

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTRECEIVED
SEP 02 2009FORM 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.

Lease Serial No
NMNM04229C

6 If Indian, Allottee or Tribe Name

7 If Unit or CA/Agreement, Name and/or No
NMNM70979C8 Well Name and No.
LEU 79 API Well No.
30-025-3260210 Field and Pool, or Exploratory
HAT MESA, Delaware11. County or Parish, and State
LEA COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2 Name of Operator

CHESAPEAKE OPERATING, INC.

Contact LINDA GOOD

E-Mail: linda.good@chk.com

3a. Address

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

3b Phone No. (include area code)

Ph: 405-935-4275

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

Sec 5 T21S R32E SWNE 1800FNL 1650FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒
- Notice of Intent
-
- ☐
- Subsequent Report
-
- ☐
- Final Abandonment Notice

TYPE OF ACTION

- | | | | |
|---|--|--|---|
| <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation | <input type="checkbox"/> Well Integrity |
| <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 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.)

AMENDED SUNDRY NOTICE OF INTENT TO P&A

ATTENTION: JIM AMOS

CHESAPEAKE, RESPECTFULLY, REQUESTS PERMISSION TO RE-PLUG THIS WELL PER THE FOLLOWING PROCEDURE
(THIS WELL IS BEING RE-PLUGGED PER MEETING WITH BLM, CHESAPEAKE AND BOBCO)

CURRENT WELLBORE INFORMATION:

| | | | | | | |
|--------------|---------|--------|-------|--------|-----|---------|
| CASING | OD | WEIGHT | GRADE | DEPTH | SET | TOC |
| SURFACE | 11 3/4" | 42# | H-40 | 1,405' | | SURFACE |
| INTERMEDIATE | 8 5/8" | 32# | WC-50 | 3,200' | | SURFACE |

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

APPROVED

AUG 27 2009

JAMES A. AMOS
SUPERVISOR

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

Electronic Submission #73651 verified by the BLM Well Information System
For CHESAPEAKE OPERATING, INC., sent to the Hobbs

Name (Printed/Typed) LINDA GOOD

Title SR. REGULATORY COMPLIANCE SPEC

Signature (Electronic Submission)

Date 08/25/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

PRODUCTION ENGINEER

Title

Date

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

SEP 04 2009

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.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Additional data for EC transaction #73651 that would not fit on the form

32. Additional remarks, continued

PRODUCTION 5 1/2" 15.5# K-55 8,400' 2,020'

| PERFS | TOP PERF | BOTTOM PERF | STATUS |
|----------|----------|-------------|---------|
| DELAWARE | 7,122' | 7,136' | PLUGGED |
| DELAWARE | 8,062' | 8,072' | PLUGGED |
| DELAWARE | 8,264' | 8,270' | PLUGGED |

GL: 3,561' KB: 3,571' KB HEIGHT: 10'

PROCEDURE

1. NOTIFY THE BLM 24 HOURS IN ADVANCE PRIOR TO COMMENCING PLUG AND ABANDONMENT OPERATIONS.
2. HOLD TAILGATE SAFETY MEETING PRIOT TO BEGINNING WORK EACH MORNING AND AS REQUIRED FOR SPECIFIC OPERATIONS.
3. TEST ANCHORS AND PREPARE LOCATION.
4. MIRU PULLING UNIT. NDWH NU 2M BOP.
5. RIH AND DO CEMENT PLUGS DOWN TO 2,000'.
6. PERFORATE 4 SQUEEZE HOLES @ 2,000' AND 100'. RIH W/TUBING AND PACKER TO +/-900' AND BREAK CIRCULATION PRIOR TO PUMPING CEMENT. SQUEEZE A CEMENT PLUG INSIDE AND OUT FROM 2,000' TO 1,000'. CALCULATED VOLUME OF CEMENT TO BE USED IS 261 SACKS. WOC AND TAG. POH.
7. RIH W/TUBING TO 100' (BELOW PERFS) AND SPOT A CEMENT PLUG TO SURFACE. TOP OFF CASING.
8. RDMO. INSTALL DRY HOLE MARKER AND CUT OFF DEAD MAN. RESTORE LOCATION.

CONTACTS:

PRODUCTION FOREMAN
RALPH SKINNER
OFFICE: 575-391-1462
CELL: 575-631-5348

PRODUCTION ENGINEER
KIM HENDERSON
OFFICE: 405-935-8583
CELL: 405-312-1840

(CHK PN 891309)

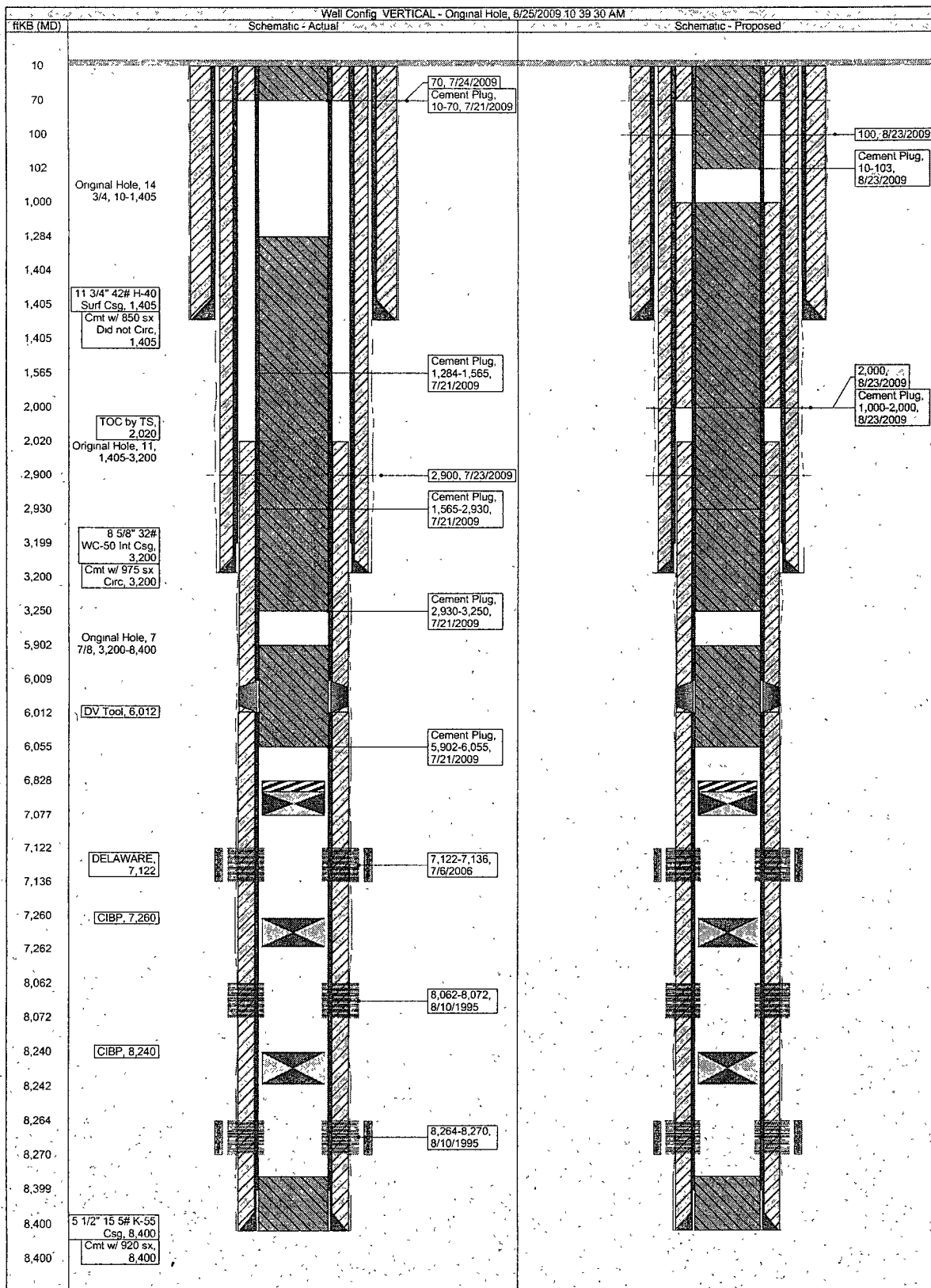


Workover Proposal

LITTLE EDDY UNIT 7

Field: HAT MESA (DELAWARE)
County: LEA
State: NEW MEXICO
Location: SEC 5, 21S-32E, 1799 FNL & 1650 FEL
Elevation: GL 3,561.00 KB 3,571.00
KB Height: 10.00

Spud Date: 6/11/1995
Initial Compl. Date:
API #: 3002532602
CHK Property #: 891309
1st Prod Date:
PBDT: Original Hole - 10.0
TD: 8,400.0



**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 prior to 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.