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OCD-ARTESIA

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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.

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

5. Lease Serial No.

NMNM-17224

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

Queen Lake 19 Federal 1

9. API Well No.

30-015-24292

10. Field and Pool, or Exploratory Area

Pierce Crossing

11. County or Parish, State

Eddy County, New Mexico

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)

1950 FNL & 1980 FEL, NWNE, Section 19, T24S, R29E

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

TYPE OF SUBMISSION

TYPE OF ACTION



Notice of Intent



Subsequent Report



Final Abandonment Notice



Acidize



Alter Casing



Casing Repair



Change Plans



Convert to Injection



Deepen



Fracture Treat



New Construction



Plug and Abandon



Plug Back



Production (Start/Resume)



Reclamation



Recomplete



Temporarily Abandon



Water Disposal



Water Shut-Off



Well Integrity



Other

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, respectfully, request permission to temporarily abandoned this well. We are going to lay out the pump, rods, and tubing, then set a CIBP @ 4875'. We will bail 2 sx of cmt on the plug. The well will be MIT'd and charted to ~300 psi for 30 minutes. We are requesting 12 months to evaluate this well for any additional potential or utility.

500

Wellbore Schematic attached.

Approved for MIT.

Accepted for record  
NMOCD

SEE ATTACHED FOR  
CONDITIONS OF APPROVAL



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

Name (Printed/Typed)

LINDA GOOD

Title PERMITTING AGENT

Signature

Linda Good

Date

11/10/2006

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

Office

Date

NOV 15 2006

WESLEY W. INGRAM

PERMITTING 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 State any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

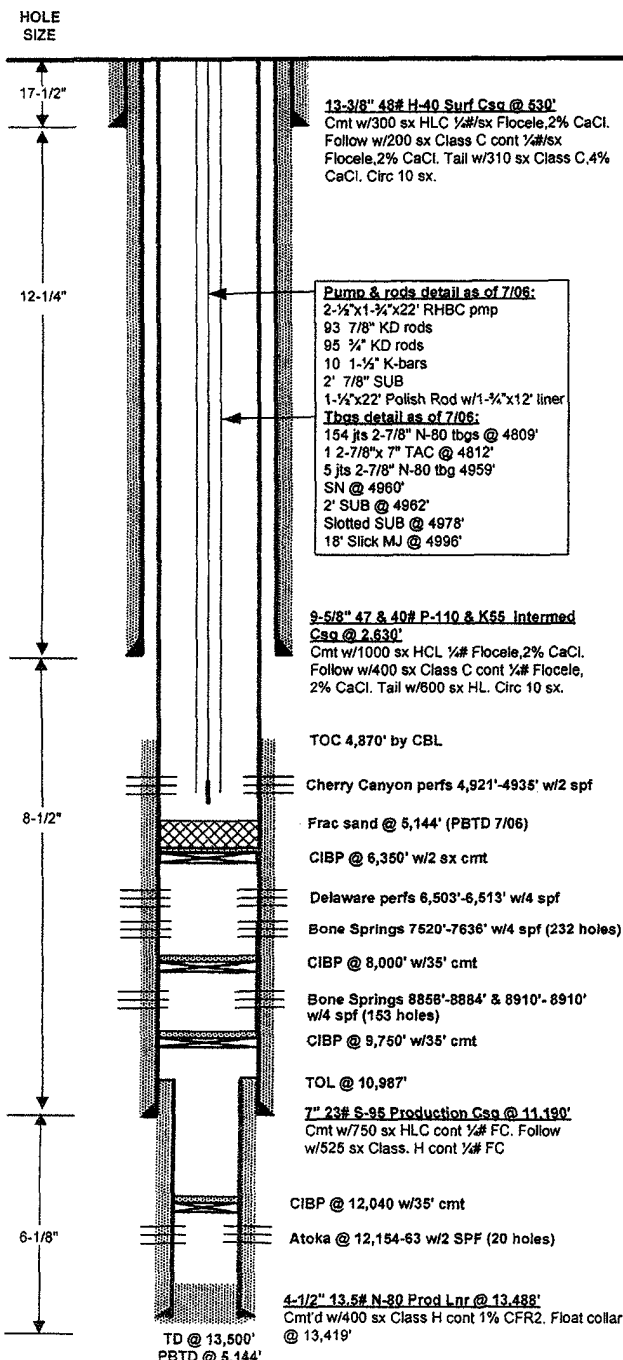
# CURRENT WELLBORE SCHEMATIC CHESAPEAKE OPERATING INC.



WELL : QUEEN LAKE 19 FED #1  
FIELD : PIERCE CROSSING  
LOCATION : 1,950' FNL & 1,980' FEL, SEC. 19-T24S-R29E  
COUNTY : EDDY STATE : NM  
ELEVATION : GL - 2,956' RKB - 2,976'



API #: 30-015-24292  
SPUD DATE: 10/20/82  
COMPLETION DATE: 12/30/82  
LAST RECOMPLETION DATE: 08/10/99  
CHK PN: 819238



## WELL HISTORY:

10/21/82: Spud well.  
11/21/82: Logged well.  
12/30/82: Atoka perms @ 12,154'-12,163'.  
12/31/82: Acdz Atoka perms 12154'-12163' w/4500 gal 15%  
BDA w/30 BS. Flush w/ FW.  
12/8/90: Set CIBP @ 12040' w/35' cmt. RIH w/7" 23# CIBP  
set @ 9750' cap w/35'.  
12/10/90: Bone Spring perms @ 8856'-84' and 8900'-10'.  
12/12/90: Acdz BS perms 8856'-8910' w/2100 gal 7.5% HCL  
w/additives w/200 BS. Flush w/55 bbl 2% KCL.  
12/14/90: Frac BS perms 8856'-8910' w/80,000# 16/30  
westprop lite, 100 tons of CO2 & 40# gel. Flush w/2% KCL  
slick wtr.  
4/27/95: Set CIBP @ 8000' cap w/35' cmt. Bone Spring per  
@ 7630'-36', 7612'-16', 7602'-08', 7586'-96', 7570'-82', 7520  
40'.  
4/29/95: Frac BS perms 7520'-7636' w/ 1641 bbls Viking I-30  
gel & 200,640# 20/40 Ottawa sn.  
8/3/99: Delaware perms @ 6503'-6513'. Acdz w/1500 gals  
7.5% NEFE.  
8/4/99: Frac Delaware perms w/10,000 gal Medallion 3000  
pad w/sn concentration 1 ppg to 6 ppg. Finish w/15000# rosi  
coated 16/30 sn.  
1/17/00: Pmp change.  
1/29/03: Rod part.  
2/19/05: Pmp change. TAC @ 5839'.  
5/17/05: Pmp 2000 gals 15% NEFE acid w/2750# rock salt.  
RIH w/swab 6 runs. Flush w/100 bbl 2% KCL, RD  
Cudd. Replace 102 B/O rods.  
7/19/05: Clean out paraffin from surface to 6000'. Sent pmp  
for repair.  
12/28/05: Install beam gas compressor.  
1/17/06: RIH w/exchange pmp & new 7/8" rods.  
4/3/06: Tbg leak. Clean out paraffin from 6000' to surface.  
RIH w/exchane pmp and rods.  
8/28/06: RIH, set CIBP @ 6,470', bail 1 sk cmt on plug,  
attempt to load w/ brine water, pump 30 bbls.  
8/30/06: Isolate csg leak between 6356'-6389'.  
7/5/06: RIH w/ 7" CIBP, set @ 6,350', load hole w/ 141 bbls  
2% KCL. RIH, bail 2 sx cmt on plug, RIH, perforate squeeze  
holes @ 4,721' and 5,185' w/ 4 spf, RIH, set cmt retainer @  
5,180', RIH w/ stinger and 120 jts tbg to 4,700'  
7/8/06: POOH past perforations to 4,700'. RIH w/ 42 jts tbg,  
sting into cmt retainer, establish injection rate release stinger  
POOH past perforations to 4,700'.  
7/7/06: RIH w/ tbg and stinger, latch into retainer. Squeeze  
perforations @ 4,781' and 5,165' w/ 125 sx Class "H" w/ 1%  
CaCl w/ .8% of FL 67, pump 15 bbls preflush Mud Clean, 5  
bbls spacer, 26 bbl cmt, flush w/ 28 BW, sting out of retainer.  
7/8/06: Run CBL 5,157' - 3,800', bond looks good, TOC @  
4,870'. RIH, tag @ 5,156', pressure up on squeeze  
perforations to 500#, lost 300# in 15 min. IRU WLU, RIH, run  
CBL 5,157' - 3,800', bond looks good, TOC @ 4,870'.  
7/11/06: RIH w/ swab, IFL surface, swab dry in 6 runs, rec  
44 BW, FFL 4,748'  
7/12/06: RIH w/ 7" cmt retainer, set @ 4,680',

CONT: Next page

PREPARED BY: Linda S. Fries  
UPDATED BY: Myo Htoon

DATE: 5/10/05  
DATE: 8/8/06

AJM

Well History: (Continue)

7/13/06: POOH w/ tbg and stinger. SITP 125#, MIRU BJ Services to sqz perms @ 4,721' w/ 100 sx Class "C" w/ 1% CaCl, establish rate @ 2 BPM @ 750#, pump 10 bbls spacer, pmp 24 bbls cmt, 14.8 ppg, 1.33 yield, rate 2 BPM for 17 bbls @ 600#, drop rate to 1 BPM @ 873#, flush w/ 24 BW, pull out of cmt retainer w/ stinger, reverse out w/ 30 bbls, POOH w/ tbg and stinger.

7/14/06: POOH w/ tbg and BHA. SICP 0#, RIH w/ 6 1/8" bit, 6 - 4 3/4" DCs and 145 jts tbg, tag @ 4,678', drill out 2' of cmt and 18' of cmt retainer, bit quit drlg, circ bottoms up, POOH w/ tbg and BHA, found bit wore out.

7/16/06: Circ bottoms up, POOH w/ tbg, LD BHA. SITP 0#, resume drlg @ 4,681', drill out cmt retainer and 44' hard cmt, fell out of cmt @ 4,725', test to 500# 15 min, held good, RIH to 5,158', circ bottoms up, POOH w/ tbg, LD BHA.

7/18/06: Perforate and acidize Cherry Canyon Delaware 4,921' - 4,935'. MIRU WLS, RIH, run CCL/CBL 5,144' - 4,550', TOC @ 4,550', RIH, perforate Cherry Canyon (Delaware) 4,921' - 4,935', 2 spf, 120" phasing, RIH w/ 7" Arrow Set pkr w/ on/off tool to 4,937', MIRU Cudd, acidize (4,921' - 4,935') w/ 1,500 gals 7.5% HCL, drop 40 ball sealers, spot 200 gals @ 4,937', POOH to 4,801', reverse spot acid, set pkr, pressure up annulus to 500#, run job, broke over @ 1575# @ 1.8 BPM, no ball action, avg rate 4 BPM, avg PSI 1125#, max PSI 1575#, ISIP 570#, 5 min 558#, 10 min 548#, 15 min 543#, 99 BLWTR, RIH w/ swab, IFL surface, flow and swab 67 BW, 32 bbls underload, FFL 1,300'.

7/19/06: RIH w/ swab, IFL 100', swab dry 10 runs, make 400' fluid entry, trace of oil in ea swab run, rec 90 BW, FFL 4,200', 38 bbls over load.

7/20/06: RIH w/ swab, IFL 800', trace of oil on 1st run, rec 5 BW, release pkr, RIH past perforations to wipe ball sealers, POOH to 4,801', pkr would not reset, POOH w/ tbg and pkr, found ball sealer wedged under sliding sleeve, RIH w/ pkr and tbg, set pkr @ 4,801', load, test annulus to 500#, held good, NU frac stack, 43 bbls over load.

7/21/06: Frac Cherry Canyon perforations (4,921' - 4,935') w/ 30,870 gals 30# linear gel and 40,730# 16/30 white sand and 10,190# Super

LC, stage .25 ppg - 6 ppg @ 15 BPM @ 1883#, total prop 50,920#, avg rate 15 BPM, avg PSI 1883#, max PSI 2183#, ISIP 813#, 5 min 695#, 10 min 685#, 15 min 675#, TLTR 735 bbls, RD BJ

7/22/06: Flow back 22 hrs on 24/64" - 48/64", 337 BW, FTP 25# - 50#. SITP 500#, flow back 22 hrs on 24/64" - 48/64", 337 BW, no show of oil or gas, FTP 25# - 50#.

7/24/06: RIH w/ 6 1/8" bit, 6 - 4 3/4" DCs and 80 jts tbg. FTP 25# - 50#, flow back 6 BW, well died, POOH w/ tbg and pkr, RIH w/ 6 1/8" bit, 6 - 4 3/4" DCs and 80 jts tbg, 382 bbls under load.

7/25/06: RIH w/ production tbg. SITP 150#, bleed down, RIH w/ tbg to 5,095', tag up, wash out loose frac sand to PBD @ 5,144', circ bottoms up twice, POOH, LD BHA, RIH w/ production tbg, SN @ 4,960'

7/26/06: RIH w/ pump and rods & swab, IFL 100', rec 60 BW, FFL 900', RIH w/ pump and production rods, space out, load, test to 500#, long stroke, good pump action, RDMO, 278 bbls under load, rod detail: 2 1/2" x 1 3/4" 22' RHBC pump, 93 - 7/8" KD rods, 95 - 3/4" KD rods, 10 - 1 1/2" K-bars, 2' x 7/8" sub and 1 1/2" x 22' PR w/ 1 3/4" x 12' liner, tbg detail: 154 jts 2 7/8" N-80 tbg, 4,809', 2 7/8" x 7" TAC, 4,812', 5 jts 2 7/8" N-80 tbg, 4,959', SN, 4,960', 2' sub, 4,962', slotted sub, 4,978' and 18' slick MJ, 4,996'.

8/7/06: 24 hrs, 5 BO, 155 BW, 0 MCFG, FTP 150#, FCP 85#, LP 372#.





MINIMUM REQUIREMENTS FOR CASING INTEGRITY TESTING OF WELLS  
ON FEDERAL LEASES IN THE CARLSBAD RESOURCE AREA

1. Contact the appropriate BLM office at least 24 hours prior to the scheduled test.

NOTE: A BLM technician must be present to witness all casing integrity tests.

2. A retrievable bridge plug or packer shall be set a maximum of fifty (50) feet above any open perforations.
3. All downhole production equipment (tubing, rods, etc.) must be removed from the casing if they are not isolated by a packer.
4. The casing must be filled with fluid and pressure tested to 500 PSI. Further, the casing must be capable of holding this pressure for at least 30 minutes with a 10% allowable leak-off (ie., down to 450 PSI).
5. Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment status for a period of 12 months provided that the operator submits a subsequent Sundry Notice requesting TA approval, and attaches a copy of The pressure test chart for the tested well.

**BUREAU OF LAND MANAGEMENT  
Carlsbad Field Office  
620 East Greene Street  
Carlsbad, New Mexico 88220  
505-234-5972**



**Temporary Abandonment of Wells on Federal Lands  
Conditions of Approval**

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
  - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
  - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
  - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
  - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
  - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 505-234-5972; Lea County 505-393-3612.
3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for a 12 month period provided that the operator:

1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.

The TA status could be extended for an additional 12 month period without another casing integrity test provided there was no leak-off during the test and the test was witnessed by a BLM representative. The operator must submit a sundry notice requesting an extension of TA status 30 days prior to expiration of the previous approval and appropriate justification for extending the TA status is included.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.