N.M. Oil Cons. DIV-Dist. 2 Form 1-60-5 (February 20) UNITED STATES 1301 W. Grand Avenue FORM APPROVED OMB No 1004-0137 DEPARTMENT OF THE INTERIOR SIO, Expires: March 31, 2007 5: Lease Serial No. NMNM-114964 SUNDRY NOTICES AND REPORTS ON WELLS 6. If Indian, Allottee or Tribe Name Depot use this form for proposals to drill or to re-enter an ስ ${\cal C}$ $m{eta}$ $m{eta}$ $m{eta}$ ndoned well. Use Form 3160-3 (APD) for such proposals. 7. If Unit of CA/Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on page 2. 1. Type of Well GLV 8. Well Name and No Oil Well ✓ Gas Well Other Comanche Hill 18 Federal 1 2. Name of Operator CHESAPEAKE OPERATING, INC. 9. API Well No 30-005-63815 ATTN: LINDA GOOD 3a Address 3b. Phone No. (include area code) 10. Field and Pool or Exploratory Area P. O. BOX 18496 Pecos Slope 405-767-4275 OKLAHOMA CITY, OK 73154-0496 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. Country or Parish, State Chaves County, New Mexico 1980 FNL & 710 FWL, SWNW, SECTION 18, T10S, R26E 12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA TYPE OF ACTION TYPE OF SUBMISSION Acidize Deepen Production (Start/Resume) Water Shut-Off Notice of Intent Well Integrity Alter Casing Fracture Treat Reclamation Other SITE FACILITY New Construction Casing Repair Recomplete ✓ Subsequent Report DIAGRAM Change Plans Plug and Abandon Temporarily 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must 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 THE ATTACHED SITE FACILITY DIAGRAM FOR COMANCHE HILL 18 FEDERAL 1. ACCEPTED FOR RECORD ALEXIS C. SWOB PETROLEUM ENGINEER (CHK PN 819698) 14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) LINDA GOOD Title FEDERAL REGULATORY PERMITTING AGENT mala 12/22/2006 Signature THIS SPACE FOR FEDERAL OR STATE OFFICE USE Approved by Date 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 Office 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,

(Instructions on page 2)

fictitious or fraudulent statements or representations as to any matter within its jurisdiction

CHESAPEAKE OPERATING, INC.

819698

CHK Name & Number: COMANCHE HILL 18 FEDERAL 1

API Number:

30-005-63815

Lease Sign Type:

BLM APD WELL

County:

CHAVES

State:

NM

Field:

PECOS SLOPE

Otr Otr Calls:

SWNW

Sec/Twnshp/Rng:

18-10S-26E

Number of Acres:

160

Regulatory Agency:

CA#

100% BLM LEASE NMNM-114964

APD Lease #: Federal/Indian:

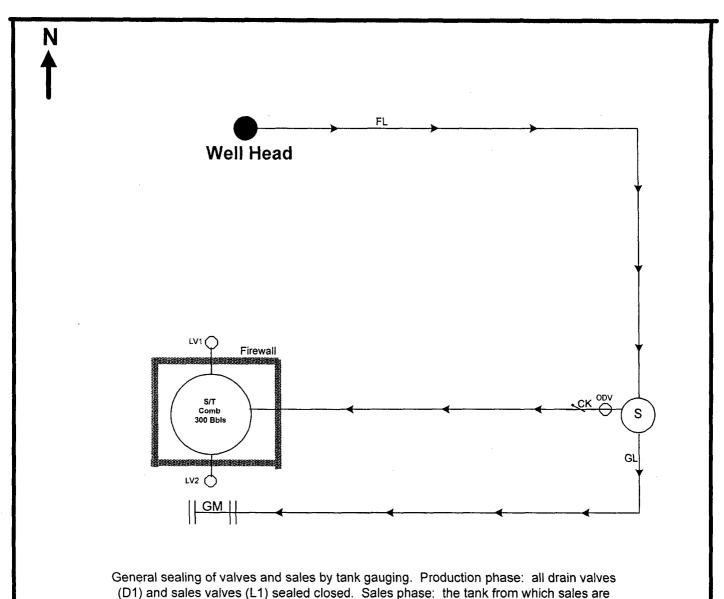
FEDERAL

Last Violation:

NONE

District: Field Office: PERMIAN NORTH

HOBBS



Direction of Flow off Site: SW

COMANCHE HILL 18 FEDERAL 1

being made will be isolated by sealing closed the drain, fill, and any equalizer valves during sales. Draining phase: the tank being drained will be isolated by sealing closed the sales, fill, equalizer valves and drain valves on the other tanks.

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

Prepared by: DEBBIE HERNANDEZ

Date: 12-22-2006

Approved by:

Date: