

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**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.*OCD - Artesia  
FORM APPROVED  
OMB NO 1004-0135  
Expires: July 31, 2010**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: INJECTION		5. Lease Serial No. NMNM23765
2. Name of Operator CHESAPEAKE OPERATING INC		6. If Indian, Allottee or Tribe Name
Contact: LINDA GOOD E-Mail: linda.good@chk.com		7. If Unit or CA/Agreement, Name and/or No
3a. Address OKLAHOMA CITY, OK 73154-0496	3b. Phone No. (include area code) Ph: 405-935-4275	8. Well Name and No PHILLIPS SWD FEDERAL 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T26S R29E SWSE 327FSL 2068FEL		9. API Well No 30-015-25530-00-S1
		10. Field and Pool, or Exploratory UNKNOWN
		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 recompleate 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 recompleation 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.)

**ADD PERFS AND FRAC:**

3/29/2011 ROAD PULLING UNIT TO LOC. HOLD SAFETY MEETING RIG UP KEY PULLING UNIT RECEIVE & RACK UP 166 JTS 9.30# 3 1/2" RENTAL TBG. NDWH & NUBOP & ENVIRO-PAN REL. PKR. TOH W/11 JTS 2 7/8" P.C.I.D. TBG CWI SDON.

3/30/2011 TOH W/2 7/8" PCID TBG & PKR. CHANGE OUT TBG RAMS TO 3 1/2" & TEST TO 250# LOW SIDE & 5000# HIGH SIDE. DOWN 3 HRS. FOR BROKE DOWN TEST TRK. RU MONK PIPE TESTERS PU PKR TIH PICKING UP 63 JTS. 3 1/2" TBG & TESTING TO 8000# CWI SDON.

3/31/2011 TIH PICKING UP 3 1/2" TBG & TESTING TO 8000#. RD MONK PIPE TESTING. RU REV. UNIT CIR. HOLE W/120 BW & SET PKR. @ 4998' NU FRAC HEAD & TEST CSG TO 1000# FOR 15 MIN. (OK) CWI SDON.

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #108347 verified by the BLM Well Information System

For CHESAPEAKE OPERATING INC, sent to the Carlsbad

Committed to AFMSS for processing by KURT SIMMONS on 05/17/2011 (11KMS1212S)

Name (Printed/Typed) LINDA GOOD

Title SR. REGULATORY COMPLIANCE SPEC

Signature (Electronic Submission)

Date 05/16/2011

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By

**ACCEPTED**JAMES A AMOS  
Title SUPERVISOR EPS

Date 05/29/2011

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 \*\***

**Additional data for EC transaction #108347 that would not fit on the form**

**32. Additional remarks, continued**

4/1/2011 RU CUDD ENERGY SER. TEST LINES TO 8000#. FRAC STAGE 1 CHERRY CANYON PERFS 5095'- 5150' AS PER DESIGN A.I.R. 27 BPM & A.T.P. 1739# TOTAL LOAD 670 BBL. 1 HR. SITP 550# FLWD BACK 1487 B.W. IN 17 HRS ON 26/64 CHOKE F.T.P. 80#.

4/3/2011 FLWD BACK 105 B.W. IN 3 HRS. HOLD SAFETY MEETING ND FRAC HEAD NU ENVIRO-PAN REL. PKR TOH W/3 1/2" TBG & PKR. RU GRAY WIRELINE PU 5 1/2" CBP TIH TO 5000' SET CBP TOH PU 3 1/8" PERF GUNS TIH & PERFORATE CHERRY CANYON @ 4525'-4275' & 4675'-4730' 1/JSPF IN 4 RUNS 107 TOTAL SHOTS R.D. GRAY WIRELINE. PU PKR TIH W/3 1/2" TBG TO 4411' RU REV. UNIT CIR. HOLE W/100 BW SET PKR. NU FRAC HEAD. RU CUDD & FRAC CHERRY CANYON PERFS 4525'-4730' AS PER DESIGN. ISDP 711# (5) 671# (10) 632# (15) 619#. SHUT WELL IN R.D. CUDD ENERGY. AVG RATE 26 BPM AVG PRESSURE 1914# TOTAL LOAD 954 BBL.

4/8/2011 FLWD BACK 278 BW IN 4 HRS. ND FRAC HEAD & NU ENVIRO-PAN REL. PKR. TOH W/ 3 1/2" TBG. RU GRAY WIRELINE PU 5 1/2" CBP TIH TO 4410' & SET CBP TOH PU 3 1/8" PERF GUNS TIH & PERFORATE CHERRY CANYON @ 4220'-4275' & 4290'-4320' IN 3 RUNS 87 TOTAL SHOTS R.D. GRAY WIRELINE. PU PKR. TIH W/3 1/2" TBG TO 4077' N.D. ENVIRO-PAN RU REV. UNIT CIR. HOLE W/100 B.W. & SET PKR. N.U. FRAC HEAD. CWI SDON.

4/9/2011 RU CUDD ENERGY SERVICE & SAND FRAC CHERRY CANYON PERFS (4220' - 4320') AS PER DESIGN ISDP 712# (5) 670# (10) 652# (15) 634#. AVG. RATE 26.5 BPM AVG. PRESSURE 1674# TOTAL LOAD 945 BBL.

4/13/2011 FLWD BACK 333 BW IN 4 HRS N.D. FRAC HEAD & N.U. ENVIRO-PAN REL. PKR. TOH LAYING DOWN 3 1/2" TBG & PKR. LOAD OUT 166 JTS 3 1/2 TBG & UNLOAD & RACK UP 175 JTS. 2 7/8" RENTAL WORKSTRING. P.U. 4 3/4" BIT & 6 - 3 1/2" D. COLLARS TIH PICKING UP 2 7/8" TBG TO 4100' CWI SDON.

4/14/2011 BLEED WELL DOWN & CIR. OFF GAS W/100 B.W. RIH W/TBG TO 4390' & TAG SAND RU REV. UNIT D.O. 20' SAND & CBP @ 4410' CIR. CLEAN. RIH W/TBG TO 4915' TAG SAND RU REV. UNIT D.O. 84' SAND & CBP @ 5000' & CIR. CLEAN. RIH W/TBG TO 5122' TAG SAND RU REV. UNIT D.O. SAND TO 5265' PBD & CIR. CLEAN. PUH TO 3941' CWI SHUT DOWN.

4/19/2011 FLWD BACK 500 BW & 0 BO IN 5 HRS. RIH W/TBG & TAG @ 5263'. TOH LAYING DOWN 2 7/8" WORKSTRING & BIT. CWI SDON.

4/20/2011 RIH W/28 JTS 2 7/8" PCID TBG LAY DOWN 28 JTS 2 7/8" PCID TBG. PU ARROW-SET PKR. W/1.50 "F" NIPPLE & ON/OFF TOOL TIH W/2 7/8" PCID TBG TO 4197' SET PKR. REL. ON/OFF TOOL RU REV. UNIT DISPLACE HOLE W/100 BBL. 2% KCL PKR. FLUID LATCH ONTO PKR. TEST CSG. TO 600# FOR 30 MIN. (OK) N.D. ENVIRO-PAN & BOP NUWH. CWI SDON. NOTIFIED PAUL SWARTZ WITH BLM & DARREL W/O.C.D. ON M.I.T. TEST.

4/21/2011 RU KILL TRK RUN MIT TEST TO 500# FOR 30 MIN. (OK) CLEAN LOC. R.D.M.O. TEST WITNESSED BY BLM & OCD REPRESENTATIVE'S.

THE ABOVE SUMMARY HAS ALSO BEEN ATTACHED.

CHESAPEAKE SHALL PERFORM INJECTION PROFILE SURVEYS WITH THE FIRST ONE CONDUCTED WITHIN 6 MONTHS OF BEGINNING INJECTION AND A SECOND ONE CONDUCTED WITHIN 18 MONTHS OF BEGINNING INJECTION. THE BLM WILL REVIEW THESE SURVEYS AND WILL DETERMINE WHEN ADDITIONAL SURVEYS WILL BE REQUIRED.

SAM FRYDENLUND WITH CHESAPEAKE SHALL CONTACT PAUL SWARTZ WITH THE BLM TO DISCUSS MONITORING SYSTEMS FOR THE ANNULUS.

(CHK PN 631381)

**Accepted for record - NMOCD**