NMOCD
Hobbs

Form 3160-5
(August 2007)

EC

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

HOBBS OCD

MAR 0 4 2013

RECEIVED

FORM 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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No. NMNM120357

6. If Indian, Allottee or Tribe Name

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

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
NEREID 1 FEDERAL 1H

2. Name of Operator
CHESAPEAKE OPERATING INC
Contact: CAROL ADLER
E-Mail: carol.adler@chk.com

9. API Well No.
30-005-29145

3a. Address
PO BOX 18496
OKLAHOMA CITY, OK 73154-0496

3b. Phone No. (include area code)
Ph: 817-556-5825

10. Field and Pool, or Exploratory
WILDCAT-WOLFCAMP

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 1 T15S R31E SESE 660FSL 100FEL

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			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Drilling Operations
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 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.)

CONFIDENTIAL

CHESAPEAKE RESPECTFULLY REQUESTS TO UPDATE OUR CEMENT PROGRAM OH PACKER COMPLETION AND PILOT HOLE PLUGGING PROCEDURE

PLEASE SEE ATTACHMENTED UPDATE CEMENT PROGRAM

CHK PN 632183

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

Electronic Submission #198653 verified by the BLM Well Information System
For CHESAPEAKE OPERATING INC, sent to the Roswell
Committed to AFMSS for processing by DAVID GLASS on 02/12/2013 (13DRG0532SE)

Name *(Printed/Typed)* CAROL ADLER — Title REGULATORY ANALYST II

Signature (Electronic Submission) — Date 02/12/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DAVID R GLASS — Title PETROLEUM ENGINEER — Date 02/25/2013

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 ****

5. **CEMENTING PROGRAM**

Slurry	Type	Top	Bottom	Weight	Yield	%Excess	Sacks
Surface				(ppg)	(sx/cu ft)	Open Hole	
Lead	C + 4% Gel	0'	300'	13.7	1.65	250	339
Tail	Class C	300'	400'	14.8	1.33	250	213
	***Note -- the 100' fill of Tail cement shown above is assuming 250% excess over 17-1/2" gauge hole. If a 17-1/2" gauge hole was used for volume calculations, the 213 sacks of Tail cement would result in 350' of fill.						
Intermediate							
Lead	TXI + 5% Salt	0'	3,500'	12	1.99	150	1295
Tail	50C/50Poz +5% Salt	3,500'	4,000'	14.2	1.37	150	300
Production							
Lead	35/65Poz H +8% Gel	3,500'	8,512'	12.4	2.19	50	840
Tail	50/50Poz H +2% Gel	8,512'	9,162'	14.5	1.28	50	197

1. Final cement volumes will be determined by caliper.
2. Surface casing shall have at least one centralizer installed on each of the bottom three joints starting with the shoe joint.
3. Open hole packers and production casing will be left uncemented from TD of 13,601' MD to End of Curve of 9,162' MD, and the rest of the production casing will be cemented using a Stage Tool from 9,162' to 3,500'.

4. Production casing will have one centralizer on every other joint from Stage Tool to KOP (horizontal type) and from KOP to intermediate casing (bowspring type).

Pilot Hole Plugging Plan:
Please note that this 8-3/4" Pilot Hole will TD at 9020' within the Wolfcamp fromation, and the planned lateral will also be in the Wolfcamp formation.

Two cement plugs will be placed in the 8-3/4" Pilot Hole. The first will span 300' from Pilot Hole TD of 9020' MD/TVD to 8720' MD/TVD. This first plug will be set using 125 sx (20% excess) of 17.0 ppg 0.99 cuft/sk yield Class H cement. The second plug will span 300' from 8625' MD/TVD to 8325' MD/TVD and will serve as a kick off plug (kick off point is planned at 8512'). The second plug will also be set using 125 sx (20% excess) of 17.0 ppg, 0.99 cuft/sk yield Class H cement.