New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

Form 3160-5
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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

5. Lease Serial No.
NMNM68821

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
Paloma "30" Federal #1

2. Name of Operator
Chesapeake Operating, Inc.

9. API Well No.
30-025-36969

3a. Address
P. O. Box 11050 Midland TX 79702-8050

3b. Phone No. *(include area code)*
(432)685-4310

10. Field and Pool, or Exploratory Area
Bell Lake;Morrow Mid

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
660' FNL & 2100' FEL, Sec. 30, T23S, R34E

11. County or Parish, State
Lea
New Mexico

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

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/ Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change Plans Surface Casing
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 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.)

SURFACE CASING REVISED TO INCLUDE PROVISIONS FOR LOST CIRCULATION PROBLEM.

Change surface casing as per attached procedure set @ 800'.

APPROVED
DEC 16 2004
GARY GOURLEY
PETROLEUM ENGINEER

14. I hereby certify that the foregoing is true and correct
Name *(Printed/Typed)*
Brenda Coffman

Title
Regulatory Analyst

Signature
Brenda Coffman

Date
12/10/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	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	

Title 18 U.S.C. Section 1001, makes 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 reverse)

GWW

CHESAPEAKE Operating Inc. 12-9-2004

Paloma 30 Federal # 1, Lea County, NM
CEMENT PROCEDURE as requested by David Delao

REVISED to include provisions for Lost Circulation Problem

Surface Pipe: 13 3/8", 48 # casing in 17 1/2" O.H. to 800'.

Procedure: Test lines to 5000 psi. Pump ZoneLock* spacer ahead to control losses. Mix and pump cement slurry at 4 bpm preferred. Do not wash lines. Drop top plug and displace at 5 bpm, with mud, to float collar. (Slow to 3 bpm as 'middle slurry aproaches the losses zone at 359' in the annulus.) Do not overdisplace. Check floats. Record cement circulated.

Prior to cementing, a ZONELOCK* spacer will be pumped to control slurry leak-off, maximize fill-up and reduce fall-back.

1) Load hole with water if possible
2) pump 10 bbls 9% Calcium Chloride solution (9.5 bbls water with 450 lbs S1)
3) pump 10 bbls fresh water
4) pump 20 bbls 25% by volume ZONELOCK SPACER (4 drums D75 with 640 gal water)
5) pump 10 bbls fresh water
6) pump 10 bbls 9% Calcium Chloride solution
7) shut down, wash up tub, pump and lines to pit
8) pump 20 bbls fresh water – **IMPORTANT!**
9) start lead slurry
10) start middle slurry
11) start tail slurry
12) drop top plug
13) displace

Total Cement Slurry Volume: 800' x 0.6946 ft3/ft x 2.0 = 1111 ft3 with 100% excess average
Shoe Track: 40' x 0.8879 = 35 ft3
1146 ft3 total slurry

Lead: 250' to surface = 250' x 0.6946 ft3/ft x 2.48 = 430 ft3 with 148% excess
155 sks C + 16% D20 Bentonite + 2 pps D42 Kolite + 1.5% D44 salt (bwow) + 0.1 pps D29 Celloflake + 0.2% D46 + D974 CemNET*.

Middle: 560' to 250 = 310' x 0.6946 ft3/ft x 2 = 431 ft3 with 100% excess
267 sks RFC Regulated Fill-up Cement - H + 10% D53 + 2% S1 + 0.1 pps D29 Celloflake.

Tail:
Open Hole: 800' to 560' = 240' x 0.6946 x 1.5 = 250 ft3 slurry with 50% excess
Shoe Track: 40' x 0.8879 = 35 ft3
285 ft3 total
213 sks C + 2% S1+ 0.25 pps D29 Celloflake

continued

		Lead	Middle	Tail
Mix weight, ppg		12.0	14.2	14.8
Yield, ft3/sk		2.78	1.61	1.34
Mix water, gps		16.01	7.97	6.36
Thickening Time, hrs:min		6:00	2:35	3:00
Fluid loss, API,ml		500	400	515
Free Water, ml/250 ml		0.7	0	0.0
Compressive strength, psi, (estimated from previous tests)				
	12 hrs	__ @	150	4 hrs 500 psi @ 83 F
	24 hrs	335 @ 87 F	400@ 80 F	12 hrs 1200
	72 hrs	526		24 hrs 2200

Rheological Data	80 F	80 F	80 F
300 RPM	29	-	88
200	25	-	76
100	21	-	61
60	19	-	54.5
30	17	-	48
6	15	-	31.5
3	14	-	20.5

Mix water volumes should be confirmed at final job set-up. If changes to these procedures such as modified cement systems, significant change in volumes, etc. are made due to well conditions, reasons should be noted on Schlumberger's treating report and the drilling report.

Service will be from Schlumberger's Hobbs NM. District where Ish De La Rosa is Cement Field Service Manager, with **dispatcher** at 505/ **393-6186**.

George Lange
Schlumberger Oilfield Services
MIDLAND, TEXAS
432/ 571-4632