

JUL 17 2009

Form 3160-5
(August 2007)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.

5. Lease Serial No.
NMNM12269

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM720708. Well Name and No.
EXXON FEDERAL COM 19. API Well No
30-005-60551-00-S210. Field and Pool, or Exploratory
SAND RANCH-ATOKA, SOUTH
SAND RANCH-MORROW11. County or Parish, and State
CHAVES COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator
CHESAPEAKE OERATING INCContact: LINDA GOOD
E-Mail: linda.good@chk.com3a. Address
P O BOX 18496
OKLAHOMA CITY, OK 73154-04963b. Phone No. (include area code)
Ph: 405-935-42754. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 24 T10S R29E SWNW 1980FNL 660FWL

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 type="checkbox"/> Plug and Abandon	<input checked="" 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 recompletable 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 recompletable 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 RUN A MIT TO TEMPORARY ABANDONED THIS WELL. THE RUBICON SYSTEM THAT WAS USED TO DELIVER GAS CAN NO LONGER TAKE THE GAS. CURRENTLY CHESAPEAKE HAS NO OTHER TRANSPORTER OPTIONS TO DELIVER THE GAS. WE ARE CURRENTLY IN THE PROCESS OF EVALUATING OPTIONS FOR EITHER ANOTHER DELIVERY SYSTEM OR TO PLUG. PLEASE FIND THE PROCEDURE BELOW FOR RUNNING THE MIT TEST TO TA.

1. NOTIFY THE BLM 24 HOURS IN ADVANCE PRIOR TO PERFORMING MIT.

2. HOLD TAILGATE SAFETY MEETING PRIOR TO BEGINNING WORK EACH MORNING AND AS REQUIRED FOR SPECIFIC OPERATIONS.

3. RU PUMP TRUCK AND PUMP 2% KCL DOWN THE BACKSIDE OF THE CASING. Accepted for record - NMOCD

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

Electronic Submission #71449 verified by the BLM Well Information System
For CHESAPEAKE OERATING INC, sent to the Roswell
Committed to AFMSS for processing by DAVID GLASS on 06/29/2009 (09DG0375SE)

Name (Printed/Typed) LINDA GOOD

Title SR. REGULATORY COMPLIANCE SPEC

Signature (Electronic Submission)

Date 06/29/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DAVID R GLASS

Title PETROLEUM ENGINEER

Date 07/08/2009

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

S. 1211-VIU. 1200/11/1 11/11

9110VA 011110 11/11

011110 11/11

Additional data for EC transaction #71449 that would not fit on the form

32. Additional remarks, continued

4. PRESSURE UP WELL TO 500 PSI. RECORD MIT FOR 30 MINUTES. IF LESS THAN 10% PRESSURE CHANGE IN 30 MINUTES MIT IS ACCEPTABLE.

5. BLEED PRESSURE OFF WELL. UNHOOK PUMP TRUCK AND PUT WELL BACK ON PRODUCTION.

6. RDMO. CLEAN LOCATION.

(CHK PN 890385)

Revisions to Operator-Submitted EC Data for Sundry Notice #71449

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	MIT NOI	TA NOI
Lease	NMNM12269	NMNM12269
Agreement.	NMNM72070	NMNM72070
Operator.	CHESAPEAKE OPERATING, INC. P.O. BOX 18496 OKLAHOMA CITY, OK 73154-0496 Ph: 405-935-4275	CHESAPEAKE OERATING INC P O BOX 18496 OKLAHOMA CITY, OK 73154-0496 Ph: 405 767 4275
Admin Contact.	LINDA GOOD SR. REGULATORY COMPLIANCE SPEC E-Mail: linda.good@chk.com Ph: 405-935-4275	LINDA GOOD SR. REGULATORY COMPLIANCE SPEC E-Mail: linda.good@chk.com Ph: 405-935-4275
Tech Contact	LINDA GOOD SR. REGULATORY COMPLIANCE SPEC E-Mail: linda.good@chk.com Ph: 405-935-4275	LINDA GOOD SR. REGULATORY COMPLIANCE SPEC E-Mail: linda.good@chk.com Ph: 405-935-4275
Location: State County.	NM CHAVES	NM CHAVES
Field/Pool.	SAND RANCH	SAND RANCH-ATOKA, SOUTH SAND RANCH-MORROW
Well/Facility:	EXXON FEDERAL COM 1 Sec 24 T10S R29E SWNW 1980FNL 660FWL	EXXON FEDERAL COM 1 Sec 24 T10S R29E SWNW 1980FNL 660FWL

BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
575-627-0272

Temporary Abandonment of Wells on Federal Lands
Conditions of Approval

A temporary abandoned well is defined as a completion that is not capable of production in paying quantities but 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 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 BLM Roswell Field Office office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Chaves and Roosevelt County, call (575) 910-6024 or after office hours call (575) 627-0205.

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

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

The TA status could be extended without another casing integrity test provided there was no leak-off during the test and the test was witnessed by a BLM representative.

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.