

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. NMLC068905	
2. Name of Operator CHESAPEAKE OPERATING INC		6. If Indian, Allottee or Tribe Name	
3a. Address OKLAHOMA CITY, OK 73154-0496		7. If Unit or CA/Agreement, Name and/or No. 891000303X	
3b. Phone No. (include area code) Ph: 405-935-2896		8. Well Name and No. PLU BIG SINKS 14 24 30 USA 1H	
4. Location of Well (Footage, Sec., T, R, M, or Survey Description) Sec 14 T24S R30E SWSE 50FSL 2360FEL		9. API Well No. 30-015-40395-00-X1	
		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 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 checked="" type="checkbox"/> Other Drilling Operations
	<input type="checkbox"/> Change Plans	<input 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 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.)

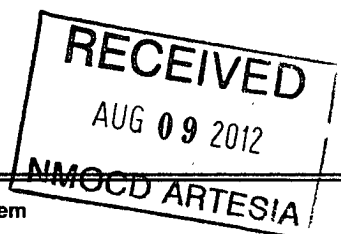
CONFIDENTIAL

CHESAPEAKE REQUESTS PERMISSION TO USE A FLEX HOSE FROM THE BOP STACK TO THE CHOKE MANIFOLD. ATTACHED IS THE MANUFACTURER RATING INFORMATION. TEST CHARTS FROM THE BOPE TESTS WILL ALSO BE AVAILABLE ON LOCATION.

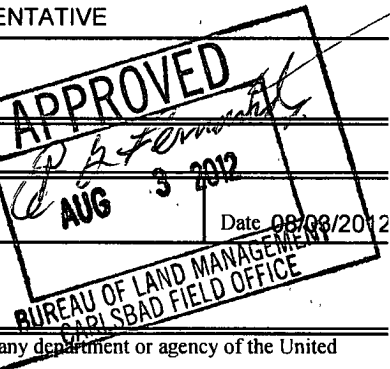
CHK PN 643075

Accepted for record
NMOCD
LRDack 8/29/12

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**



14. I hereby certify that the foregoing is true and correct	
Electronic Submission #144155 verified by the BLM Well Information System For CHESAPEAKE OPERATING INC, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 08/03/2012 (12KMS2658SE)	
Name (Printed/Typed) ERIN CARSON	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 07/30/2012
THIS SPACE FOR FEDERAL OR STATE OFFICE USE	
Approved By EDWARD FERNANDEZ	Title PETROLEUM ENGINEER
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 ****

CONDITIONS OF APPROVAL

OPERATOR'S NAME:	Chesapeake Operating Inc.
LEASE NO.:	LC-068905
WELL NAME & NO.:	PLU Big Sinks 14 24 30 USA # 1H
SURFACE HOLE FOOTAGE:	050' FSL & 1980' FEL
BOTTOM HOLE FOOTAGE	100' FNL & 1980' FEL
LOCATION:	Section 14, T. 24 S., R. 30 E., NMPM
COUNTY:	Eddy County, New Mexico

A. PRESSURE CONTROL

1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
2. Variance approved to use flex line from BOP to choke manifold. Check condition of flexible line from BOP to choke manifold, replace if exterior is damaged or if line fails test. Line to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating. **Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review.** If the BLM inspector questions the straightness of the hose, a BLM engineer will be contacted and will review in the field or via picture supplied by inspector to determine if changes are required (operator shall expect delays if this occurs).

EGF 080312

M I D W E S T
HOSE AND SPECIALTY INC.

INTERNAL HYDROSTATIC TEST REPORT					
Customer: LATSHAW DRILLING		P.O. Number: RIG#14			
HOSE SPECIFICATIONS					
Type: CHOKER & KILL		Length: 37'			
I.D. 3 1/2" INCHES		O.D. 7" INCHES			
WORKING PRESSURE 5,000 PSI	TEST PRESSURE 10,000 PSI		BURST PRESSURE PSI		
COUPLINGS					
Type of End Fitting 956HXX+64WB					
Type of Coupling: 4 1/16 5K FLANGE					
PROCEDURE					
<div style="text-align: center; font-size: small;"> <i>Hose assembly pressure tested with water at ambient temperature.</i> </div> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; border: none; vertical-align: top;"> TIME HELD AT TEST PRESSURE <div style="text-align: center;">1 MIN.</div> </td> <td style="width: 50%; border: none; vertical-align: top;"> ACTUAL BURST PRESSURE: <div style="text-align: center;">0 PSI</div> </td> </tr> </table>				TIME HELD AT TEST PRESSURE <div style="text-align: center;">1 MIN.</div>	ACTUAL BURST PRESSURE: <div style="text-align: center;">0 PSI</div>
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COMMENTS: S/N 0240643-1					
Date: 6/8/2007	Tested By: BOBBY FINK		Approved: MENDI JACKSON		