

30-025-40602

ONSHORE ORDER NO. 1
Chesapeake Agent for BOPCO
Kiehne Ranch 15 26 32 USA 1H
Section 15-26S-32E
Lea Co , New Mexico

CONFIDENTIAL – TIGHT HOLE
SURFACE USE PLAN

Lease No. NMNM118723

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ONSHORE OIL & GAS ORDER NO. 1
Approval of Operations on Onshore
Federal and Indian Oil and Gas Leases

HOBBSOCD

MAY 31 2012

RECEIVED

1. EXISTING ROADS/LEASE ROADS

- a. The proposed lease road is less than 150.0' in length and 14' in travel way width with a maximum disturbance area of 30' will be used, and in accordance with guidelines set forth in the BLM Onshore Orders. No turnouts are expected.
- b. Existing county and lease roads will be used to enter proposed access road.
- c. Location, access, and vicinity plats attached hereto. See Exhibits A-1 to A-4.

2. New or Reconstructed Access

- a. In order to level the location, cut and fill will be required. Please see attached Well Location and Acreage Dedication Plat – Exhibits A-1 to A-4.
- b. Any fences cut will be repaired. Cattle guards will be installed, if needed.
- c. Surface disturbance and vehicular travel will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.
- d. From Jal go west 29.2 miles on hwy, thence south 12.5 miles on lease road. East 1.2 miles, and 150.0' to location.

3. LOCATION OF EXISTING WELLS WITHIN A 1-MILE RADIUS OF THE PROPOSED LOCATION

- a. See Exhibit B.

JUN 07 2012

4. LOCATION OF PRODUCTION FACILITIES

- a. Production facilities for the Kiehne Ranch 15-26-32 USA 1H will be located onsite as shown in Exhibit C. After completion, 225x40 square feet of the northwest corner of the location will be reclaimed.
- b. All production will be separated, measured, and sold onsite.
- c. Southern Union Gas will build a gas pipeline to the Kiehne Ranch 15-26-32 USA 1H location, where gas will be sold and custody transferred.
- e. See Exhibit C.

5. LOCATION AND TYPES OF WATER SUPPLY

- a. Water will be obtained from a private water source.
- b. Chesapeake has staked a 305' x 305' frac pond ~ 1000' to the west of the location.
- c. Fresh water to be hauled into the pond built to the west of location.
- d. A temporary 10" aluminum water transfer line will run approximately 150' in length following existing disturbance along the north of the proposed lease road.
- e. See Exhibit E

6. CONSTRUCTION MATERIALS

- a. No construction materials will be used from Section 15-26S-32E. All material (i.e. shale) will be acquired from private or commercial sources.

7. METHODS FOR HANDLING WASTE DISPOSAL

- a. A closed system will be utilized consisting of above ground steel tanks.
- b. All wastes accumulated during drilling operations will be contained in a portable trash cage and removed from location and deposited in an approved sanitary landfill.

8. ANCILLARY FACILITIES

- a. None

9. WELLSITE LAYOUT

- a. The proposed site layout plat is attached showing the Patterson Rig #62 orientation and equipment location - See Exhibit D.

10. PLANS FOR RECLAMATION OF THE SURFACE

- a. Interim reclamation will be delayed to allow another well to be drilled on the proposed well pad, alternate well location unknown at this time.
- b. Interim Reclamation Procedure: Upon completion of the well, 250x40 square feet of the northwest corner of the pad will be reclaimed. Caliche material from the well pad will be removed and utilized to recontour to a final contour that blends with the surrounding topography as much as possible.
- d. Final Reclamation Procedure: Upon final abandonment of the well, caliche material from the well pad and access road will be removed and utilized to recontour to a final contour that blends with the surrounding topography as much as possible. Any caliche material not used will be utilized to repair roads within the lease. Topsoil will be distributed over the reclamation area and cross ripped to control erosion, the site will be seeded with an approved BLM mixture.
- e. The location will be restored to as near as original condition as possible. Reclamation of the surface shall be done in strict compliance with the existing New Mexico Oil Conservation Division regulations and BLM.

11. SURFACE & BHLOC MINERAL OWNERSHIP

United States of America
Department of Interior
Bureau of Land Management

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Grazing Lessee

Kiehne Ranch & Cattle Co., LLC
2107 S. Cactus St.
Pecos, TX 79772
432-448-6337

(Chesapeake Operating, Inc. has an agreement with the grazing lessee)

12. ADDITIONAL INFORMATION

A Class III cultural resource inventory report will be prepared by Boone Archaeological Services, Carlsbad, New Mexico for the proposed location. A copy of the report will be sent to the BLM.

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13. CHESAPEAKE REPRESENTATIVES

Drilling and Completion Operations

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Geologist

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ONSHORE ORDER NO. 1
Chesapeake Agent for BOPCO
Kiehne Ranch 15 26 32 USA 1H
SL: 100 FSL 400 FWL
BL: 330 FNL 400 FWL
Section 15-26S-32E
Lea Co., New Mexico

CONFIDENTIAL – TIGHT HOLE
OPERATOR CERTIFICATION

Lease No. NMNM118723

CERTIFICATION

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and, that the work associated with the operations proposed will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Executed this 30th day of JANUARY, 2011

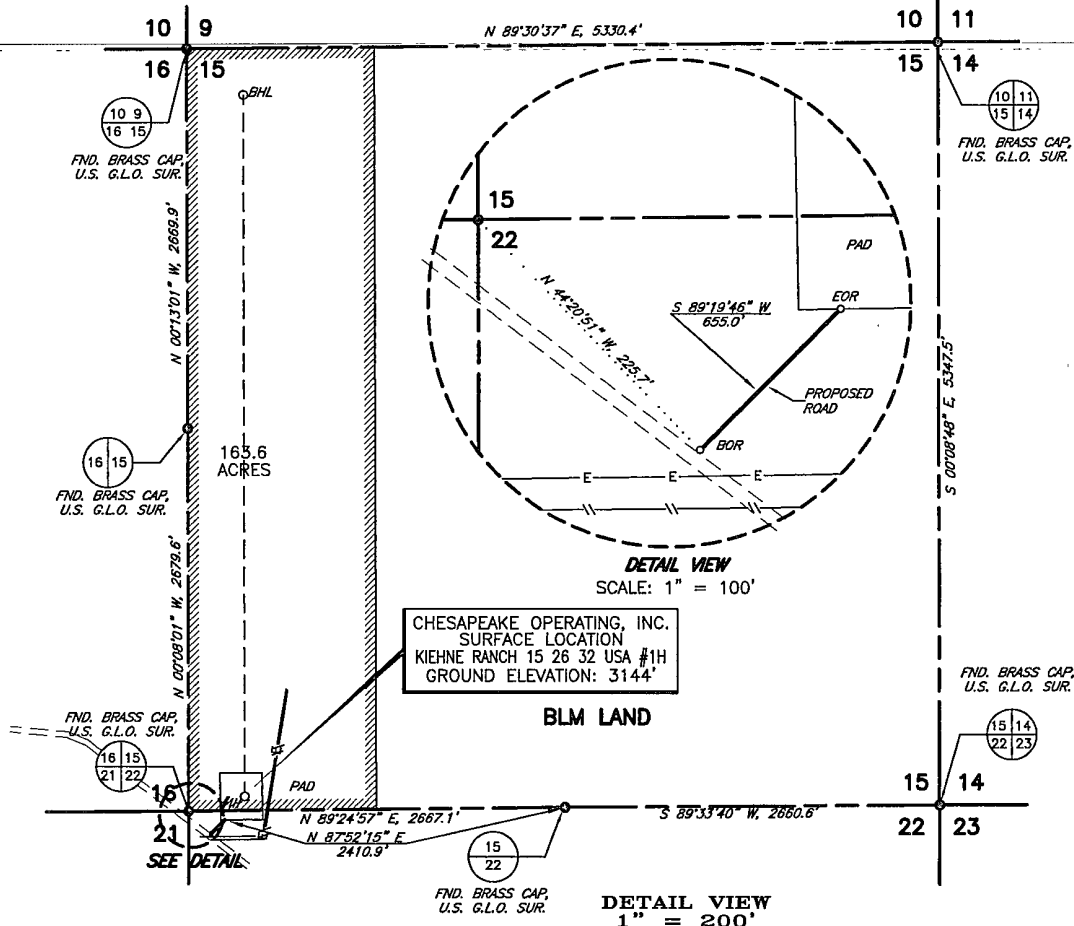
Name: 
Toby Reid – Field Representative

Address: 1616 W. Bender, Hobbs, NM 88241

Telephone: 575-725-8497

E-mail: toby.reid@chk.com

SECTION 15, TOWNSHIP 26 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY NEW MEXICO



PLAT SHOWING PROPOSED WELL LOCATION IN
SECTION 15, T-26-S, R-32-E, N.M.P.M. &
PROPOSED ROAD IN SECTION 22, T-26-S, R-32-E, N.M.P.M.
LEA COUNTY, NEW MEXICO



DATE OF FIELD WORK: APRIL 18, 2012

I, MICHAEL BLAKE BROWN, A PROFESSIONAL SURVEYOR IN THE
STATE OF NEW MEXICO AND AUTHORIZED AGENT OF
TOPOGRAPHIC LAND SURVEYORS, HEREBY CERTIFY THIS
PLAT TO BE A TRUE REPRESENTATION OF A SURVEY
PERFORMED IN THE FIELD UNDER MY SUPERVISION,
THAT I AM RESPONSIBLE FOR THIS SURVEY, THAT THIS
SURVEY IS TRUE AND CORRECT TO THE BEST OF MY
KNOWLEDGE AND BELIEF AND THAT THIS PLAT AND FIELD
SURVEY UPON WHICH IT IS BASED MEET THE MINIMUM
STANDARDS FOR SURVEYING IN NEW MEXICO.
(RULE 500.6 EASEMENT SURVEYING)

[Signature]

MICHAEL BLAKE BROWN, R.P.S. #18329

Chesapeake
OPERATING, INC.
TOPOGRAPHIC
SURVEYING • MAPPING • GIS • GPS

SCALE: 1" = 1000'
DATE: APRIL 18, 2012
JOB NO.: LO_KIEHNE_RANCH15-26-32_USA_1H_PERFORM
QUAD NO.: 22 NE
SHEET: 1 OF 1

NO.	REVISION	DATE	BY
	SURVEYED BY:	R.M.	
	DRAWN BY:	E.U.O.	
	APPROVED BY:	V.L.B.	

LOCATION & ELEVATION VERIFICATION MAP



SCALE : 1" = 2000'

CONTOUR INTERVAL 10'

SECTION 15 TWP 26-S RGE 32-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY LEA STATE NM

DESCRIPTION 100' FSL & 400' FWL

ELEVATION 3144'

OPERATOR CHESAPEAKE OPERATING, INC.

LEASE KIEHNE RANCH 15 26 32 USA #1H

U.S.G.S. TOPOGRAPHIC MAP
PADUCA BREAKS WEST, NEW MEXICO

SCALED LAT. LAT.: N 32°02'08.60"

LONG. LONG.: W 103°40'10.67"



TOPOGRAPHIC LAND SURVEYORS

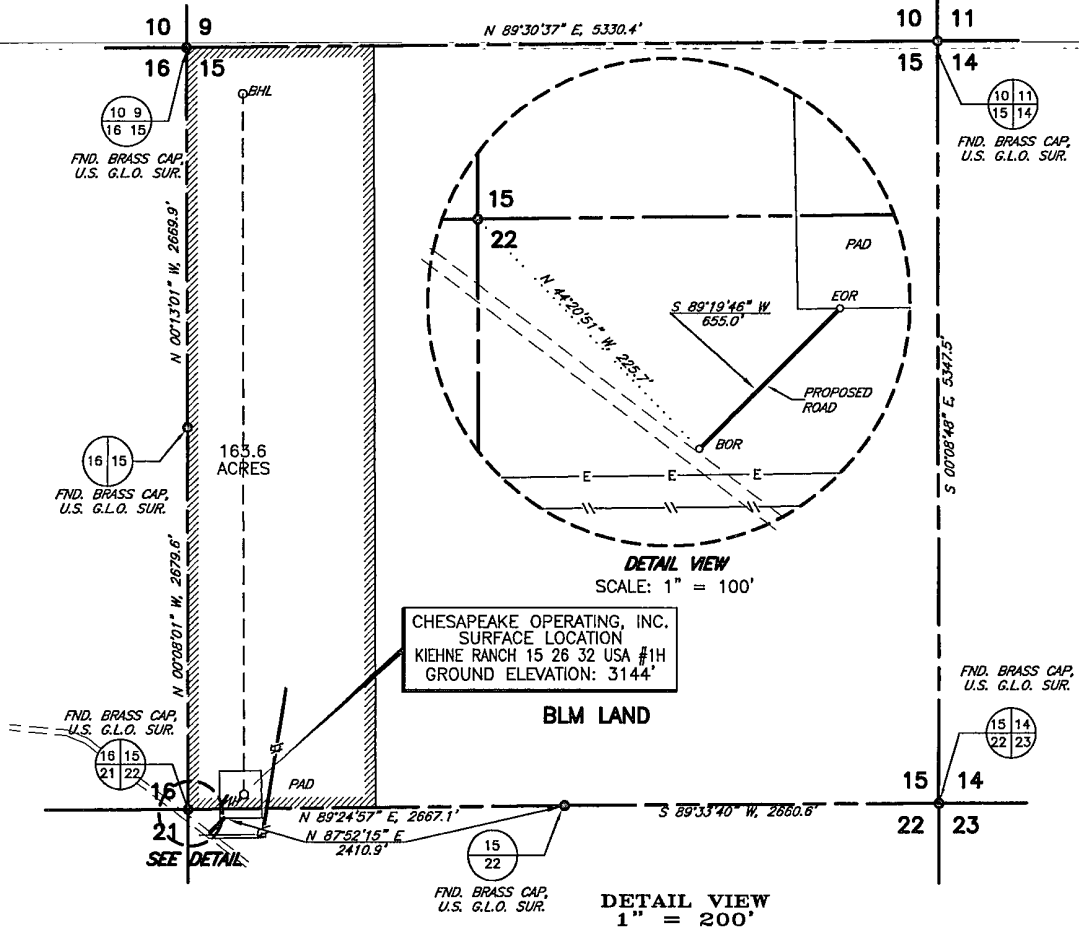
Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING
MIDLAND, TX. 79705
(800) 767-1653

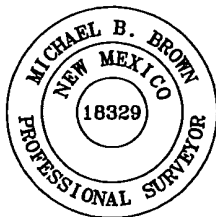
This topographic map depicts the Big Sink area in Big Horn County, Montana. The map features a grid system with letters A through J along the top and numbers 1 through 8 along the right side. Key geographical features include the Big Sink, Phantom Banks, and various windmills and ranches. The map also shows the location of the Big Sink, Phantom Banks, and various windmills and ranches. The map is a detailed topographic representation of the area, showing elevation contours, roads, and other features.

**2903 N. BIG SPRING
MIDLAND, TX. 79705
(800) 767-1653**

SECTION 15, TOWNSHIP 26 SOUTH, RANGE 32 EAST, N.M.P.M.
LEA COUNTY NEW MEXICO



PLAT SHOWING PROPOSED WELL LOCATION IN
SECTION 15, T-26-S, R-32-E, N.M.P.M. &
PROPOSED ROAD IN SECTION 22, T-26-S, R-32-E, N.M.P.M.
LEA COUNTY, NEW MEXICO



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[Signature]

MICHAEL BLAKE BROWN, R.P.S. #18329

Chesapeake
OPERATING, INC.

TOPOGRAPHIC
SURVEYING • MAPPING • GIS • GPS

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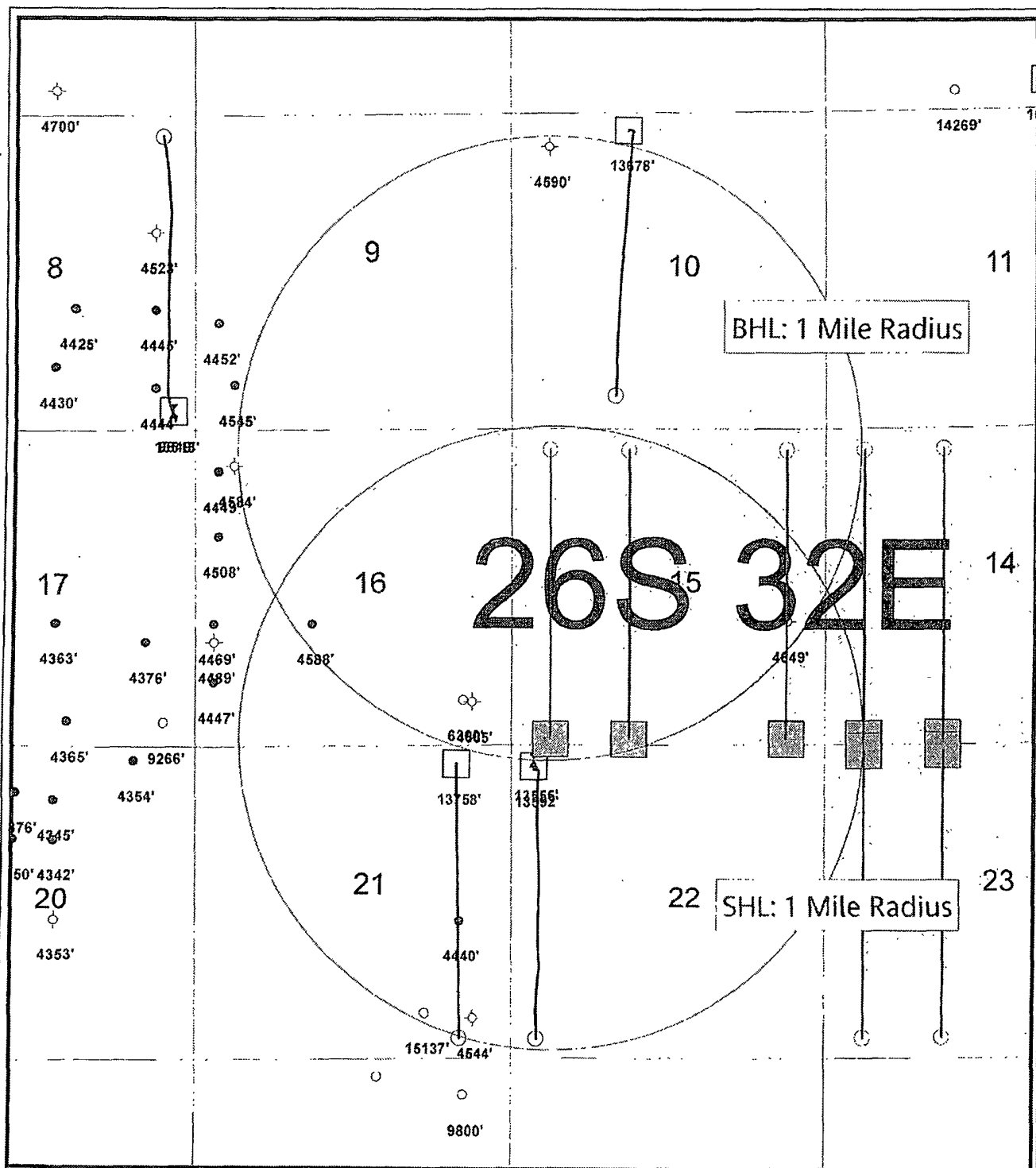



EXHIBIT B

	CHESAPEAKE OPERATING, INC.
Permian Delaware Basin Lea, NM	
Kiehne Ranch 15-26-32 USA 1H	
<small>Kiehne Ranch 15-26-32 USA 1H, 1 Mile Radius gmp Date: 24 January, 2012 Created By: Megan Hill</small>	

Kiehne Ranch 15-26-32 USA 1H Water Transfer Line



Legend

- WELL
 - OPERATED WELL
 - NON-OPERATED WELL
- COMPRESSOR STATION
- GAS VALVE - CRW
- GAS VALVE - OKC
- METER - CRW
- METER - OKC
- CHK PIPINGS
- RIG
- OWNERSHIP
- PROSPECT
- ABSTRACT
- TOWNSHIP
- SECTION



10" Temporary Aluminum Water Transfer Line
approximately 150' in length following existing
disturbance along the north of the proposed
lease road

11/2/18



0 0.05 0.1 Miles

WGS_1984_NAD_2011_Auxiliary_Sphere
© Chesapeake Energy Corporation

This map is a user-generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.
THIS MAP IS NOT TO BE USED FOR NAVIGATION

Notes

EXHIBIT E