

N.M. Oil Cons. DIV-Dist. 2

1301 W. Grand Avenue

Artesia, NM 88210

Form 3160-5
(April 2004)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.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

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

2. Name of Operator CHESAPEAKE OPERATING, INC. ATTN: LINDA GOOD

3a. Address P. O. BOX 18496, OKLAHOMA CITY, OK 73154-0496
3b. Phone No. (include area code) 405-767-4275

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

2310 FSL & 2160 FWL, NESW, SEC 30-T18S-R31E

5. Lease Serial No.

NMNM-29387D

LC 029387D

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Benson Shugart WFL #39. API Well No.
30-015-1036910. Field and Pool, or Exploratory Area
Shugart

11. County or Parish, State

Eddy County, New Mexico

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

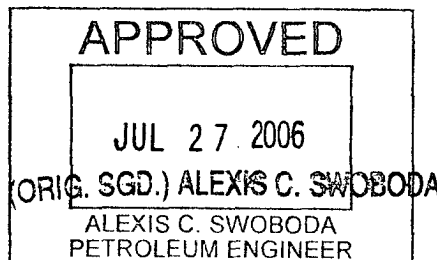
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 recompleat 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, request verbal permission to plug & abandoned this well per the attached plugging procedure.

I will overnight the original and 5 copies today.

BLM NATIONWIDE BOND #NM2634.



(CHK PN 890869)

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

LINDA GOOD

Title PERMITTING AGENT

Signature

Linda Good

Date

07/24/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

Office

Accepted for record - NMOC

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)

**Benson Shugart WFU 34
Plug and Abandonment Procedure
7-24-2006
Eddy County, New Mexico**



1. Notify the BLM and/or NMOCD 24 hrs in advance prior to commencing plug and abandonment operations.
2. MIRU Well Service Unit. ND wellhead. NU BOP. POOH with tubing and packer.
3. Set a CIBP at 3330'. Bail 2 - 3 sxs of cement on the CIBP (35' minimum on plug).
4. TIH w/ 2 3/8" OE tubing to PBTD ~ 3295'. Circulate 5 1/2" casing with salt gel mud containing 9.5 pound brine and 25 lbs of gel per barrel. POOH with tubing.
5. RU wireline service unit. Perforate 4 squeeze holes at 2110'.
6. RIH with tubing. Spot a 50 sx Class "C" Neat cmt plug at 2110'. Pull tubing above cement, reverse with salt gel mud, then displace 25 sx into squeeze holes. Shut in for 4 hrs and tag top of cement. Spot additional cement if needed. POOH.
7. Perforate 4 squeeze holes at base of salt at 1835'. Spot a 50 sx Class "C" Neat cmt plug at 1835'. Pull tubing above cement, reverse with salt gel mud, then displace 25 sx into squeeze holes. Shut in for 4 hrs and tag top of cement. Spot additional cement if needed. POOH.
8. Perforate 4 squeeze holes at base of surface casing at 810'. Establish circulation and cement squeeze to surface. Displace with salt gel mud. Leave a minimum of 50' of cement above shoe depth of 788'. WOC. Tag to verify plug in place.
9. Spot 60' Class "C" Neat cmt plug from 63-3'.
10. ND BOP. Cut off 8 - 5/8" and 5-1/2" casings 3' below Ground Level.
11. Weld on an ID plate. RD and release Well Service Unit. Restore location.

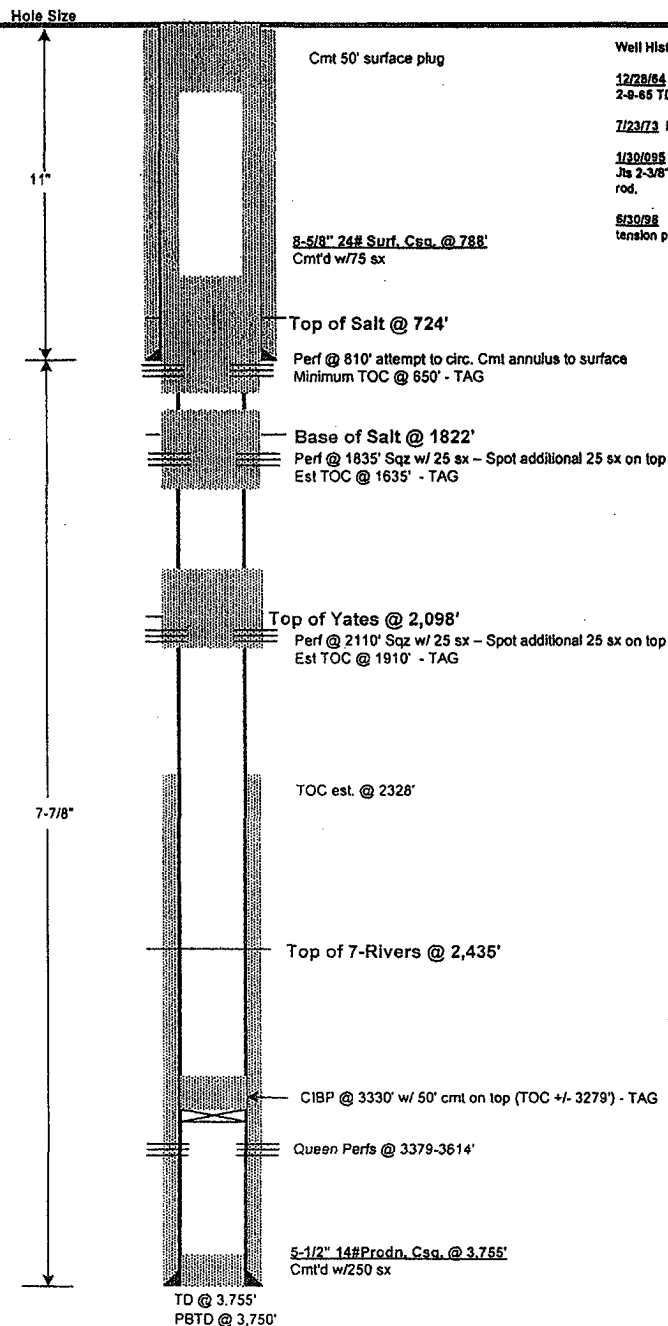
CURRENT WELLBORE SCHEMATIC

CHESAPEAKE OPERATING INC.

WELL : BENSON SHUGART WFU #34 P&A
 LOCATION : 2,310' FSL & 2,160' FWL, SEC. 30-18S-31E
 COUNTY : EDDY STATE : NM
 FIELD : SHUGART (YATES-SEVEN RIVERS-QUEEN-GRAYBURG)
 ELEVATION : 3,595' GR DF 3598.5 KB (unk)
 API : 30-015-10369



SPUD DATE: 12/28/64
 COMPL. DATE: 02/15/65
 CHK #: 890869



PREPARED BY: Renee Thomas
 UPDATED BY: _____

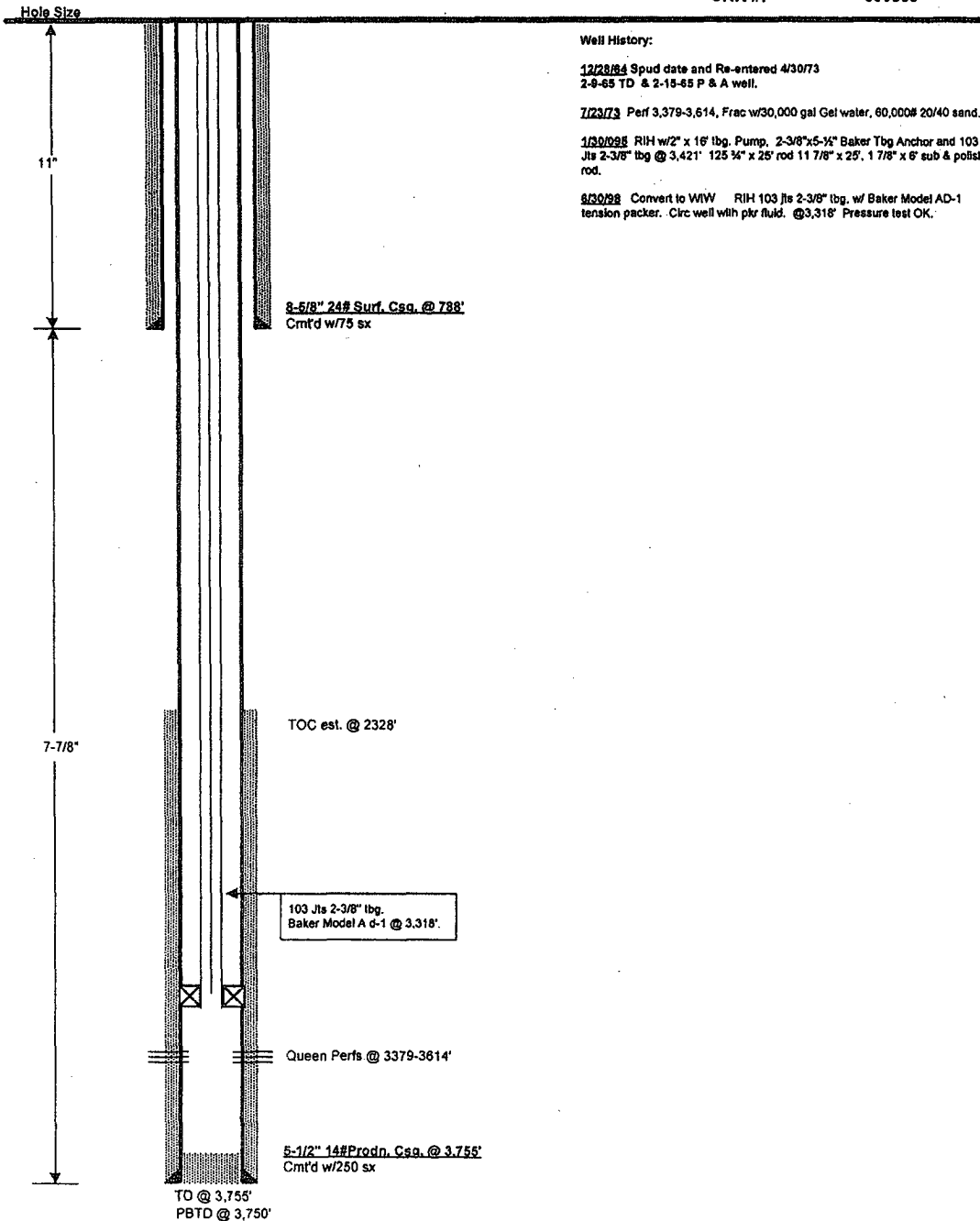
DATE: 11/01/04 AJM
 DATE: _____

CURRENT WELLBORE SCHEMATIC CHESAPEAKE OPERATING INC.



WELL : BENSON SHUGART WFU #34 (Injection)
 LOCATION : 2,310' FSL & 2,160' FWL, SEC. 30-18S-31E
 COUNTY : EDDY STATE : NM
 FIELD : SHUGART (YATES-SEVEN RIVERS-QUEEN-GRAYBURG)
 ELEVATION : 3,595' GR DF 3598.5 KB (unk)
 API : 30-015-10369

SPUD DATE: 12/28/64
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PREPARED BY: Renee Thomas

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