

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 405-767-4275**3a. Address  
**P.O. BOX 18496, OKLAHOMA CITY, OK 73154-0496**3b. Phone No. (include area code)  
**405-848-8000**

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

**660 FSL 1980 FWL SESW SEC 9-T18S-R31E**

5. Lease Serial No.

**NMLC029389**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

**PATON B FEDERAL 1**

9. API Well No.

**30-015-25953**10. Field and Pool, or Exploratory Area  
**SHUGART NORTH**

11. County or Parish, State

**EDDY COUNTY, NEW MEXICO****RECEIVED****AUG 09 2005****OCU-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 <b>SITE FACILITY</b>	
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>DIAGRAM</b>	
	<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 ATTACHED THE SITE FACILITY FOR PATON B FEDERAL 1.****BLM NATIONWIDE #NM2634.****(CHK PN 891337)****ACCEPTED FOR RECORD****AUG - 8 2005****LES BABYAK  
PETROLEUM ENGINEER**14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed)**LINDA GOOD**Title **PERMITTING AGENT**

Signature

*Linda Good*

Date

**08/03/2005****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)

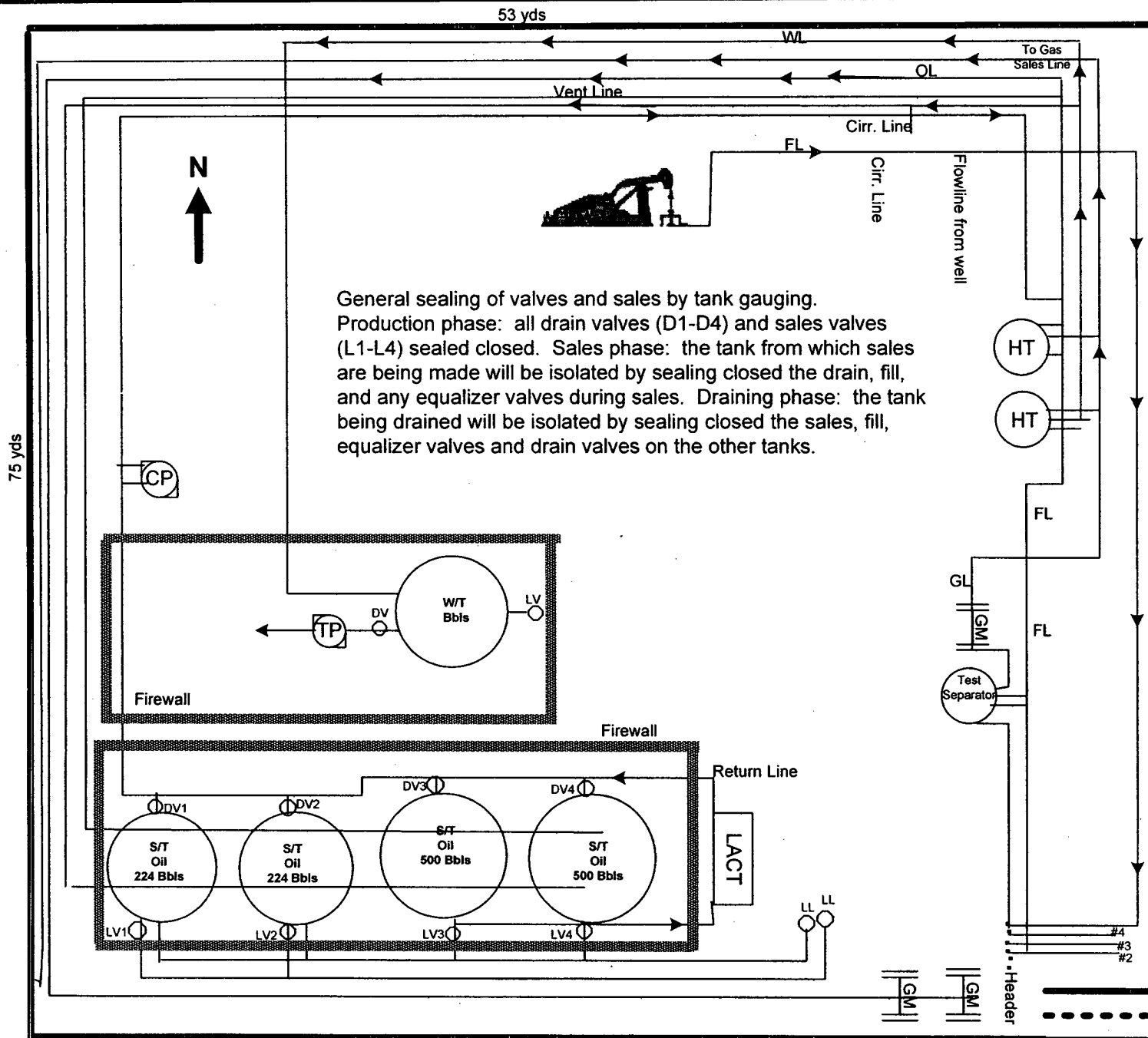
**Accepted for record  
NMOCD**

# CHESAPEAKE OPERATING, INC.

CHK Name & Number: PATON B FEDERAL 1 891337  
 API number: 30-015-25953  
 County: EDDY  
 State: NM  
 Field: SHUGART NORTH  
 Qtr Qtr Calls: SE SW  
 Sec/Twnshp/Rng: 9-18S-31E  
 Number of Acres: 40

Regulatory Agency: BLM  
 Lease Sign Type: FEDERAL  
 CA#: 100% BLM LEASE  
 APD Lease #: NMLC029389-C  
 Federal/Indian: FEDERAL  
 Last Violation: UNKNOWN  
 District: PERMIAN  
 Field Office: HOBBS

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PATON B FEDERAL #1 891337

Direction of Flow off Site: N

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

Prepared by: DEBBIE HERNANDEZ  
 Date: 06-9-2005

Approved by:  
 Date:

Accepted for record  
 NMOCD