

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED  
OMB NO 1004-0135  
Expires: July 31, 2010SUNDRY 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.*SEP 17 2008  
HOBBS, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No NMNM112940
2. Name of Operator CHESAPEAKE OPERATING, INC.		6. If Indian, Allottee or Tribe Name
3a. Address P.O. BOX 18496 OKLAHOMA CITY, OK 73154-0496		7. If Unit or CA/Agreement, Name and/or No
3b. Phone No. (include area code) Ph: 405-767-4275		8. Well Name and No BRININSTOOL 25 FEDERAL 1
4. Location of Well (Footage Sec. T R M. or Survey Description) Sec 25 T23S R33E SENE 1980FNL 660FEL Unit H		9. API Well No 30-025-37582
		10. Field and Pool, or Exploratory PALOMA BLANCO Bell Lake Atoka
		11. County or Parish, and State LEA 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"/> 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 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.)

CHESAPEAKE, RESPECTFULLY, REQUESTS PERMISSION TO PLUG & ABANDON THIS WELL UNDER THE FOLLOWING PLUGGING PROCEDURE.

PLEASE FIND THE ATTACHED PLUGGING PROCEDURE AND WELLBORE SCHEMATIC.

1. NOTIFY THE BLM 24 HRS IN ADVANCE PRIOR TO COMMENCING PLUG AND ABANDONMENT OPERATIONS.

CURRENT WELLBORE INFORMATION  
SURFACE CASING (13-3/8" 48#, H40, STC, 0-865')  
INTERMEDIATE CASING (9 5/8", 40#, J55' LTC, 0-5,127')  
PRODUCTION CASING (7", 26#, P110, LTC, 0-11,908')  
PRODUCTION LINER (4 1/2", 13 5#, P110, LTC, 0-14,033')  
GL: 3,626' KB: 26' KB Height: 3,652' TD: 14,040'

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL

APPROVED

SEP 13 2008

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

Electronic Submission #62923 verified by the BLM Well Information System  
For CHESAPEAKE OPERATING, INC., sent to the HobbsJAMES A. AMOS  
SUPERVISOR-EPS

Name (Printed/Typed) LINDA GOOD

Title REGULATORY COMPLIANCE SPEC.

Signature (Electronic Submission)

Date 09/10/2008

## THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

OC FIELD REPRESENTATIVE II/STAFF MANAGER

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

SEP 22 2008

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

\*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\*

**Additional data for EC transaction #62923 that would not fit on the form**

**32. Additional remarks, continued**

2. TEST ANCHORS
3. RACK AND TALLY 366 JOINTS OF N-80 2 7/8" TBG
4. MIRU PULLING UNIT ND WELLHEAD. NU BOP. TOOH W/TBG
5. FILL 4 1/2" CASING WITH SALT GEL MUD CONTAINING 9.5 POUND BRINE AND 12.5 LBS OF GEL PER BARREL.
6. PERFORATE 4 1/2" CASING WITH 4 SQUEEZE HOLES @ 8,042' (DV TOOL PLUG) AND SQUEEZE WITH ADEQUATE CEMENT TO FILL FROM 7,862' - 8,042' WOC AND TAG PLUG TO VERIFY.
7. PERFORATE 4 1/2" CASING WITH 4 SQUEEZE HOLES @ 5,220' (BOTTOM OF SALT AND DELAWARE PLUG) ND SQUEEZE WITH ADEQUATE CEMENT TO FILL FROM 5,068' - 5,220' WOC AND TAG PLUG TO VERIFY.
8. PERFORATE 4 1/2" CASING WITH 4 SQUEEZE HOLES @ 2,170' AND SQUEEZE WITH ADEQUATE CEMENT TO FILL FROM 2,058' - 2,170' WOC AND TAG PLUG TO VERIFY.
9. PERFORATE 4 1/2" CASING WITH 4 SQUEEZE HOLES @ 1,328' (TOP OF SALT PLUG) AND SQUEEZE WITH ADEQUATE CEMENT TO FILL FROM 1,215' - 1,328' WOC AND TAG PLUG TO VERIFY.
10. PERFORATE 4 1/2" CASING WITH 4 SQUEEZE HOLES @ 70' CIRC CMT INSIDE AND OUT TO SURFACE. POH W/TBG. TOP OFF CASING W/CEMENT
11. ND BOP. CUT OFF 4 1/2", 7", 9 5/8" AND 13 3/8" CASINGS 3' BELOW GROUND LEVEL
12. RDMO. INSTALL DRY HOLE MARKER AND CUT OFF DEAD MAN RESTORE LOCATION.

NOTE - ALL PLUGS ARE 100? LBS PLUS 10% PER 1000' OF DEPTH

(CHK PN 891660)

Brininstool 25 Fed 1  
Plug and Abandonment  
Lea County, NM

Plug and Abandonment Procedure

1 Notify the BLM 24 hrs in advance prior to commencing plug and abandonment operations.

Current Wellbore Information

Surface Casing (13-3/8", 48#, H40, STC, 0-865')

Intermediate Casing (9-5/8", 40#, J55, LTC, 0-5,127')

Production Casing (7", 26#, P110, LTC, 0-11,908')

Production Liner (4-1/2", 13.5#, P110, LTC, 0-14,033')

GL: 3,626' KB: 26' KB Height: 3,652' TD: 14,040'

2. Test anchors

3 Rack and tally 366 joints of N-80 2-7/8" tbg.

4. MIRU pulling unit. ND wellhead NU BOP. TOOH w/ tbg

5 Fill 4-1/2" casing with salt gel mud containing 9.5 pound brine and 12.5 lbs of gel per barrel.

6 Perforate 4-1/2" casing with 4 squeeze holes @ 8,042' (DV tool plug) and squeeze with adequate cement to fill from 7,862' – 8,042'. WOC and tag plug to verify.

7. Perforate 4-1/2" casing with 4 squeeze holes @ 5,220' (Bottom of Salt and Delaware Plug) and squeeze with adequate cement to fill from 5,068' – 5,220'. WOC and tag plug to verify.

8. Perforate 4-1/2" casing with 4 squeeze holes @ 2,170' and squeeze with adequate cement to fill from 2,058' – 2,170'. WOC and tag plug to verify.

9 Perforate 4-1/2" casing with 4 squeeze holes @ 1,328' (Top of salt plug) and squeeze with adequate cement to fill from 1,215' – 1,328'. WOC and tag plug to verify.

10 Perforate 4-1/2" casing with 4 squeeze holes @ 70'. Circ cmt inside and out to surface. POH w/ tbg. Top off casing w/ cement.

11. ND BOP. Cut off 4-1/2", 7", 9-5/8" and 13-3/8" casings 3' below ground level.

12. RDMO. Install dry hole marker and cut off dead man. Restore location.

Note – All plugs are 100' plus 10% per 1000' of depth.

Contacts

Workover Foreman

Lynard Barrera

Office: 575-391-1462

Cell: 575-631-4942

Asset Manager

Kim Henderson

Office: 405-879-8583

Cell: 405-312-1840

Production Foreman

Melvin Harper

Office: 575-391-1462

Cell 505-631-5348

Field Engineer

Doug Rubick

Office: 575-391-1462

Cell: 575-441-7326

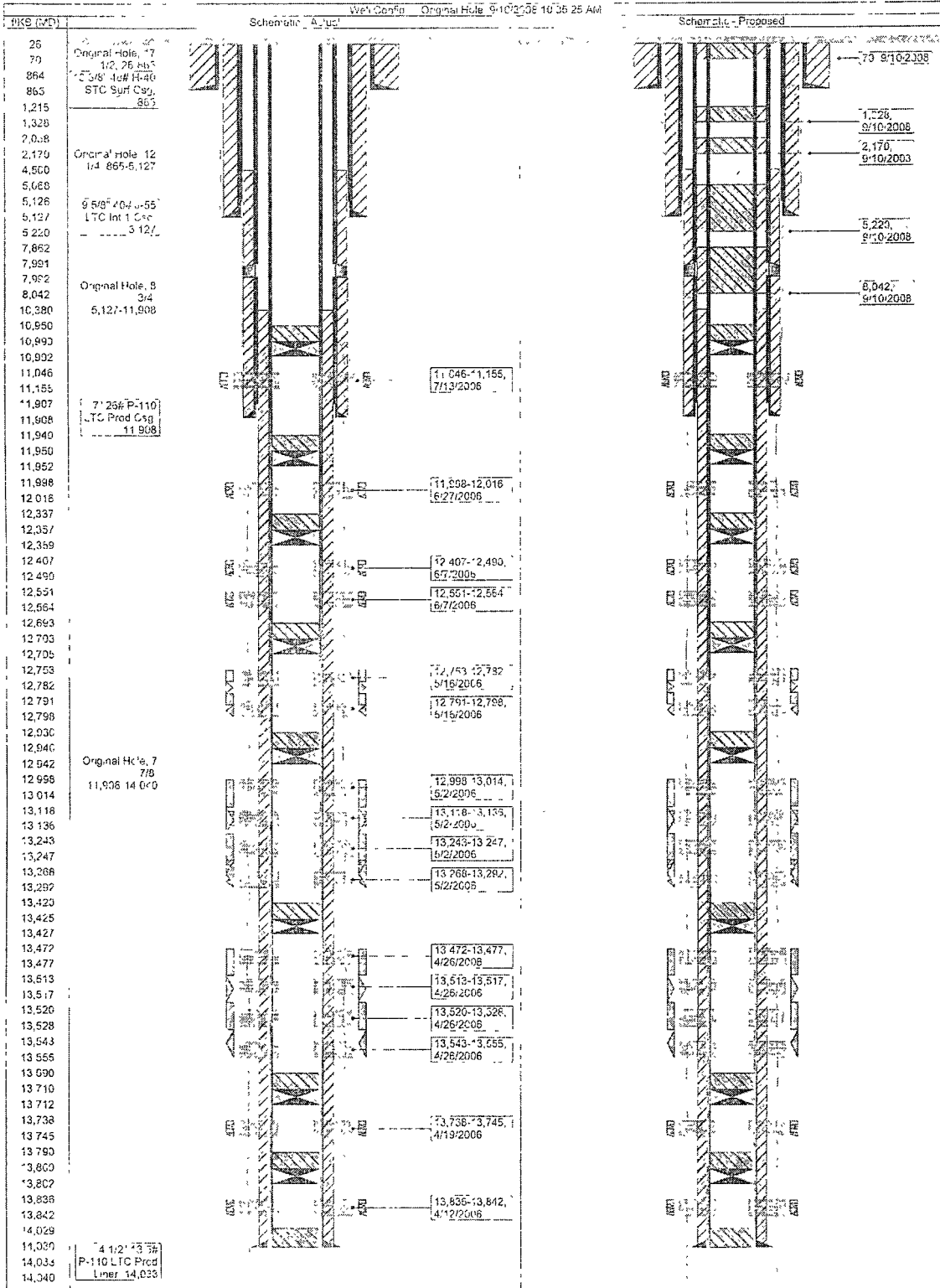
Chesapeake

Proposal - Workover

BRININSTOOL 25 FEB 1

Field: Bell Lake (Morrow) Grama Ridge Project Area  
 County: LEA  
 State: NEW MEXICO  
 Location: SEC 25-23S-33E, 1980 FNL & 660 FEL  
 Elevation: GL 3,626.00 KB 3,652.00  
 KB Height: 26.00

Spud Date: 1/29/2006  
 Initial Compl. Date:  
 API #: 3002537582  
 CHK Property #: 819660  
 1st Prod Date: 5/18/2006  
 PBTD: Original Hole - 10950.0  
 TD: 14,040.0



Chesapeake Operating, Inc.  
NMNM112940; Brininstool 25 Federal 1  
1980' FNL & 660' FEL  
Section 25, T. 23 S., R. 33 E.  
Lea County, New Mexico

RE: Plug and Abandonment Conditions of Approval:

TOC calculated/estimated to be @ 10,380' behind the 4-1/2" production liner and 4,500' behind the 7" casing. The BLM strongly encourage you to cut and pull the casings. This will enable a better plugging operation by reducing the perforating and squeezing, WOC time for tagging, not to mention the value of the recovered casing.

Approved procedure with casing removal:

1. Cut/pull 4-1/2" casing @ 8,775'.
2. Spot a balanced plug across the stub from 8,825' - 8,645' (stub plug and top of Bone Spring formation). WOC and tag no lower than 8,645'.
3. Spot a balanced plug from 8,042' - 7,862' (covers DVT).
4. Spot a balanced plug from 5,220' - 5,070' (covers 9-5/8" shoe). WOC and tag no lower than 5,070'.
5. Cut/pull 7" casing @ 4,500+/-.
6. Spot a balanced plug across the stub from 4,550' - 4,400'. WOC and tag no lower than 4,400'.
7. Spot a balanced plug from 1,328' - 1,228' (top of salt). WOC and tag no lower than 1,228'.
8. Spot a balanced plug from 915' - 815' (13-3/8" shoe). WOC and tag no lower than 815'.
9. Spot surface plug at 70' to surface.

Approved procedure without removing casing:

1. Perforate 4-1/2" casing @ 8,825' and squeeze adequate cmt to fill from 8,825' - 8,645' (top of Bone Spring). WOC and tag no lower than 8,645'.
2. Perforate 4-1/2" casing @ 8,042' and squeeze adequate cmt to fill from 8,042' - 7,862' (covers the DVT). WOC and tag no lower than 7,862'.
3. Perforate 4-1/2" casing @ 5,220' and squeeze adequate cmt to fill from 5,220' - 5,070' (covers 9-5/8" shoe). WOC and tag no lower than 5,070'.
4. Perforate 4-1/2" and 7" casings @ 2,170' and squeeze adequate cmt to fill from 2,170' - 2,050'. WOC and tag no lower than 2,050'.
5. Perforate 4-1/2" and 7" casings @ 1,328' and squeeze adequate cmt to fill from 1,328' - 1,228' (top of salt). WOC and tag no lower than 1,228'.
6. Perforate 4-1/2" and 7" casings @ 915' and squeeze adequate cmt to fill from 915' - 815' (13-3/8" shoe). WOC and tag no lower than 815'.
7. Perforate 4-1/2" and 7" casings @ 70' and circulate to surface in/out of all casings.

Review procedure, if you have any questions, feel free to call. Jim Amos at 505-234-5909

**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.