

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD - Artesia

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.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMLC068545
2. Name of Operator CHESAPEAKE OPERATING INC		6. If Indian, Allottee or Tribe Name
Contact: LYNDEE SONGER E-Mail: lyndee.songer@chk.com		7. If Unit or CA/Agreement, Name and/or No. NMNM71016X
3a. Address OKLAHOMA CITY, OK 73154-0496	3b. Phone No. (include area code) Ph: 405-935-2411	8. Well Name and No. PLU PIERCE CANYON 7 FEDERAL 1H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 7 T24S R30E NWNW 330FNL 350FWL		9. API Well No. 30-015-37029-00-S1
		10. Field and Pool, or Exploratory WILDCAT
		11. County or Parish, and State EDDY 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	Drilling Operations
	<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.)

5/4/11: MIRU workover rig. NDWH/NUBOP.

5/5/11: RIH w/ bit on tbg. Drill cement and DV tool at 4,089?. Pressure test casing to 2000 psi, no leak off.

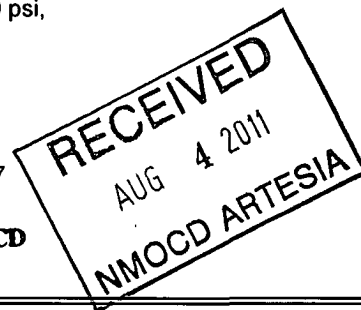
5/6/11: RIH w/ bit to 12,126?. Circulate hole with fresh water. POH w/ bit.

5/7/11: Run Cement Bond Log. TOC 1840?. TIH w/ bit.

5/10/11: Drill out casing shoe and 4? of formation to 12,287?. Establish injection rate of 2.7 BPM.

Accepted for record - NMOCD

DJ 8-17-11



14. I hereby certify that the foregoing is true and correct	
Electronic Submission #112070 verified by the BLM Well Information System For CHESAPEAKE OPERATING INC, sent to the Carlsbad Committed to AFMS for processing by DEBORAH MCKINNEY on 07/06/2011 (11DLM1005SE)	
Name (Printed/Typed) LYNDEE SONGER	Title REGULATORY COMPLIANCE ANALYST
Signature (Electronic Submission)	Date 06/30/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 07/24/2011
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 Carlsbad

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 ****

Additional data for EC transaction #112070 that would not fit on the form

32. Additional remarks, continued

5/11/11: POH w/ bit and tbg.

5/20-5/28/11: Set CBP @ 12,240'. Perforate Bone Spring 8,225-12,225' w/ 480 holes. Frac w/ 67,536 gal 15% HCl, 100,986 Bbl, 4,752,535# sand.

5/29-5/30/11: TIH w/ bit and cleaned out to PBTD?. POH w/ bit.

6/1/11: Wireline set packer @ 7300' w/ pump out plug.

6/2/11: RIH w/ 2 7/8" tbg w/ On/Off tool.

6/3/11: Circulate packer fluid. Latch on to packer. Test annulus to 500 psi. Pump out plug, open well up to production.