N.M. Oil Cons. DIV-Dist. 2

united states 1301 W. Grand Avenue

FORM APPROVED OM B No. 1004-0137

Form 3160-5 (April 2004) DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT 5. Lease Serial No. **NMNM 27279** SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit or CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE- Other instructions on reverse side. RECEIVED 1. Type of Well Öil Well Gas Well 8. Well Name and No. MAY 1 8 2005 **ELLIOTT FEDERAL 3** 2. Name of Operator CHESAPEAKE OPERATING, INC. 9 API Well No. 30-015-25909 3b. Phone No. (include area code) 3a Address P.O. BOX 18496, OKLAHOMA CITY, OK 73154-0496 405-767-4275 10. Field and Pool, or Exploratory Area SANTO NINO 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, State 760 FSL 2080 FEL SW SE SEC 30 T18S R30E **EDDY COUNTY, NEW MEXICO** 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION Water Shut-Off Acidize Deepen Production (Start/Resume) Notice of Intent Alter Casing Reclamation Well Integrity Fracture Treat Other SITE FACILITY Casing Repair New Construction Recomplete ✓ Subsequent Report DIAGRAM Change Plans Temporarily Abandon Plug and Abandon Final Abandonment Notice Convert to Injection Plug Back 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 recomplete 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.) PLEASE FIND ENCLOSED SITE FACILITY FOR ELLIOTT FEDERAL 3. ACCEPTED FOR RECORD BLM NATIONWIDE BOND #NM2634. MAY 1 6 2005 (CHK PN 890854) ALEXIS C. SWOBODA PETROLEUM ENGINEER 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) LINDA GOOD Title PERMITTING AGENT 05/11/2005 Signature Date THIS SPACE FOR FEDERAL OR STATE OFFICE USE

BOR RESTORED - NA which would entitle the applicant to conduct operations thereon. 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 juristication.

Title

Office

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

Approved by

CHESAPEAKE OPERATING, INC.

890854

K Name & Number: ELLIOTT FEDERAL 3

I number: 30-015-25909

EDDY County: NM State:

Field: SANTO NINO

Otr Otr Calls: SW SE 30-18S-30E Sec/Twnshp/Rng:

Number of Acres: 80 Regulatory Agency:

Lease Sign Type: CA#:

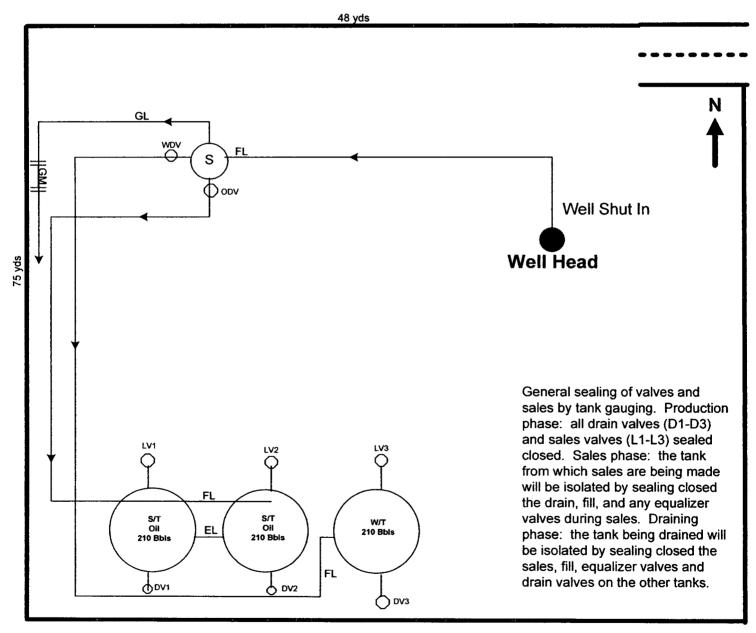
APD Lease #: Federal/Indian: Last Violation:

District: Field Office: **BLM**

FEDERAL

100% BLM LEASE NMNM 27279 **FEDERAL UNKNOWN PERMIAN Hobbs**

1



ELLIOTT FEDERAL 3 890854

Direction of Flow off Site: S

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

Prepared by: DEBBIE HERNANDEZ

Date: 03-28-2005

Approved by:

Date: