

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007**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.**1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other2. Name of Operator **CHESAPEAKE OPERATING, INC** **LINDA GOOD**3a. Address **P.O. BOX 18496, OKLAHOMA CITY, OK 73154-0496**
3b. Phone No. (include area code) **405-767-4275**

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

1980 FSL 1980 FEL NW SE SEC 6 T21S R24E

5. Lease Serial No.

NMNM 25494

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

SHELL FEDERAL 1

9. API Well No.

30-015-2223210. Field and Pool, or Exploratory Area
CEMETARY MORROW GAS

11. County or Parish, State

EDDY COUNTY, NEW MEXICO**RECEIVED**
MAY 11 2005
OOD-ARTESIA**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 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 checked="" type="checkbox"/> Other SITE FACILITY
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	DIAGRAM
	<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 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 recompleat 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.)

Please find enclosed site facility for Shell Federal 1.

BLM Nationwide Bond #NM2634.

(CHK PN 891261)

ACCEPTED FOR RECORD

MAY 10 2005

ALEXIS C. SWOBODA
PETROLEUM ENGINEER

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

LINDA GOODTitle **PERMITTING AGENT**

Signature

Linda Good

Date

05/06/2005**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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.

Title

Date

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.

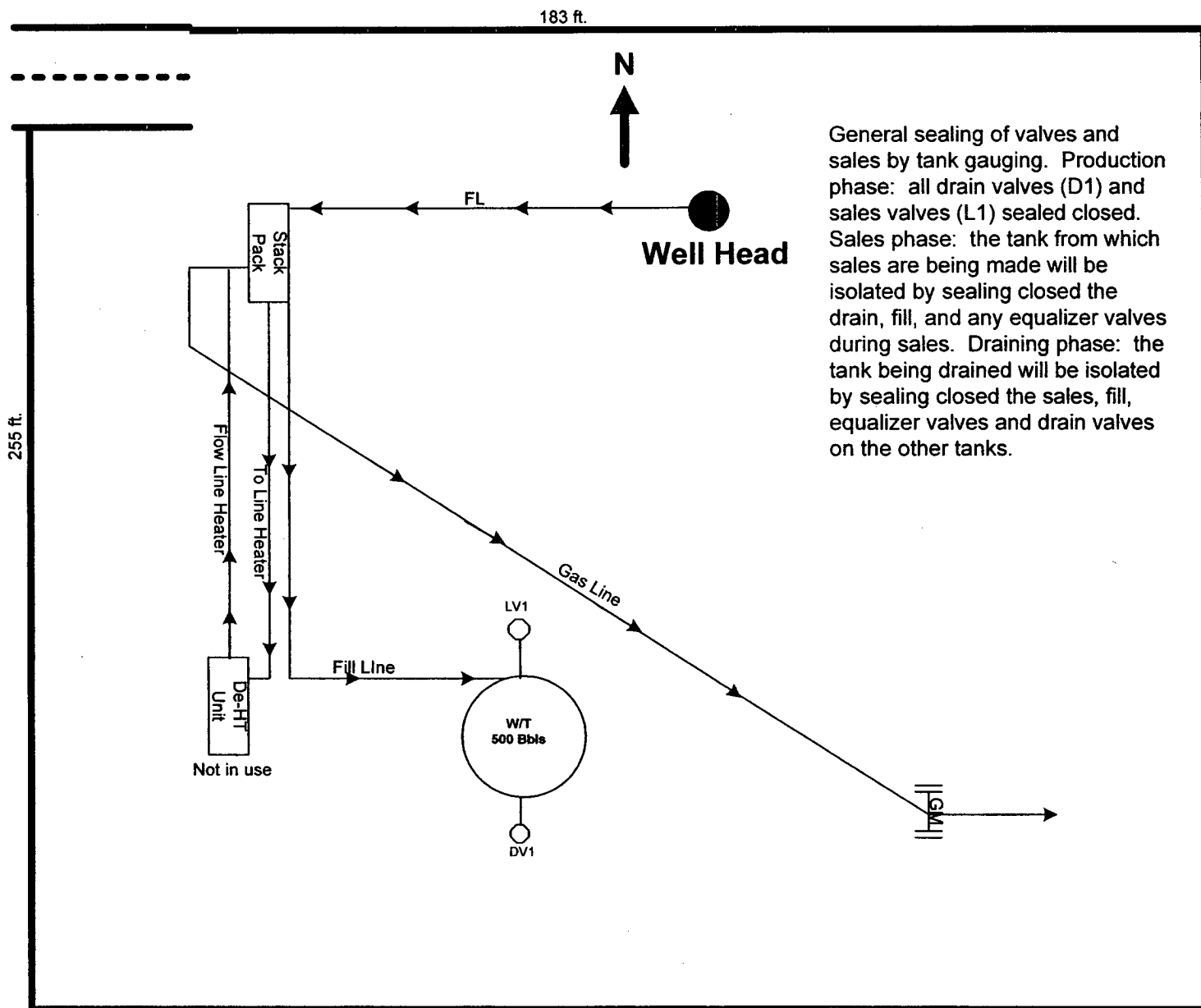
(Instructions on page 2)

CHESAPEAKE OPERATING, INC.

CHK Name & Number: SHELL FEDERAL 1 891261
 API number: 30-015-22232
 County: EDDY
 State: NM
 Field: CEMETARY
 Qtr Qtr Calls: NW SE
 Sec/Twnshp/Rng: 6-21S-24E
 Number of Acres: 320

Regulatory Agency: BLM
 Lease Sign Type: FEDERAL
 CA#: 100% BLM LEASE
 APD Lease #: NMNM25494
 Federal/Indian: FEDERAL
 Last Violation: UNKNOWN
 District: PERMIAN
 Field Office: HOBBS

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General sealing of valves and sales by tank gauging. Production phase: all drain valves (D1) and sales valves (L1) sealed closed. Sales phase: the tank from which sales are 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.

Direction of Flow off Site: SE

SHELL FEDERAL #1 891261

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

Prepared by: DEBBIE HERNANDEZ
 Date: 05-03-2005

Approved by:
 Date: