

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM 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.

OCD Artesia

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM030458
2. Name of Operator CHESAPEAKE OPERATING INC		6. If Indian, Allottee or Tribe Name
3a. Address OKLAHOMA CITY, OK 73154-0496		7. If Unit or CA/Agreement, Name and/or No. 891000303X
3b. Phone No. (include area code) Ph: 405-935-2896		8. Well Name and No PLU BIG SINKS 7 25 31 USA 1H
4. Location of Well (Footage, Sec., T, R., M., or Survey Description) Sec 7 T25S R31E NENW 150FNL 1980FWL		9. API Well No. 30-015-40447-00-X1
		10. Field and Pool, or Exploratory WILDCAT
		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 checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Deepen
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input checked="" type="checkbox"/> Other Well Spud

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 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.)

CONFIDENTIAL

SPUD, SURFACE AND INTERMEDIATE CASING

8/30/2012 - SPUD WELL

8/31/2012 - RAN 20 JTS, 13 3/8 IN, 48 LB, H-40, SET @ 825 FT. LEAD W/ 900 SKS, 1.66 YLD, 13.7 PPG, 500 PSI @ 12:14. TAIL W/ 200 SKS, 1.33 YLD, 14.8 PPG, 500 PSI @ 4:54. WOC 27 HRS. RETURN TO SURFACE

9/4/2012 - RAN 97 JTS, 8 5/8 IN, 32 LB, J-55, SET @ 4100 FT. LEAD W/ 1400 SKS, 1.97 YLD, 12 PPG, 500 PSI @ 22:44. TAIL W/ 325 SKS, 1.37 YLD, 14.2 PPG, 500 PSI @ 7:56. WOC 24 HRS. RETURN TO SURFACE

times are actual times from locations

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

Electronic Submission #149441 verified by the BLM Well Information System

For CHESAPEAKE OPERATING INC, sent to the Carlsbad

Committed to AFMSS for processing by KURT SIMMONS on 09/20/2012 12KMS11159

Name (Printed/Typed) ERIN CARSON

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 09/10/2012

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.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****