

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
DCD-HOBBS

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**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.  
NMNM-101609

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE – Other instructions on page 2.**

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

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.  
DINWIDDIE 23 FEDERAL 1

2. Name of Operator  
CHESAPEAKE OPERATING, INC.

ATTN: LINDA GOOD

9. API Well No.  
30-025-38242

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

3b. Phone No. (include area code)  
405-767-4275

10. Field and Pool or Exploratory Area  
WILDCAT

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
1400 FNL & 660 FEL, SENE, SECTION 23, T25S, R35E

11. Country or Parish, State  
LEA COUNTY, NEW MEXICO

**12. CHECK THE 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 checked="" type="checkbox"/> Other Chng to Orig. APD |
|  | <input checked="" 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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Fred Wright (BLM - Carlsbad) gave verbal approval by telephone @ 17:53 CDT 1/30/07 pending hard copy of variance on Sundry.

5000# test OK for 9 5/8" interval.

Propose to run in 8 3/4" hole with 7" 26# P-110 LTC Intermediate casing to 12,150'.

Plan to cement w/523 sx, tail in w/156 sx. Estimated top of cement @ 4500'.

10,000# test for 7" interval.

Choke manifold: 1 manual and 1 hydraulic.

Will notify BLM of cement job and BOPE testing.

Attachment: BOP Schematic and Wellbore Schematic.

(CHK PN 612528)

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

Name (Printed/Typed)  
LINDA GOOD

Title FEDERAL REGULATORY PERMITTING AGENT

Signature

*Linda Good*

Date 01/31/2007

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

Title

Office

**APPROVED**

Date FEB 2 2007

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.

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.

(Instructions on page 2)

BWW

FREDERICK WRIGHT  
PETROLEUM ENGINEER

# BLOWOUT PREVENTOR SCHEMATIC

CHESAPEAKE OPERATING INC

WELL: Dinwiddie 23 Federal 1

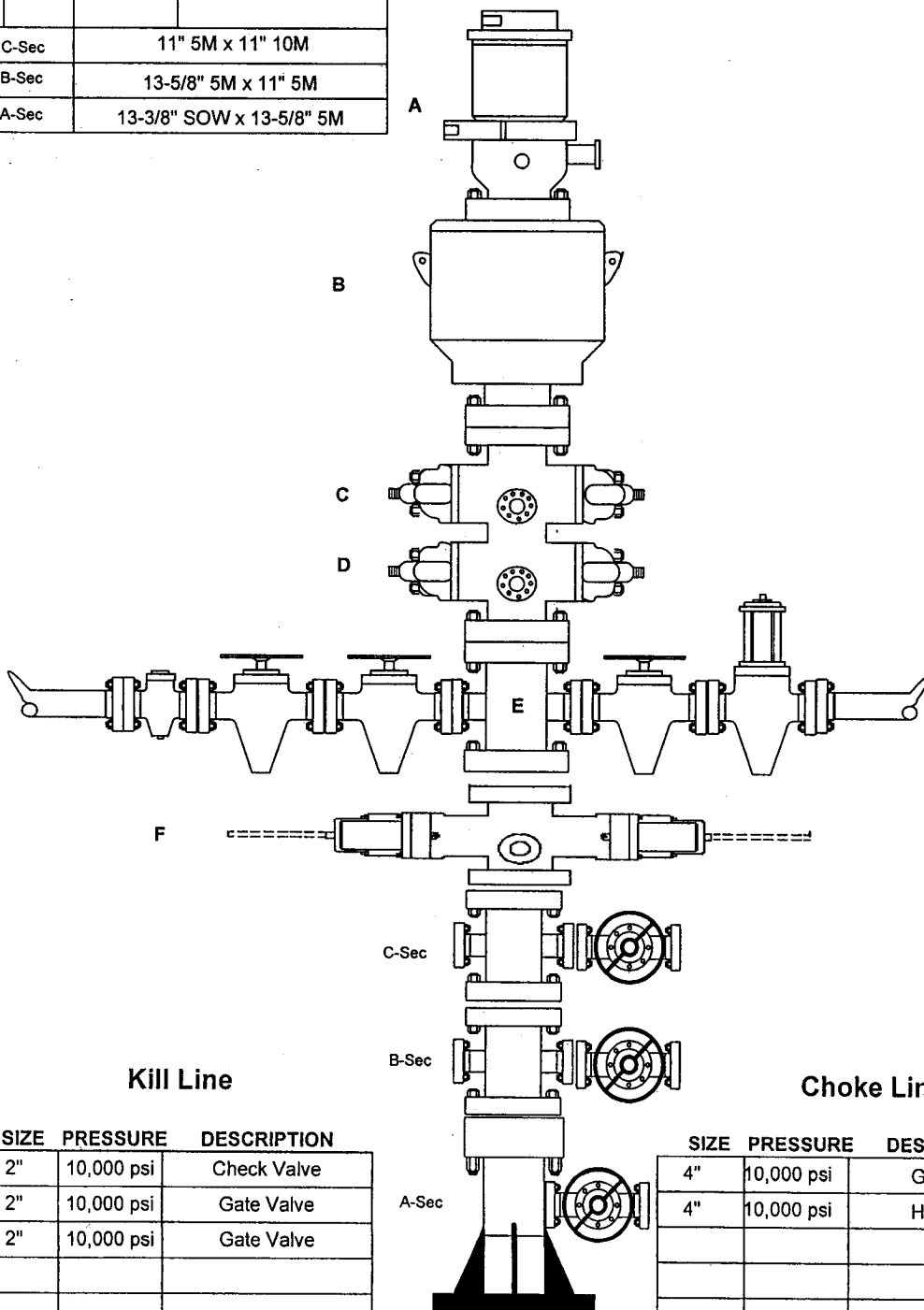
RIG: Nomac 21

COUNTY: Eddy

STATE: New Mexico

OPERATION: Drill out below 7" Casing

|       | SIZE | PRESSURE                 | DESCRIPTION |
|-------|------|--------------------------|-------------|
| A     | 11"  | 500 psi                  | Rot Head    |
| B     | 11"  | 5000 psi                 | Annular     |
| C     | 11"  | 10,000 psi               | Pipe Rams   |
| D     | 11"  | 10,000 psi               | Pipe Rams   |
| E     | 11"  | 10,000 psi               | Mud Cross   |
| F     | 11"  | 10,000 psi               | Blind Rams  |
|       |      |                          |             |
| C-Sec |      | 11" 5M x 11" 10M         |             |
| B-Sec |      | 13-5/8" 5M x 11" 5M      |             |
| A-Sec |      | 13-3/8" SOW x 13-5/8" 5M |             |



| SIZE | PRESSURE   | DESCRIPTION |
|------|------------|-------------|
| 2"   | 10,000 psi | Check Valve |
| 2"   | 10,000 psi | Gate Valve  |
| 2"   | 10,000 psi | Gate Valve  |
|      |            |             |
|      |            |             |

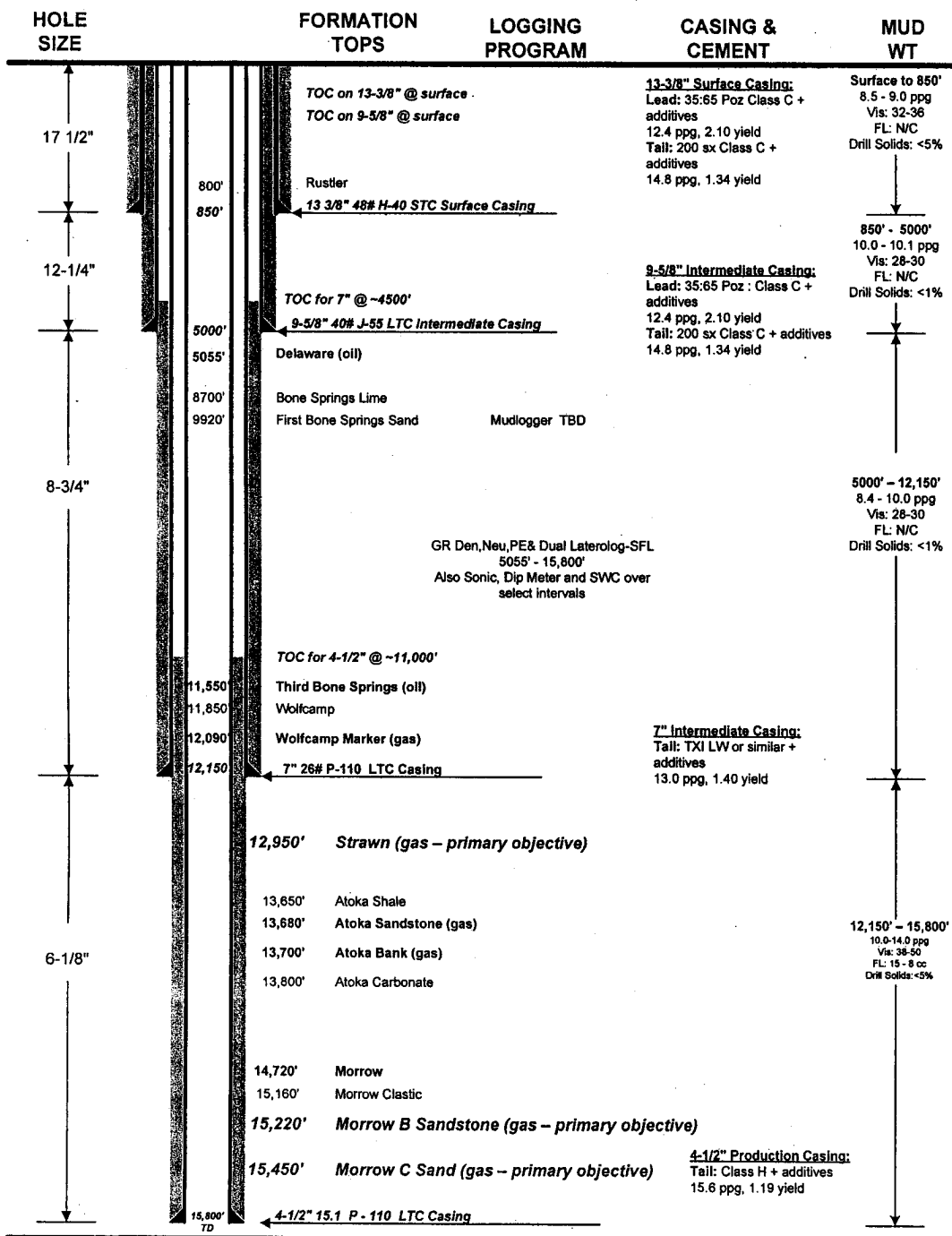
| SIZE | PRESSURE   | DESCRIPTION |
|------|------------|-------------|
| 4"   | 10,000 psi | Gate Valve  |
| 4"   | 10,000 psi | HCR Valve   |
|      |            |             |
|      |            |             |
|      |            |             |

# CHESAPEAKE OPERATING INC

## Proposed Well Schematic



WELL : Dinwiddie 23 Federal 1  
 SHL : Section 23-25S-35E (1400' FNL & 660' FEL)  
 TARGET : Straight  
 COUNTY : Lea STATE : New Mexico  
 FIELD : Talco Prospect  
 ELEVATION : GL - 3131' (8/28/06 survey) KB - 3154' (based on est. 23' KB height)



PREPARED BY: RLP  
 REVISED BY:

DATE: 1/11/07  
 DATE:

### **SUNDRY NOTICE SPECIAL STIPULATIONS**

1. Approval is granted for changes in the COA for the casing settings and cementing to read as follows:
2. Approved eliminating the 5.5" production casing string and setting 7" 26# P-110 LTC intermediate casing from 0-12,150' with cement circulated to at least 500 feet inside the 9.625" casing.
3. The production casing will be 4.5" 15.1# P-110 from 0-15,800' with cement brought up at least 500 feet inside the 7" casing string.
4. The 10M BOP system nipped up on the 9.625" casing can be tested to 5000 psi.
5. The 10M BOP system must be tested to 10,000 psi before drilling out of the 7" casing.

**Engineering**  
**can be reached at 505-706-2779 for any variances that might be necessary.**

**F Wright 2/1/07**