

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

RECEIVED

APR 06 2004

OCD-ARTESIA

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM8431
2. Name of Operator CHESAPEAKE OPERATING INC		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 18496 OKLAHOMA CITY, OK 73154-0496		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 405.879.9268 Fx: 405.879.9583		8. Well Name and No. PENJACK FEDERAL 10
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 12 T10S R25E NESE 1980FSL 1330FEL		9. API Well No. 30-005-63591-00-S1
		10. Field and Pool, or Exploratory PECOS SLOPE
		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 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 checked="" 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Site Facility Diagram/Security Plan
	<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.)

Attached is the site facility diagram for the Penjack Federal 10.

(CHK PN 819450)

14. I hereby certify that the foregoing is true and correct. Electronic Submission #28984 verified by the BLM Well Information System For CHESAPEAKE OPERATING INC, sent to the Roswell Committed to AFMSS for processing by LINDA ASKWIG on 03/29/2004 (04LA0214SE)	
Name (Printed/Typed) TAMI BRODY	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 03/29/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	ARMANDO A LOPEZ Title PETROLEUM ENGINEER	Date 04/01/2004
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.

CHESAPEAKE OPERATING, INC.

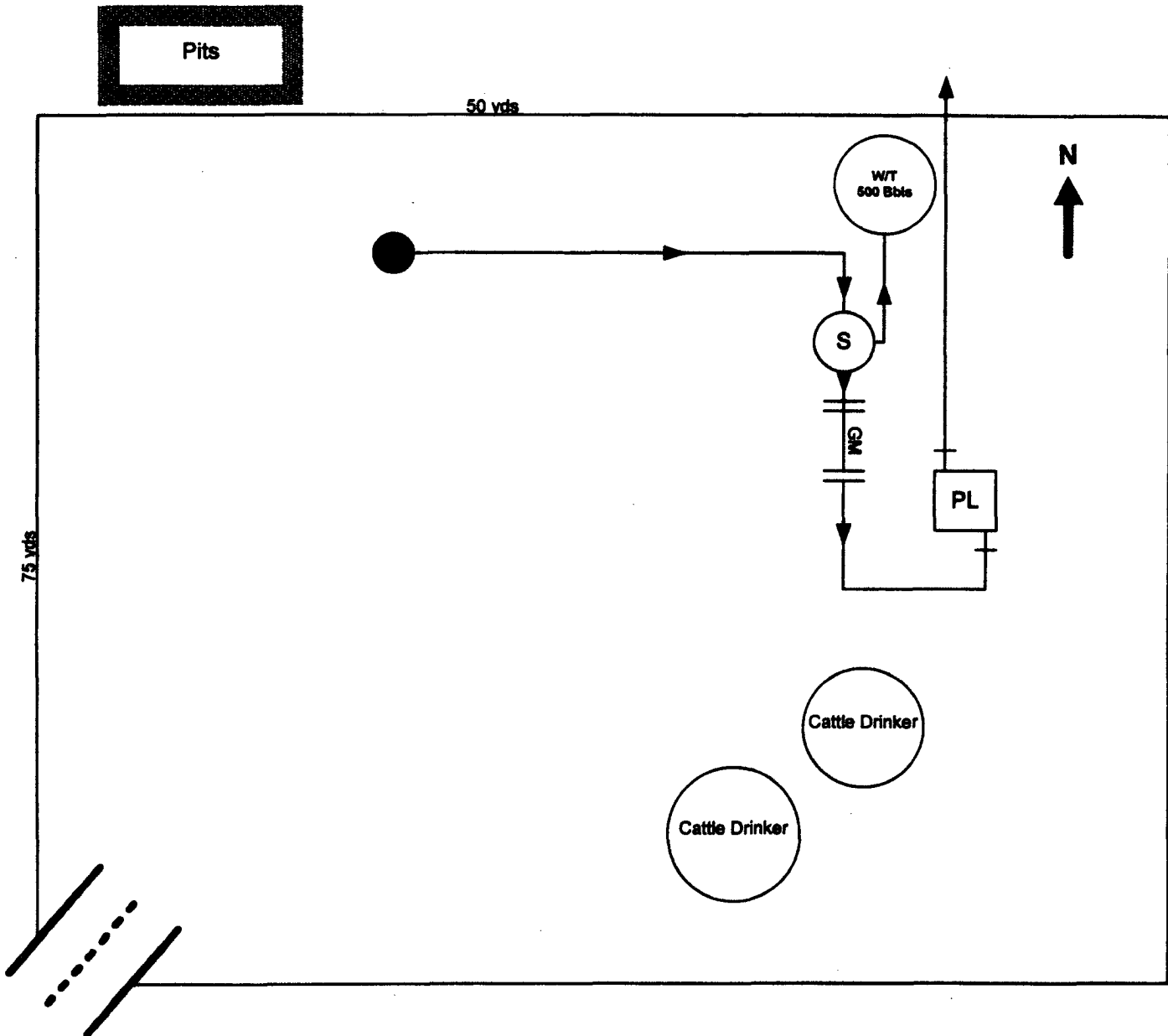
CHK Name & Number:
API number:
County:
State:
Field:
Qtr Qtr Calls:
Sec/Twnshp/Rng:
Number of Acres:

PENJACK FEDERAL 10
30-005-63591
CHAVES
NM
PECOS SLOPE ABO
W/2 W/2 NE SE
12-10S-25E
160

819450

Regulatory Agency:
Lease Sign Type:
CA#:
APD Lease #:
Federal/Indian:
Last Violation:
District:
Field Office:

BLM
FEDERAL
100% BLM LEASE
NMNM 8431
FEDERAL
NONE
PERMIAN
HOBBS



Direction of Flow off Site: W

This lease is subject to
Chesapeake's Site Security Plan
located at 6100 N. Western
Oklahoma City, OK 73118

Prepared by: Debbie Hernandez
Date: March 9, 2004

Approved by:
Date: