Form 3160-5 (August 2007)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

ou RECEIVED

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

| SUNDRY NOTICES | AND | DEDORTS | ON | WELLS | : |
|-------------------|-----|---------|------|-------|---|
| 31101187 00110.53 | AND | KEPUKIO | CJIN | AACFF | |

JUL 17 2009

NMNM107397

| Do not use thi abandoned we | is form for proposals to II. Use form 3160-3 (APL | drill or to re D) for such p | enter an roposalsHO[| | 6. If Indian, Allottee of | Tribe Name | |
|--|---|--------------------------------------|--|--|---|--|--|
| SUBMIT IN TRIPLICATE - Other instructions on reverse side. | | | | | 7. If Unit or CA/Agreement, Name and/or No NMNM109682 | | |
| 1 Type of Well | | | | | 8 Well Name and No JABLKA FEDERA | L COM 1 | |
| Oil Well Gas Well Oth Name of Operator | | LINDA GOOI |) | | 9. API Well No. | <u></u> | |
| CHESAPEAKE OPERATING, | | | | | 30-025-35973 | √ | |
| 3a. Address P.O. BOX 18496 OKLAHOMA CITY, OK 7315 | 4-0496 | 3b Phone No Ph: 405-93 | . (include area code 5-4275 |) | 10. Field and Pool, or FEATHERSTON | Exploratory IE; Bone Spring | |
| 4 Location of Well (Footage, Sec., 7 | r., R., M., or Survey Description |) | | | 11 County or Parish, a | 7 | |
| Sec 9 T20S R35E SESW 510FSL 1980FWL | | | | | LEA COUNTY, NM | | |
| 12. CHECK APPI | ROPRIATE BOX(ES) TO | INDICATE | NATURE OF 1 | NOTICE, RE | PORT, OR OTHER | R DATA | |
| TYPE OF SUBMISSION | | | TYPE O | F ACTION | | | |
| Notice of Intent | ☐ Acidize | □ Dee | pen | □ Production | on (Start/Resume) | ☐ Water Shut-Off | |
| _ | Alter Casing | | ture Treat | □ Reclama | tion | ☐ Well Integrity | |
| ☐ Subsequent Report | ☐ Casing Repair | _ | / Construction | □ Recompl | | □ Other | |
| ☐ Final Abandonment Notice | ☐ Change Plans | | | _ | arily Abandon | | |
| | Convert to Injection | □ Plu | | ☐ Water Disposal | | | |
| 13. Describe Proposed or Completed Op If the proposal is to deepen direction Attach the Bond under which the we following completion of the involve testing has been completed. Final A determined that the site is ready for | nally or recomplete horizontally ork will be performed or provide d operations. If the operation re bandonment Notices shall be fi | , give subsurface the Bond No. | e locations and mea on file with BLM/Bl ole completion or re | sured and true v IA. Required su completion in a | rertical depths of all pert bsequent reports shall b new interval, a Form 3 | thent markers and 2006 be filed within 30 days 160-4 shall be filed once | |
| WORKED 33 DAYS IN AN ATWELL. | TTEMPT TO FISH OUT T | HE RODS AI | ND TUBING BUT | T WERE UNA | ABLE TO GET THE | M OUT OF THE | |
| CHESAPEAKE, RESPECTFU PROCEDURE. | JLLY, REQUESTS, PERM | MISSION TO | P&A THIS WELI | L PER THE F | FOLLOWING PLUG | GING | |
| 1. NOTIFY THE BLM 24 HO | URS IN ADVANCE PRIOF | R ТО СОММІ | ENCING PLUG | AND ABAND | ONMENT OPERAT | IONS. | |
| 2. HOLD TAILGATE SAFET' OPERATIONS. | Y MEETING PRIOR TO B | EGINNING V | , | | | OR SPECIFIC | |
| 3. RACK AND TALLY 296 JO | OINTS OF 2-7/8" N-80 W(| ORKSTING | SEE AT | TACHE | D FOR | | |
| * Interim Reclai | nation Included | | CONDI | TIONS (| OF APPROV | AL | |
| 14. I hereby certify that the foregoing | Flectronic Submission # | 72010 verifie AKE OPERAT | by the BLM Wel | II Information o the Hobbs | System | • | |
| Name(Printed/Typed) LINDA GOOD | | Title SR. REGULATORY COMPLIANCE SPEC | | | | | |
| . Signature (Electronic Submission) | | Date 07/09/2009 | | | | | |
| | THIS SPACE FO | OR FEDERA | L OR STATE | OFFICE US | SE | | |
| Approved By | Lh | acht. | Title Petroli | eum Eng | need | Date 7-15-c | |
| Conditions of approval, if any are attach certify that the applicant holds legal or ea which would entitle the applicant to cond | quitable title to those rights in the | | Office C | FO | | | |

Additional data for EC transaction #72010 that would not fit on the form

- 4. PREPARE LOCATION. TEST ANCHORS.
- MIRU PU. NDWH. NU AND TEST BOP. POH W/TUBING.
- 6. RIH W/PACKER, ESTABLISH CEMENT RATE BELOW FISH, SQUEEZE 8,860' 9,050' WOC ? P/T.
- 100' CEMENT PLUG SIDE AND OUT. PERFORATE CASING WITH 4 SQUEEZE HOLES PULL UP HOLE, WAIT 4 HOURS AND TAG PLUG
- 8. LOAD WELL WITH PLUGGING MUD AND PRESSUR
- 9. PERFORATE CASING WITH 4 SQUEEZE HOLES CEMENT PLUG INSIDE AND OUT.
- PULL UP HOLE, WAIT 4 HOURS AND TAG BLUG. (NO WORLD THAN 3,000' BETWEEN PLUGS)

 10. Perforate casing with 4 squeeze house @ 4,700's and squeeze a 100? cement plug inside and out. Pull up hole, wait 4 hours and tag plug. (15.00 casing Shoe @ 4,700?)
- 11. Perforate casing with 4 squeeze holes @ 3,987? and squeeze a 100? cement plug inside and out. Pull up hole, wait 4 hours and tag plug. (Top of Yates/Base of Salt @ 3,937?)
- 12. Perforate casing with 4 squeeze holes @ 2,028? and squeeze a 100? cement plug inside and out. Pull up hole, wait 4 hours and tag plug. (Top of Salt @ 1,978?)
- 13. Perforate casing with 4 squeeze holes @ 450? and squeeze a 100? cement plug inside and out. Pull up hole, wait 4 hours and tag plug. (13-3/8? Casing Shoe @ 400?)
- 14. Perforate casing with 4 squeeze holes @ 75? and squeeze a 100? cement plug inside and out. Fill casing back to surface with cement. Top off casing. POH.
- 15. RDMO. Install dry hole marker and cut off dead man. Restore location.

(CHK PN 819426)

405 1 :nda Good



JABLKA FEDERAL COM 1

Field: FEATHERSTONE BONE SPRING

LEA County:

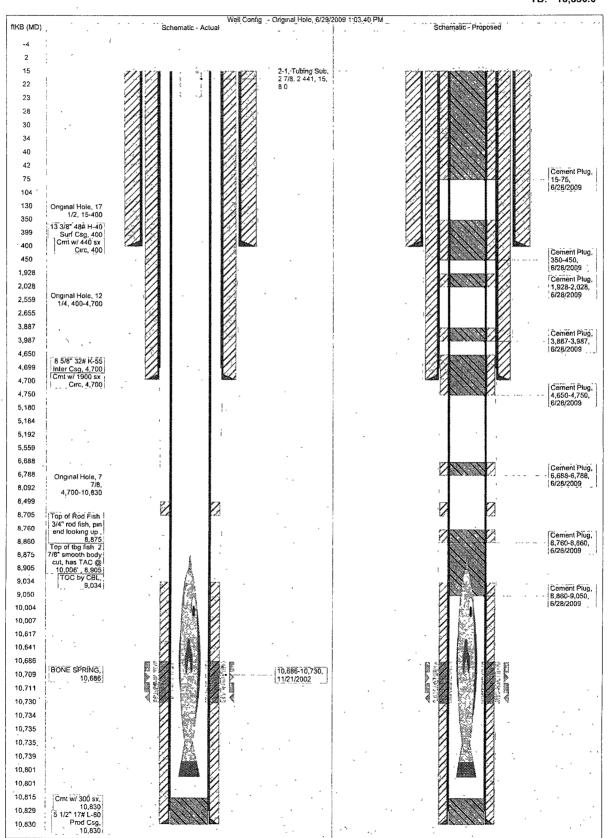
NEW MEXICO State:

Location: SEC 9, 20S-35E, 510 FSL & 1980 FWL

Elevation: GL 3,685.00 KB 3,700.00

KB Height: 15.00

Spud Date: 9/21/2002 Initial Compl. Date: API#: 3002535973 CHK Propterty #: 819426 1st Prod Date: 1/5/2003 PBTD: Original Hole - 10815.0 TD: 10,830.0



Chesapeake Operating, Inc. NMNM-109682: Jablka Federal Com 1 510' FSL & 1980' FWL Sec 9, T20S-R35E Lea County, New Mexico

RE: Plugging and Abandonment Requirements, Conditions of Approval

- 1. The perforation and cement squeeze at 8875' is not to be done.
- 2. Plug at 6788' needs to be a minimum of 160' with no less than 25 sx.
- 3. Plug at 4750' needs to be a minimum of 140' with no less than 25 sx.
- 4. Plug at 3987' needs to be a minimum of 140' with no less than 25 sx.
- 5. Plug at 2028' needs to be a minimum of 120' with no less than 25 sx.

See attached standard COAs.

DHW 071409

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 <u>ninety (90)</u> 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. <u>Notification:</u> 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. <u>Blowout Preventers</u>: A blowout preventer (BOP), as appropriate, shall be installed before commencing any plugging operation. The BOP must be installed and maintained as per API and manufacturer recommendations. 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. <u>Mud Requirement:</u> 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 **brine** water. Minimum nine (9) pounds per gallon.
- 5. <u>Cement Requirement</u>: 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. <u>Dry Hole Marker</u>: 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. <u>Subsequent Plugging Reporting:</u> 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. <u>Trash:</u> 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.

DHW 071309



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Cailsbad Field Office 620 E. Greene St Carlsbad, New Mexico 88220-6292 www.blm.gov/nm



In Reply Refer To 1310

Interim Reclamation Procedures

Reclamation Objective: Oil and gas development is one of many uses of the public lands and resources. While development may have a short- or long-term effect on the land, successful reclamation can ensure the effect is not permanent. During the life of the development, all disturbed areas not needed for active support of production operations should undergo "interim" reclamation in order to minimize the environmental impacts of development on other resources and uses.

Interim reclamation consists of minimizing the footprint of disturbance by reclaiming all portions of the well site not needed for production operations. The portions of the cleared well site not needed for operational and safety purposes are recontoured to a final or intermediate contour that blends with the surrounding topography as much as possible. Sufficient level area remains for setup of a workover rig and to park equipment. Topsoil is respread over areas not needed for all-weather operations. Production facilities should be clustered to maximize the opportunity for interim reclamation. In order to inspect and operate the well or complete workover operations, it may be necessary to drive, park, and operate on restored, interim vegetation within the previously disturbed area. This is generally acceptable provided damage is repaired and reclaimed following use.

To reduce final reclamation costs; maintain healthy, biologically active topsoil; and to minimize habitat, visual, and forage loss during the life of the well, all salvaged topsoil should be spread over the area of interim reclamation, rather than stockpiled.

- The Application for Permit to Drill or Reenter (APD, Form 3160-3), Surface Use Plan of
 Operations must include adequate measures for stabilization and reclamation of disturbed lands.
 Oil and Gas operators must plan for reclamation, both interim and final, up front in the APD
 process as per Onshore Oil and Gas Order No. 1.
- 2. For wells and/or access roads not having an approved plan, or an inadequate plan for surface reclamation (either interim or final reclamation), the operator must submit a proposal describing the procedures for reclamation. For interim reclamation, the appropriate time for submittal would be when filing the Well Completion or Recompletion Report and Log (Form 3160-4). Interim reclamation is to be completed within 6 months of well completion.
- 3. If you have an approved Surface Use Plan of Operation and/or an approved Sundry Notice, you are free to proceed with interim reclamation as per approved APD or Sundry Notice. If you have issues or concerns, contact a BLM specialist to assist you. It would be in your interest to have a BLM specialist look at the location and access road prior to the removal of reclamation equipment to ensure that it meets BLM objectives. Upon conclusion submit a Form 3160-5, Subsequent Report of Reclamation. This will prompt a specialist to inspect the location to verify work was completed as per approved plans.
- 4. The approved Subsequent Report of Reclamation will be your notice that the native soils, contour and seedbed have been reestablished. If the BLM objectives have not been met the operator will be notified and corrective actions may be required.
- 5. It is the responsibility of the operator to monitor these locations and/or access roads until such time as the operator feels that the BLM objective has been met.

If there are any questions, please feel free to contact any of the following specialists:

Jim Amos Supervisory Environmental Protection Specialist 575-234-5909, 575-361-2648 (Cell)

Terry Gregston Environmental Protection Specialist 575-234-5958

Bobby Ballard Environmental Protection Specialist 575-234-2230

Randy Rust Environmental Protection Specialist 575-234-5943

Linda Denniston Environmental Protection Specialist 575-234-5974

Jennifer Van Curen Environmental Protection Specialist 575-234-5905

Justin Frye Environmental Protection Specialist 575-234-5922 Cody Layton Natural Resource Specialist 575-234-5959

Trishia Bad Bear Natural Resource Specialist 575-393-3612

Todd Suter Surface Protection Specialist 575-234-5987

Doug Hoag Civil Engineering Technician 575-234-5979