

OCD-ARTESIA

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
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.**

5. Lease Serial No.
NMLC 69513A

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
CHESAPEAKE OPERATING, INC.

ATTN: DAVID L. BAKER

3a. Address
P.O. BOX 18496
OKLAHOMA CITY, OK 73154-0496

3b. Phone No. (include area code)
(405) 935-8313

7. If Unit of CA/Agreement, Name and/or No.
NMNM 71016X

8. Well Name and No.
PLU PHANTOM BANKS 1 FEDERAL 1H

9. API Well No.
30-015-37030

10. Field and Pool or Exploratory Area
SE EDDY

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

400' FSL 1,980' FEL, SEC 1-26S-30E, SW SE

11. Country or Parish, State
EDDY, NM

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☒ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other _____
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

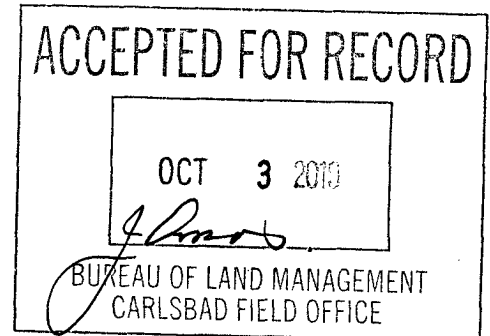
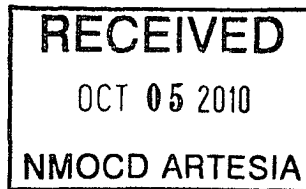
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths 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 must 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 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.)

IP TEST FOR 9/6/2010: 421 BO, 521 MCF, 2,534 BW, FLOWING, 440 PSI FTP

SEE THE ATTACHED COMPLETION SUMMARY

(CHK PN 623057)

BLM NATIONWIDE BOND: NM2634



14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed)

DAVID L. BAKER

Title NORTHERN DIVISION - FEDERAL REGULATORY COMPLIANCE

Signature

David L. Baker

Date 09/17/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

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 entitle the applicant to conduct operations thereon.

Office

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.

(Instructions on page 2)

MR
004

PLU Phantom Banks 1 Federal 1H

6/23/10: MIRU workover rig. NDWH/NUBOP. RIH w/ bit on tbq.

6/24/10: Drill cement and DV tool from 4454-4507'. Pressure test casing to 3000 psi, no leak off. RIH w/ bit to 12,738'. Circulate hole with fresh water.

6/25/10: POH w/ bit.

6/26/10: Run Cement Bond Log. Good cement to surface. TIH w/ bit.

6/29/10: Drill out casing shoe and formation to 12,893'. Establish injection rate of 1.6 BPM. POH w/ bit.

7/9/10-8/22/10: Set CIBP @ 12,860'. Perforate Bone Spring 8,600-12,850' w/ 600 holes. Frac w/ 62,160 gal 15% HCl, 107,000 Bbl, 4,666,000# sand.

8/23/10: TIH w/ bit and cleaned out to PBTD'. POH w/ bit.

8/26/10: Wireline set packer @ 7,969' w/ pump out plug.

8/27/10 RIH w/ 2 7/8" tbq w/ On/Off tool. Circulate packer fluid. Latch on to packer. Pump out plug, open well up to production.