

RECEIVED OGD Hobbs

Form 3160-5
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG - 6

HOBBS OGD

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
NMNM54882

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.
WYNELL FEDERAL 1

2. Name of Operator
CHESAPEAKE OPERATING, INC.

ATTN: LINDA GOOD

9. API Well No.
30-025-30508

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)

2310 FSL & 660 FEL, NESE, SEC 15 T19S R33E

Unit I

11. Country or Parish, State
LEA CO., NM

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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 recompletion 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.)

CHESAPEAKE, RESPECTFULLY, REQUESTS PERMISSION TO P&A THIS WELL PER THE ATTACHED PROCEDURE.

(CHK PN 890886)

RECEIVED

HOBBS OGD

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

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

Title REGULATORY COMPLIANCE SPECIALIST

Signature

Linda Good

Date 07/28/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Chris Williams

Title

Office

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)

APPROVED

AUG 3 2008

JAMES A. AMOS
SUPERVISOR-FPS



**Wynell Federal #1
Plug and Abandonment
Lea County, NM**

Plug and Abandonment Procedure

1. Notify the BLM 24 hrs in advance prior to commencing plug and abandonment operations.

Current Wellbore Information

Surface Casing: 13-3/8", 54.5#, 0-500'

Intermediate Casing: 8-5/8", 32# & 24#, 0-5,200'

Production Casing (5 1/2", 20# & 23#, 0-13,700'

GL: 3,667' **KB:** 3,686' **KB Height:** 19.00'

Current Perfs: Wolfcamp 11,498' – 11,510'

2. Test Anchors
3. Rack 419 joints of 2-3/8" N-80 Workstring.
4. MIRU PU. POH w/ tubing. ND wellhead. NU BOP.
5. Load well with 9.5# brine with 12.5 lbs of gel per bbl and pressure up to 500# and test for leak-off.
5. RU wireline unit. RIH w/ open-ended tbg to 11,554' and set a 25 sxs cmt plug (Wolfcamp Perfs). Pull up hole, wait 4 hours and tag plug no lower than 11,344'.
6. PUH w/ tbg to 7,943' and set a 25 sxs cmt plug (Bone Springs). Pull up hole, wait 4 hours and tag plug. POH w/ tubing.
7. Perforate casing w/ 4 squeeze holes @ 5,986' and squeeze adequate cement to fill from 5,986' – 5,826' (Delaware). WOC and tag no lower than 5,826'.
- 5250 8. Perforate casing w/ 4 squeeze holes @ 5,250' and squeeze with adequate cement to fill from ~~5,826'~~ 5,100' (covers 8-5/8" casing shoe and top of San Andres). WOC and tag no lower than 5,100'.
9. Perforate casing w/ 4 squeeze holes @ 2,950' and squeeze with adequate cement to fill from 2,950' – 2,820' (covers base of salt and top of Yates). WOC and tag no lower than 2,820'.
10. Perforate casing w/ 4 squeeze holes @ 1,638' and squeeze with adequate cement to fill from 1,638' – 1,518' (Top of Salt). WOC and tag no lower than 1,518'.
11. Perforate casing w/ 4 squeeze holes @ 553' and squeeze adequate cement to fill from 553' to 443' (Casing shoe). WOC and tag no lower than 443'.
12. Perforate casing w/ 4 squeeze holes @ 60', circulate cement to surface inside and outside of the 5-1/2" casing. POH.
13. RDMO. Install dry hole marker and cut off dead man. Restore location.

Contacts

Workover Foreman

Lynard Barrera

Office: 575-391-1462

Cell: 575-631-4942

Production Foreman

Ralph Skinner

Office: 575-391-1462

Cell: 575-441-4921

Asset Manager

Kim Henderson

Office: 405-879-8583

Cell: 405-312-1840

Field Engineer

Doug Rubick

Office: 575-391-1462

Cell: 575-441-7326

Chesapeake Operating, Inc.
NMNM54882; Wynnell Federal #1
2310 FSL & 660 FEL Sec. 15, T19S-R33E
Lea County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

1. OK as is.
2. OK as is.
3. OK as is.
4. OK as is.
5. OK as is.
6. Tag plug no lower than 11344'.
7. PUH w/tbg to 7943' and set a 25 sx plug (covers top of Bone Spring)
8. Perforate the 5-1/2" casing @ 5986'. Squeeze with adequate cmt to fill from 5986'- 5826' (covers top of Delaware). WOC and tag no lower than 5826'.
9. ~~5250~~ Perforate the 5-1/2" casing @ 5250'. Squeeze with adequate cmt to fill from ~~5826~~ 5826'- 5100' (covers 8-5/8" shoe and top of San Andres). WOC and tag no lower than 5100'.
10. Perforate the 5-1/2" casing @ 2950'. Squeeze with adequate cmt to fill from 2950'- 2820' (covers base of salt and top of Yates). WOC and tag no lower than 2820'.
11. Perforate the 5-1/2" casing @ 1638'. Squeeze with adequate cmt to fill from 1638'- 1518' (covers top of salt). WOC and tag no lower than 1518'.
12. Perforate the 5-1/2" casing @ 553'. Squeeze with adequate cmt to fill from 553' to 443' (covers 13-3/8" shoe). WOC and tag no lower than 443'.
13. Perforate the 5-1/2" casing @ 60', circulate cmt to surface in/out of the 5-1/2" casing.

Note: The perforations and WOC can be reduced if the 5-1/2" casing is cut and pulled, depending on where it would be cut and pulled. The stub plug would require 50' cmt in/out plus 10% per 1000', WOC and tag. All other plugs would remain the same size and placement, WOC/tag would only apply to the top of Delaware, 8-5/8" shoe, top and base of salt. Contact Jim Amos if you have any questions.

See attached standard COA's.

James A. Amos
505-234-5909

7/27/08

BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
575-234-5972

Permanent Abandonment of Federal Wells
Conditions of Approval

Failure to comply with the following Conditions of Approval may result in a Notice of Incidents of Noncompliance (INC) in accordance with 43 CFR 3163.1.

1. Plugging operations shall commence within ninety (90) days from the approval date of this Notice of Intent to Abandon.

If you are unable to plug the well by the 90th day provide this office, prior to the 90th day, with the reason for not meeting the deadline and a date when we can expect the well to be plugged. Failure to do so will result in enforcement action.

2. **Notification:** Contact the appropriate BLM office at least 24 hours prior to the commencing of any plugging operations. For wells in Chaves and Roosevelt County, call 575-627-0272; Eddy County, call 575-361-2822; Lea County, call 575-393-3612.

3. **Blowout Preventers:** A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The minimum BOP requirement is a 2M system for a well not deeper than 9,090 feet; a 3M system for a well not deeper than 13,636 feet; and a 5M system for a well not deeper than 22,727 feet.

4. **Mud Requirement:** Mud shall be placed between all plugs. Minimum consistency of plugging mud shall be obtained by mixing at the rate of 25 sacks (50 pounds each) of gel per 100 barrels of water. Minimum nine (9) pounds per gallon.

5. **Cement Requirement:** Sufficient cement shall be used to bring any required plug to the specified depth and length. Any given cement volumes on the proposed plugging procedure are merely estimates and are not final. Unless specific approval is received, no plug except the surface plug shall be less than 25 sacks of cement. In lieu of a cement plug in a cased hole, a bridge plug set within 50 feet to 100 feet above the perforations shall be capped with 25 sacks of cement. If a bailer is used to cap this plug, 35 feet of cement shall be sufficient.

Unless otherwise specified in the approved procedure, the cement plug shall consist of either Neat Class "C", for up to 7,500 feet of depth or Neat Class "H", for deeper than 7,500 feet plugs.

6. **Dry Hole Marker:** All casing shall be cut-off at the base of the cellar or 3 feet below final restored ground level (whichever is deeper). The well bore shall then be capped with a 4-inch pipe, 10-feet in length, 4' feet above ground and embedded in cement. The following information shall be permanently inscribed on the dry hole marker: well name and number, name of the operator, lease serial number, surveyed location (quarter-quarter section, section, township and range or other authorized survey designation acceptable to the authorized officer such as metes and bounds).

7. **Subsequent Plugging Reporting:** Within 30 days after plugging work is completed, file one original and five copies of the Subsequent Report of Abandonment, Form 3160-5 to BLM. The report should give in detail the manner in which the plugging work was carried out, the extent (by depths) of cement plugs placed, and the size and location (by depths) of casing left in the well. **Show date well was plugged.**

8. **Trash:** All trash, junk and other waste material shall be contained in trash cages or bins to prevent scattering and will be removed and deposited in an approved sanitary landfill. Burial on site is not permitted.

Following the submission and approval of the Subsequent Report of Abandonment, surface restoration conditions of approval will be developed and furnished to you.