

New Mexico Oil Conservation Division, District I
1625 N. French Drive
Hobbs, NM 88240

Form 3160-5
(August 2007)



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM 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.

5. Lease Serial No.
NMNM0557565

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

7. If Unit or CA/Agreement, Name and/or No.
NMNM71979

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
BEALL FEDERAL 1

2. Name of Operator
CHESAPEAKE OPERATING INC
Contact: LINDA GOOD
E-Mail: linda.good@chk.com

9. API Well No.
30-005-20483-00-S1

3a. Address
2010 RANKIN HWY
MIDLAND, TX 79701

3b. Phone No. (include area code)
Ph: 405-935-4275

10. Field and Pool, or Exploratory
SAND RANCH-ATOKA, SOUTH

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 17 T11S R30E SWNE 1980FNL 2230FEL
Unit. G ✓

11. County or Parish, and State
CHAVES COUNTY, NM ✓

12. CHECK 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 type="checkbox"/> Plug and Abandon	<input checked="" 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 recompleat 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.)

CHESAPEAKE, RESPECTFULLY, REQUESTS PERMISSION TO RUN A MIT TO TEMPORARY ABANDONED THIS WELL. THE RUBICON SYSTEM THAT WAS USED TO DELIVER GAS CAN NO LONGER TAKE THE GAS. CURRENTLY CHESAPEAKE HAS NO OTHER TRANSPORTER OPTIONS TO DELIVER THE GAS. WE ARE CURRENTLY IN THE PROCESS OF EVALUATING OPTIONS FOR EITHER ANOTHER DELIVERY SYSTEM OR TO PLUG. PLEASE FIND THE PROCEDURE BELOW FOR RUNNING THE MIT TEST TO TA.

CURRENT WELLBORE INFORMATION:

TD: 9,434' PBTD: 9,400'

CASING OD WEIGHT GRADE DEPTH SET TOC
SURFACE 13-3/8" 48# NA 370' SURFACE

RECEIVED

SEP 08 2009

HOBBSOCD

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

**Electronic Submission #73755 verified by the BLM Well Information System
For CHESAPEAKE OPERATING INC, sent to the Roswell
Committed to AFMSS for processing by DAVID GLASS on 08/31/2009 (09DG0437SE)**

Name (Printed/Typed) LINDA GOOD

Title SR. REGULATORY COMPLIANCE SPEC

Signature (Electronic Submission)

Date 08/28/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By DAVID R GLASS

Title PETROLEUM ENGINEER

Date 09/01/2009

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 Roswell

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

INTERMEDIATE	8-5/8"	24# & 32#	NA 2,850'	1,590'
PRODUCTION	4 1/2"	11.6#	NA 9,433'	6,800'

PERFS	TOP	PERF	BOTTOM	PERF	STATUS
ATOKA	9,096'	9,110'			OPEN
ATOKA	9,148'	9,150'			OPEN
ATOKA	9,170'	9,172'			OPEN

TUBING OD WEIGHT GRADE DEPTH SET
TUBING 2-3/8" 4.7# NA 9,148'

OIH SIZE LOCATION
PACKER 2-3/8" 9,060'

GL: 3,942' KB: 0 KB HEIGHT: 3,942'

1. NOTIFY THE BLM 24 HOURS IN ADVANCE PRIOR TO PERFORMING MIT.
2. HOLD TAILGATE SAFETY MEETING PRIOR TO BEGINNING WORK EACH MORNING AND AS REQUIRED FOR SPECIFIC OPERATIONS.
3. RU PUMP TRUCK AND PUMP 2% KCL DOWN THE BACKSIDE OF THE CASING.
4. PRESSURE UP WELL TO 500 PSI. RECORD MIT FOR 30 MINUTES. IF LESS THAN 10% PRESSURE CHANGE IS 30 MINUTES MIT IS ACCEPTABLE.
5. BLEED PRESSURE OFF WELL. UNHOOK PUMP TRUCK AND PUT WELL BACK ON PRODUCTION.
6. RDMO. CLEAN LOCATION.

(CHK PN 890388)

44-38861-106
ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED

Revisions to Operator-Submitted EC Data for Sundry Notice #73755

	Operator Submitted	BLM Revised (AFMSS)
Sundry Type:	TA NOI	TA NOI
Lease:	NMNM0557565	NMNM0557565
Agreement:		NMNM71979
Operator:	CHESAPEAKE OPERATING, INC. P.O. BOX 18496 OKLAHOMA CITY, OK 73154-0496 Ph: 405-935-4275	CHESAPEAKE OPERATING INC 2010 RANKIN HWY MIDLAND, TX 79701 Ph: 432.687.2992
Admin Contact:	LINDA GOOD SR REGULATORY COMPLIANCE SPEC E-Mail: linda.good@chk.com Ph: 405-935-4275 Fx: 405-849-4275	LINDA GOOD SR. REGULATORY COMPLIANCE SPEC E-Mail: linda.good@chk.com Ph: 405-935-4275
Tech Contact:	LINDA GOOD SR REGULATORY COMPLIANCE SPEC E-Mail: linda.good@chk.com Ph: 405-935-4275 Fx: 405-849-4275	LINDA GOOD SR. REGULATORY COMPLIANCE SPEC E-Mail: linda.good@chk.com Ph: 405-935-4275
Location:		
State:	NM	NM
County:	CHAVES	CHAVES
Field/Pool:	SAND RANCH SOUTH	SAND RANCH-ATOKA, SOUTH
Well/Facility:	BEALL FEDERAL 1 Sec 17 T11S R30E SWNE 1980FNL 2230FEL	BEALL FEDERAL 1 Sec 17 T11S R30E SWNE 1980FNL 2230FEL



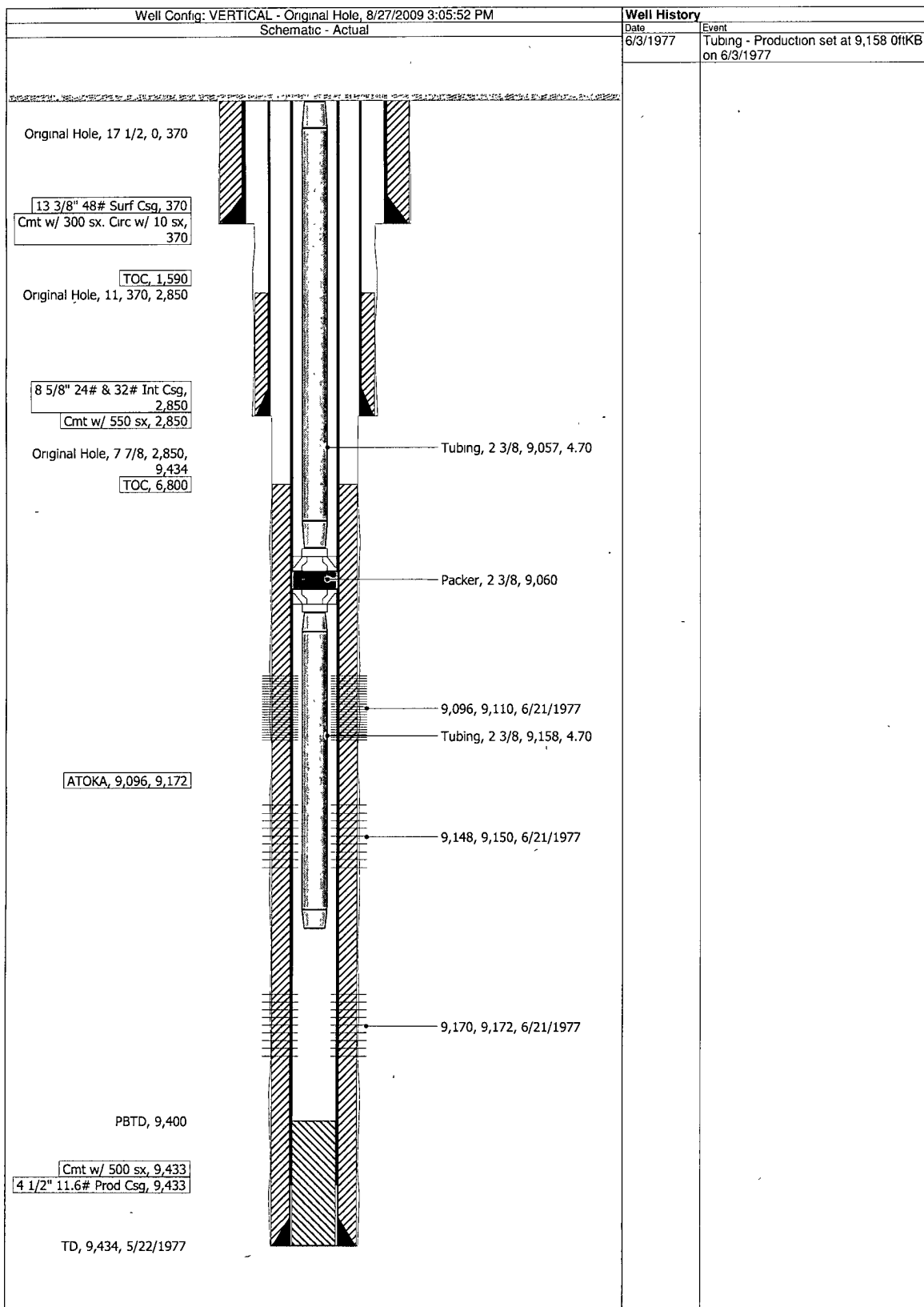
Current Wellbore Schematic

BEALL FEDERAL 1

Field: SAND RANCH
County: CHAVES
State: NEW MEXICO
Elevation: GL 3,942.00 KB 3,942.00
KB Height: 0.00

Location: SEC 17, 11S-30E, 1980 FNL & 2230 FEL

Spud Date: 7/22/1975
Initial Compl. Date:
API #: 3000520483
CHK Property #: 890388
1st Prod Date: 10/31/1978
PBDT: Original Hole - 9400.0
TD: 9,434.0



BUREAU OF LAND MANAGEMENT
Roswell Field Office
2909 West Second Street
Roswell, New Mexico 88201
575-627-0272

Temporary Abandonment of Wells on Federal Lands
Conditions of Approval

A temporary abandoned well is defined as a completion that is not capable of production in paying quantities but 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 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 BLM Roswell Field Office office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Chaves and Roosevelt County, call (575) 910-6024 or after office hours call (575) 627-0205.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for a 12 month period provided by the operator.

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

The TA status could be extended without another casing integrity test provided there was no leak-off during the test and the test was witnessed by a BLM representative.

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:

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