 5 1/2" Lock-set packer to 4,200'. Load back side with packer fluid. Set packer and pressure test to 500 psi.
9. ND BOP. NU WH. Rig down.

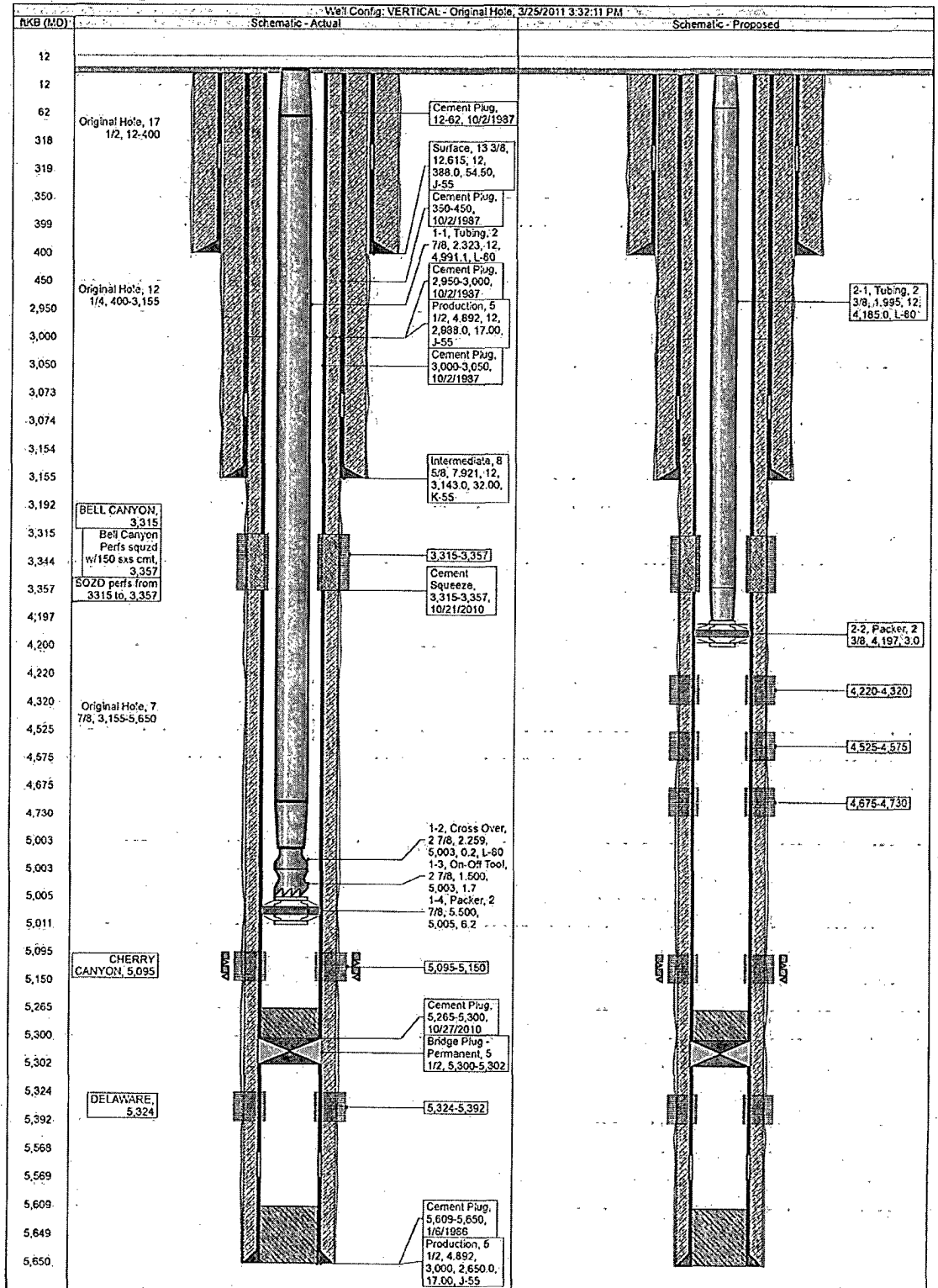


# Proposal for Workover

PHILLIPS SWD FEDERAL 1 RE

Field: Delaware Basin North  
County: EDDY  
State: NEW MEXICO  
Location: SEC 1-26S-29E, 327 FSL & 2068 FEL  
Elevation: GL 3,011.0 KB 3,023.0  
KB Height: 12.0

Spud Date: 1/6/1986  
Initial Compl. Date:  
API #: 3001525530  
CHK Property #: 631381  
1st Prod Date:  
PBTD: Original Hole - 5265.0  
TD: 5,650.0



**Phillips SWD Federal 1  
30-015-25530  
Chesapeake Operating, Inc.  
March 28, 2011  
Conditions of Approval**

- 1. Surface disturbance beyond the originally approved pad must have prior approval.**
- 2. Closed loop system required.**
- 3. A minimum of a 2000 (2M) BOP shall be used. Depending on expected pressure, operator may be using a higher rated system. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.**
- 4. Operator shall perform injection profile surveys with the first one conducted within 6 months of beginning injection and a second one conducted within 18 months of beginning injection. A review of these surveys will determine when additional surveys will be required or if perforations need to be squeezed if the injection appears to be out of zone.**
- 5. The approval by BLM is subject to like approval by the state and shall be obtained prior to beginning work.**
- 6. Notify BLM at 575-361-2822 and NMOCD prior to conducting MIT.**
- 7. Operator shall contact Paul Swartz with the BLM at 575-234-5985 to discuss monitoring systems for the annulus.**

**WWI 032811**