

N.M. OFFICE OF LAND MANAGEMENT
1301 W. Grand Avenue
Alto, NM 88210
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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

SEP 26 2005

2. Name of Operator
Chesapeake Operating, Inc.

3a. Address
P. O. Box 11050 Midland TX 79702-8050

3b. Phone No. (include area code)
(432)687-2992

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1980' FSL & 1980' FWL, Section 10, T24S, R31E

5. Lease Serial No.
NMNM70895

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Lotos B Federal #1

9. API Well No.
30-015-26395

10. Field and Pool, or Exploratory Area
Sand Dunes, Atoka, South

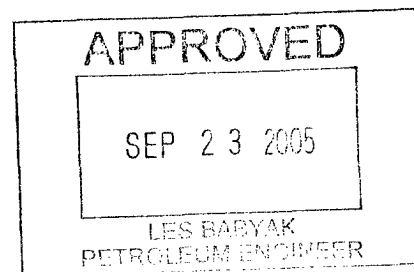
11. County or Parish, State
Eddy
New Mexico

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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input 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 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 permission to re-complete this well from the Lower Penn to the Delaware, per the attached procedure:



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

Brenda Coffman

Title
Regulatory Analyst

Signature

Brenda Coffman

Date
09/14/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

Date

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

Title 18 U.S.C. Section 1001, makes 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 reverse)

**Lotos B Federal #1
Workover Procedure
Eddy County, New Mexico**

GENERAL INFORMATION

Location: 1980' FSL & 1980' FWL, Sec 10 – T24S – R31E
API No.: 30-015-26395

WELL INFORMATION

<u>String OD</u>	<u>Weight & Grade</u>	<u>Depth</u>	<u>ID</u>	<u>Drift</u>	<u>Burst</u>	<u>TOC</u>
13-3/8"	72#	0' – 4316'	12.347"	12.191"	5040	0'
9-5/8"	43, 47, 53.5#	0' - 11750'	8.535"	8.379"	5930	10430'
5-1/2"	23# P110	11387' - 14950'	6.276"	6.151"	9960	~3200'

Atoka perfs: 13561 – 954' (OA)

Proposed Brushy Canyon perfs: 8185 – 89', 8200 – 10'

TD/PBTD: 14997' / 13976'

PROCEDURE:

1. MIRU Service Rig and requisite equipment. Kill well if required with 9.5# lease brine. ND wellhead and NU BOP. Release and POOH with tandem packers and 2-7/8" Hydrill tubing.
2. Set a 5-1/2" CIBP above the Atoka @ 13500'. Bail 2 sx of cement on plug.
3. RIH w/ open-ended tubing to new PBTD. Circulate 5 1/2" casing with salt gel mud containing 9.5 pound brine and 25 lbs of gel per barrel. Displace sufficient volume to leave fluid level at 11000'. Spot a 100' Class "C" Neat cmt plug from 11800-11700'. Spot a 100' Class "C" Neat cmt plug from 11450-11350'. Shut in for 4 hrs and tag top of cement. Spot additional cement if needed.
4. Set a 9-5/8" CIBP @ 8350'. Bail 2 sx of cement on plug.
5. Load hole with lease brine and pressure test to 2000#.
6. Perforate two squeeze holes @ 8325'. Tie on to casing head and establish/confirm circulation up 9-5/8" X 13-3/8" annulus.
7. RIH with tubing conveyed CR. Set at 8300'. Squeeze backside with 250 sacks of 50/50 pozmix. Sting out of retainer and reverse circulate wellbore clean with lease brine. POOH with tubing. WOC 24 hours.
8. Run temperature survey and confirm TOC.
9. Perforate the Brushy Canyon via 4-1/2" casing gun from 8185 – 8189' and 8200 – 8210' w/ 4 SPF (58 holes), 90 degree phasing, 23 gram charge, .34" hole. Correlate to OH Neutron/Density log dated 8-5-90.
10. RIH w/ treating packer with on/off tool, profile nipple, and 2-7/8" N-80 tubing. Pressure test tubing in hole. Swing packer at 8210'. Spot 200 gal of 7.5% HCL containing 200 gpt of methanol, corrosion inhibitor, clay stabilizer, surfactant, and

iron control additives. Pull packer to ~8130', reverse acid, and set packer. ND BOP, NU tree. Load and test annulus to 1500#.

11. Establish rate w/ lease brine and acidize with 1300 gal of same 7.5 % HCl acid. Displace to perfs with 2% KCl. Obtain rates of 3 to 4 BPM. Max pr 5000#. Launch 75 ball sealers during job. Displace to top perf.
12. Flow/swab back job. Prep to frac. Set and load frac tanks with lease water from Littlefield SWD.
13. Kill well with lease brine if required. ND tree, NU BOP. POOH w/ tubing and packer. NU casing saver. MIRU Frac Service Company. Tie on to casing and establish rate w/ 10,000 gal lease water pad containing additives per frac schedule. Frac zone with 120,000 gal of lease water containing additives per frac schedule and 25,000# 18/40 Lite Prop. Use resin coat on last 5000#. Ramp from .1 ppg to 1.5 ppg at tail-in. Obtain rates approaching 25 - 30 BPM, max pr 4000#. Displace to perfs w/ lease water. Anticipated treating pressure ~1000#.
14. Obtain 5, 10, and 15 min SI data. Flow back frac. RDMO Frac Service Company.
15. As well loads and dies, check PBTD. Run bit and tubing and circulate out any sand as required with lease water.
16. RIH w/ MA, PS, SN, TAC and 2-7/8" tubing. Space out and land SN ~8225'.
17. Swab well in to clean up.
18. Set 456 PU. RIH w/ 1-3/4" pump and a Norris 97 tapered rod string. Run pump, 10 - 7/8", 182 - 3/4", and 136 - 7/8". Space out and seat pump. Load and test. PWOP at 8 SPM, 120" SL.