

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FEB - 3 2009

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.**

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|--|---|--|
| 1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 8. Well Name and No. PLU PIERCE CANYON 17 FEDERAL 1 |
| 2. Name of Operator CHESAPEAKE OPERATING, INC. Contact: LINDA GOOD E-Mail: linda.good@chk.com | | 9. API Well No. 30-015-36635-00-X1 |
| 3a. Address OKLAHOMA CITY, OK 73154-0496 | 3b. Phone No. (include area code) Ph: 405-935-4275 | 10. Field and Pool, or Exploratory WILDCAT |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 17 T25S R30E SESE 350FSL 350FEL | | 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 checked="" 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 type="checkbox"/> Other |
| | <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 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.)

PERF AND FRAC STAGES #6-10 BONE SPRING (AVALON SHALE):

1/23/2009 SET FRAC BAFFEL W/BALL @ 10,497'. PERF STAGE #6 FROM 10,199' - 10,455' W/5 SPF 50 HOLES, SPEAR HEAD 5000 GAL 15% NEFE. FRAC W/365,694 GAL SLICK WTR CONTAINING 200,944# 100 MESH SAND, TAILING W/150,377# 40/70 OTTAWA SAND. SET FRAC BAFFEL W/BALL @ 10,150'. PERF STAGE #7 FROM 9667' - 10,114' W/5 SPF 50 HOLES, SPEAR HEAD 5000 GAL 15% NEFE. FRAC W/393,918 GAL SLICK WTR CONTAINING 145,650# 100 MESH SAND, TAILING W/205,044# 40/70 OTTAWA SAND. SET FRAC BAFFEL W/BALL @ 9625'. PERF STAGE #8 FROM 9279' - 9581' W/5 SPF 50 HOLES, SPEAR HEAD 5000 GAL 15% NEFE. FRAC W/413,784 GAL SLICK WTR CONTAINING 150,000# 100 MESH TAILING W/200,000# 40/70 OTTAWA SAND.

1/24/2009 SET FRAC BAFFEL W/BALL @ 9225'. PERF STAGE #9 FROM 8900' - 9197' W/5 SPF 50 HOLES, SPEAR HEAD 5000 GAL 15% NEFE. FRAC W/393,918 GAL SLICK WTR CONTAINING 145,650# 100 MESH SAND,

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| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #66719 verified by the BLM Well Information System For CHESAPEAKE OPERATING, INC., sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 01/30/2009 (09KMS0771SE) | |
| Name (Printed/Typed) LINDA GOOD | Title SR. REGULATORY COMPLIANCE SPEC |
| Signature (Electronic Submission) | Date 01/28/2009 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|--------------------------------------|-----------------|
| Approved By ACCEPTED | JAMES A AMOS Title SUPERVISOR EPS | Date 02/01/2009 |
| 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 ******FOR RECORDS ONLY**

Additional data for EC transaction #66719 that would not fit on the form

32. Additional remarks, continued

TAILING W/205,044# 40/70 OTTAWA SAND. SET FRAC BAFFEL W/BALL @ 8875'. PERF STAGE #10 FROM 8513' - 8825' W/5 SPF 50 HOLES, SPEAR HEAD 5000 GAL 15% NEFE, FRAC W/383,166 GAL SLICK WTR CONTAINING 145,000# 100 MESH SAND, TAILING W/200,000# 40/70 OTTAWA SAND.

(CHK PN 621390)