UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED OMB NO. 1004-0135 Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS FEB 10 2009

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposal DBBSOCD

5. In the such proposal Such Proposa

NMLC071949

	NIVILCO	7 1949		,
6.	If Indian,	Allottee or	Tribe	Name

SUBMIT IN TRI	7. If Unit or CA/Agreement, Name and/or No.				
Type of Well	8. Well Name and No. KELLER 27 FEDERAL 2				
CHESAPEAKE OPERATING,	30-025-37906	//			
3a. Address P.O. BOX 18496 OKLAHOMA CITY, OK 7315	3b. Phone No. (include area code) Ph: 405-935-4275)	10. Field and Pool, or Exploratory BELL LAKE; Delawee		
4. Location of Well (Footage, Sec., 7	., R., M., or Survey Description	1)		11. County or Parish,	and State
Sec 27 T23S R34E NESW 19			LEA COUNTY, NM		
12. CHECK APPI	ROPRIATE BOX(ES) TO) INDICATE NATURE OF N	NOTICE, RI	EPORT, OR OTHE	R DATA
TYPE OF SUBMISSION TYPE OF ACTION					
□ Notice of Intent □ Subsequent Report	☐ Acidize☐ Alter Casing☐ Casing Repair	Deepen Fracture Treat New Construction	Product Reclama		☐ Water Shut-Off ☐ Well Integrity ☐ Other
☐ Final Abandonment Notice	Change Plans	Plug and Abandon	_	arily Abandon	_
	Convert to Injection	□ Plug Back	□ Water D	•	
13. Describe Proposed or Completed Op If the proposal is to deepen direction Attach the Bond under which the wo following completion of the involve testing has been completed. Final A determined that the site is ready for CHESAPEAKE, RESPECTFL WELL WAS GOING TO BE A HAS CHANGED OUR DRILLI DRILL THESE WELLS WE WEUTURE FOR SWD. THIS W	ally or recomplete horizontally rk will be performed or provid d operations. If the operation r bandonment Notices shall be final inspection.) ILLY, REQUESTS PERM SWD FOR THE KELLER NG RIG COUNT HAS DE ILL NEED A PLACE TO I	give subsurface locations and mease the Bond No. on file with BLM/BL esults in a multiple completion or recled only after all requirements, inclu- ISSION TO TEMPORARILY AS WELLS YET TO BE DRILLE ROPPED, PUTTING THE SAID	Sured and true A. Required s Completion in a ding reclamati ABANDON D. SINCE D KELLER THIS WELL	vertical depths of all per ubsequent reports shall to a new interval, a Form 3 ion, have been completed FHIS WELL FOR 1 FHE ECONOMIC EN WELLS ON HOLD. BORE WILL BE US	tinent markers and zones be filed within 30 days 160-4 shall be filed once d, and the operator has YEAR. THIS NVIRONMENT ONCE WE DO ED IN THE

TA PROCEDURE:

1. NOTIFY OCD 24 HOURS PRIOR TO RUNNING MIT.

THIS WELL WILL PRESERVE THE WELLBORE UNTIL WE NEED IT FOR DISPOSAL.

2. TEST ANCHORS

SEE ATTACHED FOR CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Electronic Submission #66862 verified For CHESAPEAKE OPERAT	l by the BLM Well Information System NG, INC., sent to the Hobbs
Name(Printed/Typed) LINDA GOOD	Title SR. REGULATORY COMPLIANCE SPEC
Signature (Electronic Submission)	Date 02/02/2009
THIS SPACE FOR FEDERA	L OR STATE OFFICE USE
Approved By J.D. Willock 2	Delaware 7,606 7,608 Producing 1 2/3/2009 Titleducing 1 2 PET Date ,624
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 CFO

Fitle 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.



Additional data for EC transaction #66862 that would not fit on the form

32. Additional remarks, continued

- 3. MIRU PULLING UNIT. POH W/RODS AND PUMP. NDWH NUBOP.
- 4. POH W/TUBING.
- 5. RIH W/BIT AND SCRAPER TO PBTD @ 7,000'.
- 6. MIRU WIRELINE. RIH W/5 1/2" CIBP AND SET @ +/-7,480'. RIH AND DUMP BAIL 3 SX CEMENT ON TOP OF CIBP. TAG PLUG TO VERIFY.
- 7. RUN MIT PER NMOCD RECOMMENDATIONS.
- 8. RDMO.

Current Wellbore Information

Casing OD Weight Grade Depth Set TOC Surface 13 3/8 48# H-40 585 Surface Intermediate 8 5/8 32# J-55 5,081 Surface Production 5 1/2 17# L-80 8,750 4930

Tubing OD Depth Set Production 2 7/8" 8,575 TAC 2 7/8" 7,533 Seat Nipple 2 7/8" 8,576 Perf Sub 2 7/8" 8,580 Mud Anchor 2 7/8" 8,610 Ball Plug 2 7/8" 8,611

Rods OD Depth Set Polished Rod 1 1/4" 27' Sucker Rod 7/8" 4,102 Sucker Rod 3/4" 8,202 Sucker Rod 7/8" 8.552 Rod Pump 1 1/4" 8,576

Top Perf Bottom Perf Status SPF Delaware 7,533 7,535 Producing 1 Producing 1 Delaware 7,606 7,608 Producing 1 Delaware 7,619 7,624 Producing 1 Delaware 8,150 8,153 Delaware 8,290 8,293 Producing 1 Delaware 8,428 8,430 Delaware 8,445 8,448 Producing 1 Producing 1 Delaware 8,455 8,457 Producing 1 Producing 1 Delaware 8,464 8,466 Delaware 8,532 8,534 Delaware 8,538 8,547 Producing 1 Producing 1

GL: 3,475' KB: 3,493' KB Height: 18'

CONTACTS:

WORKOVER FOREMAN: LYNARD BARRERA OFFICE: 575-391-1462 CELL: 575-631-4942

PRODUCTION FOREMAN: MELVIN HARPER OFFICE: 575-391-1462 CELL: 575-631-5348

PRODUCTION ENGINEER: DOUG RUBICK OFFICE: 405-879-3178 CELL: 405-208-3185

32. Additional remarks, continued

(CHK PN 610218)

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

Temporary Abandonment of Wells on Federal Lands Conditions of Approval

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

- 1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
- 2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 575-361-2822; Lea County 575-393-3612.
- 3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.

Wells that successfully pass the casing integrity test may be approved for Temporary Abandonment (TA) status provided that the operator:

- 1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
- 2. Describes the temporary abandonment procedure.
- 3. Attaches a clear copy or the original of the pressure test chart.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

- A procedure to repair the casing so that a TA approval can be granted.
- 2. A procedure to plug and abandon the well.

Submit Subsequent Report and well bore diagram with all Perforations and CIBP with tops of cement. Well will be approved after successful MIT and subsequent report is submitted. Submit request to NMOCD to convert well to SWD and a copy to this office. Well must be online or plans to P&A well by February 3, 2010 Keller 27 Federal #2