Form 3160-5 (August 2007)

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

FORM APPROVED

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT 1301 W. Grand Avenue QQQIA Lease Serial No.

| OMB N | 0.10 | 004- | 0135 |
|----------|------|------|------|
| Expires: | | | |
| | | | |

□ Other

| Do not use th | NOTICES AND REPO is form for proposals to II. Use form 3160-3 (AP | RTS ON WEELISOSIA. If drill or to re-enter an D) for such proposals. | AM OOC | 6. If Indian, Allottee of | or Tribe Name |
|---|---|---|------------|------------------------------------|-----------------------|
| SUBMIT IN TR | PLICATE - Other instruc | ctions on reverse side. | | 7. If Unit or CA/Agre NMNM72070 | ement, Name and/or No |
| 1. Type of Well Gas Well | | 8. Well Name and No. EXXON FED COM 1 | | | |
| Name of Operator Contact: LINDA GOOD CHESAPEAKE OERATING INC E-Mail: linda.good@chk.com | | | | 9. API Well No. 30–005–60551–00–S1 | |
| 3a Address P O BOX 18496 OKLAHOMA CITY, OK 73154-0496 | | 3b. Phone No. (include area code) Ph: 405-767-4275 10. Field and Pool, or SAND RANCH | | | |
| 4. Location of Well (Footage, Sec., Sec. 24 T 10 S R 29 F | | JUN 262 | | 11. County or Parish, CHAVES COU | |
| 12. CHECK APP | ROPRIATE BOX(ES) TO | O INDICATE NATURE OF | NOTICE, RI | EPORT, OR OTHE | R DATA |
| TYPE OF SUBMISSION | TYPE OF ACTION | | | | |
| Notice of Intent | ☐ Acidize ☐ Alter Casing | ☐ Deepen☐ Fracture Treat | Product | ion (Start/Resume) ation | ☐ Water Shut-O |

☐ Final Abandonment Notice Change Plans Plug and Abandon ☐ Temporarily Abandon Convert to Injection ■ Water Disposal □ Plug Back 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.)

■ New Construction

Recomplete

CHESAPEAKE, RESPECTFULLY, REQUESTS, VERBAL APPROVAL TO RECOMPLETE THIS WELL PER THE FOLLOWING PROCEDURE:

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

Casing Repair

1. Safety meetings are to be held prior to each day as well as prior to each major operation.

2. Prepare location. MIRU workover rig. ND WH. NU BOP. Unset packer, TOH with packer and 2-3/8? production tubing, LD. Unload rack and tally 2-7/8?, P-110 work string.

3. MIRU wireline unit. RIH w/ 4-1/2? CIBP and set at 9,250?. RIH and dump bail 35? of cement on top to abandon Atoka (9,284?), Tag plug to verify.

4. RIH and perforate Atoka as follows

Subsequent Report

Atoka 9,102? ? 9,108? 6? 6 SPF 36 holes Atoka 9,113? ? 9,116? 3? 6 SPF 18 holes

| 14. Thereby certify | For CHESAPEA | 1420 verified by the BLM Well Information System (E OERATING INC, sent to the Roswell ssing by LINDA ASKWIG on 05/22/2008 (08LA0269SE) |
|--|-------------------------|--|
| Name (Printed/T | Typed) LINDA GOOD | Title REGULATORY COMPLIANCE SPEC. |
| Signature | (Electronic Submission) | Date 05/22/2008 |
| | THIS SPACE FOI | FEDERAL OR STATE OFFICE USE |
| Approved By ALEXIS C SWOBODA 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 ime for any person knowingly and willfully to make to any department or agency of the United |

Additional data for EC transaction #60420 that would not fit on the form

32. Additional remarks, continued

9,102? ? 9,116? 9? 54 holes

Correlate to original open hole logs run in 1979. RDMO wireline unit.

5. TlH w/ 2-7/8?, P-110 work string and 4-1/2? treating packer to bottom perf 9,116? and spot 7.5% HCl acid across perforated interval. PUH and set packer at 9,000?.

6. RU acid service. Acidize Atoka (9,102? ? 9,116?) with 1,500 gals 7.5% HCl and 100 ball sealers (150%). Surge off balls.

7. Swab well to determine productivity of Atoka intervals.

8. MIRU frac service. NU frac stack and test. Frac Atoka (9,102? ? 9,116?) with 70Q foam, frac gel and 40,000# 20/40 intermediate strength proppant as per service company design - final design will be sent once finalized. SI and record ISIP-5 min-10 min-15 min pressures. RDMO frac service and leave well SI for 1 hour.

9. Flow back well through frac stack to open top tank to unload fluid and determine productivity. Monitor gas rate, pressure and CO2 content.

10. Once well dies, unset 4-1/2? treating packer and TOH with 2-7/8?, P-110 tubing and packer, LD

2-7/8?, P-110 tubing.

11. PU and TIH with 2-3/8? tubing with SN on bottom and land just above top perf (9,102?).

12. ND BOP. NU WH. Swab well in to kick off to production if necessary. Turn well down sales line once flowing and CO2 content is within pipeline specifications.

13. RDMO workover rig. Clean location.

WE WOULD LIKE TO RIG UP TODAY IF POSSIBLE.

(CHK PN 890385)