Form 3160-5
(August 2007)

LOC

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO 1004-0135
Expires July 31, 2010

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
NMNM95630

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.
CROW FLATS 14 16 28 USA 2H

2 Name of Operator
CHESAPEAKE OPERATING INC
Contact: LYNDEE SONGER
E-Mail: lyndee.songer@chk.com

9. API Well No
30-015-39945

3a Address
PO BOX 18496
OKLAHOMA CITY, OK 73154-0496

3b. Phone No. (include area code)
Ph: 405-935-2411

10. Field and Pool, or Exploratory
WOLFCAMP

4 Location of Well (*Footage, Sec., T., R., M., or Survey Description*)
Sec 14 T16S R28E Mer NMP SWNW 1980FNL 10FWL

11 County or Parish, and State
EDDY COUNTY, NM

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 to Original APD
	☐ 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 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 REQUESTS PERMISSION TO CHANGE THE RIG, DRILLING PROGRAM, AND TO USE COFLEX HOSE FROM BOP STACK TO CHOKE MANIFOLD.

THE RIG WILL BE CHANGING FROM THE PATTERSON 62 TO THE CACTUS 120 (RIG PLAT ATTACHED)

HOSE IS RATED TO 10,000 PSI AND TESTED TO 15,000 PSI AND WILL BE USED WITH A 5,000 PSI WORKING PRESSURE SYSTEM. (MANUFACTURER TEST FORM ATTACHED)

THE CASING PROGRAM WILL BE REPLACING 7" INTERMEDIATE CASING AND 4 1/2" PRODUCTION CASING (FULL STRING TO SURFACE). ATTACHED IS THE DRILLING PROGRAM WITH CHANGES HIGHLIGHTED.

(CHK PN 615831)

Engineering Reviewed 3/27/12 CRW **SEE ATTACHED FOR CONDITIONS OF APPROVAL** Tanner Nygren 3/27/12

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

Electronic Submission #133580 verified by the BLM Well Information System
For CHESAPEAKE OPERATING INC, sent to the Carlsbad
Committed to AFMSS for processing by KURT SIMMONS on 03/22/2012 ()

Name (*Printed/Typed*) LYNDEE SONGER — Title REGULATORY COMPLIANCE ANALYST

Signature (Electronic Submission) — Date 03/21/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

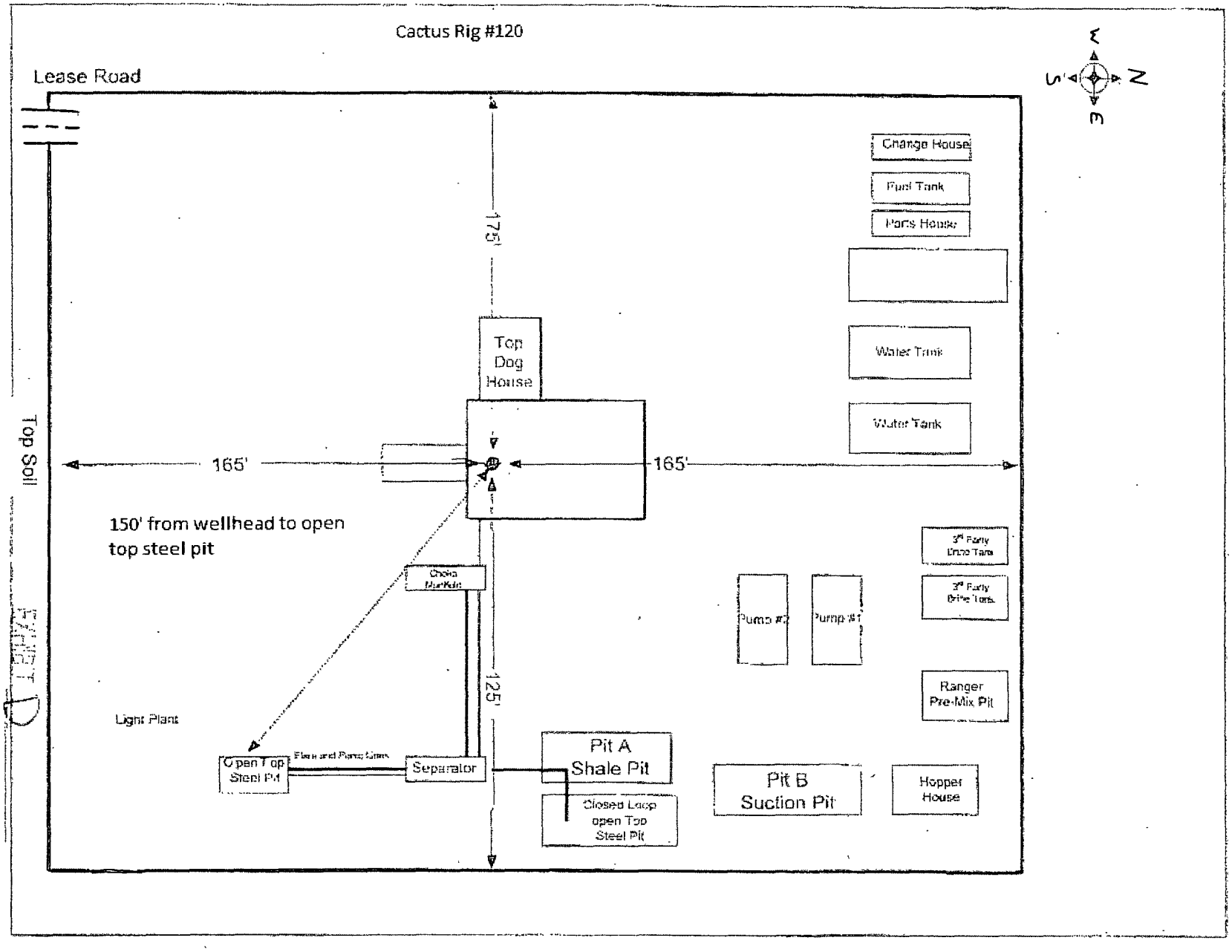
Approved By — Title — Date MAR 28 2012

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 CARLSBAD FIELD 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.

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


Cactus Rig #120
Lease Road
N
S
E
W
Change House
Fuel Tank
Parts House
Top Dog House
Water Tank
Water Tank
175'
165'
165'
125'
Top Soil
150' from wellhead to open top steel pit
Choke Manifold
Pump #2
Pump #1
3rd Party Drlg Tank
3rd Party Drlg Tank
Ranger Pre-Mix Pit
Light Plant
Open Top Steel Pit
Separator
Pit A Shale Pit
Closed Loop open Top Steel Pit
Pit B Suction Pit
Hopper House

C. Minimum Requirements

1. The accumulator should be of sufficient volume to supply 1.5 times the volume to close and hold all BOP equipment in sequence, without recharging and the pump turned off, and have remaining pressures of 200 psi above the precharge pressure.
2. Minimum precharge pressures for the various accumulator systems per manufacturers recommended specifications are as follows:

System Operating Pressure	Precharge Pressure
1500 psi	750 psi
2000 psi	1000 psi
3000 psi	1000 psi

3. Closing times for the annular preventer should be less than 20 seconds and for the ram-type preventers less than 10 seconds.
4. System recharge time should not exceed 10 minutes.

D. Test Procedure

1. Shut accumulator pumps off and record accumulator pressure.
2. In sequence, close the annular and one set of properly sized pipe rams, and open the HCR valve
3. Record time to close or open each element and the remaining accumulator pressure after each operation.
4. Record the remaining accumulator pressure at the end of the test sequence. Per the previous requirement, this pressure should not be less than the following pressures:

System Operating Pressure	Remaining Pressure After Test
1500 psi	950 psi
2000 psi	1200 psi
3000 psi	1200 psi

5. Turn the accumulator pumps on and record the recharge time. This time should not exceed 10 minutes.
6. Open annular and ram-type preventers. Close HCR valve.
7. Place all 4-way control valves in full open or full closed position. Do not leave in neutral position.

3. CASING PROGRAM

a. The proposed casing program will be as follows:

Purpose	From	To	Hole Size	Csg Size	Weight	Grade	Thread	Condition
Surface	0'	350'	17-1/2"	13-3/8"	48 #	H-40	STC	New
Shallow Intermediate	0'	2,000'	12-1/4"	9-5/8"	40 #	J-55	LTC	New
Production	0'	11,237'	8-3/4"	5-1/2"	20.0 #	L-80	LTC	New

b. Casing design subject to revision based on geologic conditions encountered.

c. Casing Safety Factors

Casing String	Min SF Burst	Min SF Collapse	Min SF Tension
Surface	1.44	5.68	1.65
Shallow Intermediate	1.63	2.97	2.33
Production	1.27	2.53	2.38

Min SF is the smallest of a group of safety factors that include the following considerations:

	Surf	Int	Prod
Burst Design			
Pressure Test- Surface, Int, Prod Csg P external: Water P internal: Test psi + next section heaviest mud in csg	X	X	X
Displace to Gas- Surf Csg P external: Water P internal: Dry Gas from Next Csg Point	X		
Frac at Shoe, Gas to Surf- Int Csg P external: Water P internal: Dry Gas, 15 ppg Frac Gradient		X	
Stimulation (Frac) Pressures- Prod Csg P external: Water P internal: Max inj pressure w/ heaviest injected fluid			X
Tubing leak- Prod Csg (packer at KOP) P external: Water P internal: Leak just below surf, 8.7 ppg packer fluid			X
Collapse Design			
Full Evacuation P external: Water gradient in cement, mud above TOC P internal: none	X	X	X
Cementing- Surf, Int, Prod Csg P external: Wet cement P internal: water	X	X	X
Tension Design			
100k lb overpull	X	X	X

5. CEMENTING PROGRAM

Slurry	Type	Top	Btm	Wt	Yld	%Exc	Sx
Surface				(ppg)	(sx/cu ft)	Open Hole	
Single Slurry	C + 4% Gel	0'	350'	13.5	1.73	150	341
Shallow Int							
Lead	TXI + 5% Salt	0'	1,500'	12	1.8	150	569
Tail	50C/50Poz +5% Salt	1,500'	2,000'	14.2	1.37	150	300
Production							
Lead	35/65Poz H +8% Gel	1,500'	6,106'	11.9	2.52	75	772
Tail	50/50Poz H +2% Gel	6,106'	6,856'	14.5	1.27	75	267

1. Final cement volumes will be determined by caliper.
2. Surface casing shall have at least one centralizer installed on each of the bottom three joints starting with the shoe joint.
3. Open hole packers and production casing will be left uncemented from TD of 11,237' to 6,856' and the rest of the production casing will be cemented using a stage tool from 6,856' to 1,500'.
4. Production casing will have one centralizer on every other joint from the stage tool to KOP (horizontal type) and from KOP to intermediate casing (bowspring type).

Pilot Hole Plugging Plan:
No pilot Hole

MIDWEST

HOSE AND SPECIALTY INC.

INTERNAL HYDROSTATIC TEST REPORT		
Customer: CACTUS		**P.O. Number:** ASSET#M10712
HOSE SPECIFICATIONS		
Type: CHOKE & KILL		**Length:** 35'
I.D. 4" *INCHES*		**O.D.** 8" *INCHES*
WORKING PRESSURE 10,000 *PSI*	**TEST PRESSURE** 15,000 *PSI*	**BURST PRESSURE** *PSI*
COUPLINGS		
Type of End Fitting E4.0X64WB		
Type of Coupling: 4 1/16 10K FLANGE		
PROCEDURE		
Hose assembly pressure tested with water at ambient temperature		
TIME HELD AT TEST PRESSURE 1 *MIN.*		**ACTUAL BURST PRESSURE:** 0 *PSI*
COMMENTS: ASSET#M10712		
Date: 9/29/2010	**Tested By:** BOBBY FINK	**Approved:** MENDI JACKSON

Co-Flex line
Conditions of Approval

Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. **Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review**. If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).