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New Mexico Oil Conservation Division, District I

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
1625 N. French Drive
Hobbs, NM 88240FORM APPROVED
OMB NO. 1004-0135
Expires July 31, 2010

EC

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.5. Lease Serial No.
NMNM14774

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

Oil Cons.

N.M. DIV-Dist. 2

1301 W. Grand Avenue

Artesia, NM 88210

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
CHESAPEAKE OPERATING INCContact: LINDA GOOD
E-Mail: linda.good@chk.com8. Well Name and No.
RUTTER FEDERAL 19. API Well No.
30-005-60635-00-S13a. Address
P O BOX 18496
OKLAHOMA CITY, OK 73154-04963b. Phone No. (include area code)
Ph: 405-767-427510. Field and Pool, or Exploratory
SAND RANCH

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

Sec 14 T10S R29E SWSE 660FSL 1980FEL

AUG 29 2008

OCD-ARTESIA

11. County or Parish, and State
CHAVES 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 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, REQUESTS PERMISSION TO P&A THIS WELL PER THE FOLLOWING P&A PROCEDURE. PROCEDURE & WELL BORE SCHEMATIC ARE ATTACHED.

WELL WAS TA'D AND TUBING WAS PULLED IN APRIL 2006 IN PREPARATION TO P&A. FOR FURTHER DETAIL, PLEASE SEE ATTACHED WELLBORE SCHEMATIC.

ENSURE THAT ALL PROPER PAPERWORK HAS BEEN OBTAINED AND NOTIFY NEW MEXICO OIL CONSERVATION DIVISION 24 HOURS PRIOR TO BEGINNING OPERATIONS.

HOLD SAFETY MEETINGS EACH MORNING PRIOR TO STARTING WORK AS WELL AS PRIOR TO ANY MAJOR OPERATION TO ENSURE THAT ALL PARTIES INVOLVED ARE AWARE OF ALL POTENTIAL DANGERS.

ACCEPTED FOR RECORD

14. I hereby certify that the foregoing is true and correct.		Electronic Submission #62322 verified by the BLM Well Information System For CHESAPEAKE OPERATING INC, sent to the Roswell Committed to AFMSS for processing by LINDA ASKWIG on 08/14/2008 (08LA034456) AUG 29 2008	
Name (Printed/Typed)	LINDA GOOD	Title	REGULATORY COMPLIANCE SPEC.
Signature	(Electronic Submission)	Date	08/14/2008
		Gerry Guye, Deputy Field Inspector NMOCD-District II ARTESIA	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DAVID R GLASS	Title PETROLEUM ENGINEER	Date 08/22/2008
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 Roswell

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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

Additional data for EC transaction #62322 that would not fit on the form

32. Additional remarks, continued

1. PREPARE LOCATION. MIRU WORKOVER RIG AND REVERSE UNIT. UNLOAD, RACK AND TALLY 2 3/8" WORK STRING.
2. PU AND TIH WITH 2 3/8" TUBING TO PBD (9135') AND TAG TO VERIFY. CIRCULATE HOLE WITH SALT GEL MUD CONTAINING 9.5 POUND BRING AND 12.5 LBS OF GEL PER BARREL. *Pert 4-1/2" Casing @ 7000'*
3. PUH WITH 2 3/8" TUBING TO 7000' AND SPOT 25 SX PLUG WITH BOTTOM AT 7000'. PUH TO WDC. TAG PLUG TO VERIFY. *40-40 Pert 4-1/2" Casing @ 5000'*
4. PUP WITH 2 3/8" TUBING TO 5000' AND SPOT 25 SX PLUG WITH BOTTOM AT 5000', TOH.
5. MIRU WIRELINE UNIT. RIH AND TAG PLUG SET AT 5000', POH. PU GUNS, RIH AND PERFORATE 4 1/2" CASING AT 2900', POH.
6. PU AND TIH WITH 2 3/8" TUBING TO 2900' AND CIRCULATE 100' CEMENT OUTSIDE 4 1/2" CASING. SPOT 25 SX PLUG INSIDE 4 1/2" CASING WITH BOTTOM AT 2900', TOH. THIS PLUG WILL BE ACROSS THE INTERMEDIATE CASING SHOE.
7. RU WIRELINE UNIT. RIH AND TAG PLUG SET AT 2900', POH. PU GUNS, RIH AND PERFORATE 4 1/2" CASING AT 400', POH. RDMO WIRELINE UNIT.
8. PU AND TIH WITH 2 3/8" TUBING STRING TOP 400' AND CIRCULATE CEMENT OUTSIDE 4 1/2" CASING TO SURFACE. SPOT CEMENT INSIDE 4 1/2" CASING FROM 400' TO SURFACE.
9. ND BOP. CUT OFF CASING 3' BELOW GROUND LEVEL. INSTALL DRY HOLE MARKER.
10. RDMO WORKOVER RIG AND REVERSE UNIT. RESTORE LOCATION.

(CHK PN 890383)

Revisions to Operator-Submitted EC Data for Sundry Notice #62322

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	ABD	ABD NOI
Lease:	NMNM14774	NMNM14774
Agreement:		
Operator:	CHESAPEAKE OPERATING, INC. P.O. BOX 18496 OKLAHOMA CITY, OK 73154-0496 Ph: 405-767-4275	CHESAPEAKE OPERATING INC P O BOX 18496 OKLAHOMA CITY, OK 73154-0496 Ph: 405.767.4275
Admin Contact:	LINDA GOOD REGULATORY COMPLIANCE SPEC. E-Mail: linda.good@chk.com Ph: 405-767-4275	LINDA GOOD REGULATORY COMPLIANCE SPEC. E-Mail: linda.good@chk.com Ph: 405-767-4275
Tech Contact:	LINDA GOOD REGULATORY COMPLIANCE SPEC. E-Mail: linda.good@chk.com Ph: 405-767-4275	LINDA GOOD REGULATORY COMPLIANCE SPEC. E-Mail: linda.good@chk.com Ph: 405-767-4275
Location:		
State:	NM	NM
County:	CHAVES CO.	CHAVES
Field/Pool:	SAND RANCH	SAND RANCH
Well/Facility:	RUTTER FEDERAL 1 Sec 14 T10S R29E SWSE 660FSL 1980FEL	RUTTER FEDERAL 1 Sec 14 T10S R29E SWSE 660FSL 1980FEL



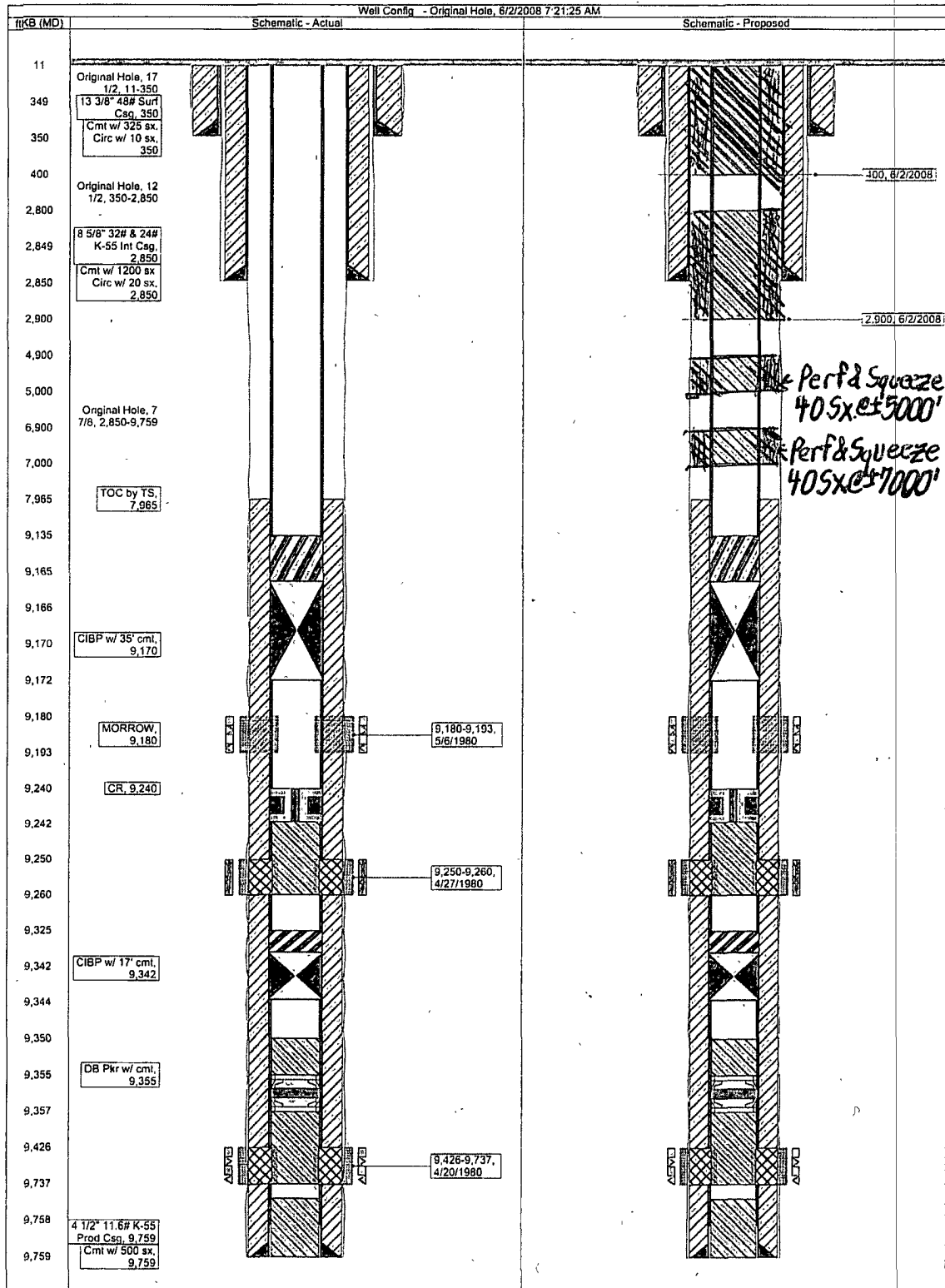
Proposal - Workover

RUTTER FEDERAL 1

Field: SAND RANCH
County: CHAVES
State: NEW MEXICO
Elevation: GL 3,974.00 KB 3,985.00
KB Height: 11.00

Location: SEC 14, 10S-29E, 660 FSL & 1980 FEL

Spud Date: 3/8/1980
Initial Compl. Date:
API #: 3000560635
CHK Property #: 890383
1st Prod Date:
PBSD: Original Hole - 9240.0
TD: 9,759.0



BUREAU OF LAND MANAGEMENT

**Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
(575) 627-0272**

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 90th day provide the BLM Roswell Field Office, prior to the 90th day, with the reason for not meeting the deadline and a date when the BLM Roswell Field Office can expect the well to be plugged. Failure to do so will result in enforcement action.**

2. Notification: Contact the BLM Roswell Field Office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, during office hours call (575) 910-6024 or after office hours call (575) 627-0205. Engineer on call during office hours phone (575) 627-0275 or phone (after hours) call (575) 626-5749.

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 9090 feet; a 3M system for a well not deeper than 13636 feet; and a 5M system for a well not deeper than 22727 feet.

4. Mud Requirement: Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at a 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 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 cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 50 feet 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 class "C" for up to 7500 feet of depth, mixed at 14.8 lbs./gal with 6.3 gallons of fresh water per sack or class "H" for deeper than 7500 feet plugs, mixed at 16.4 lbs./gal with 4.3 gallons of fresh water per sack.

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 the ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: Well name and number, the name of the operator, the lease serial number, the surveyed location (the 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 the BLM Roswell Field Office. 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.**

Following the submittal and approval of the Subsequent Report of Abandonment, a Notice of Intent for Final Abandonment with the proposed surface restoration procedure must be submitted for approval.