

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.

JUN 30 2008
OCD-ARTESIALease Serial No.
NMMN27279

Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

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

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other UNKNOWN OTH		8. Well Name and No. ELLIOTT FEDERAL 3
2. Name of Operator CHESAPEAKE OPERATING, INC		9. API Well No. 30-015-25909
3a. Address P.O. BOX 18496 OKLAHOMA CITY, OK 73154-0496		10. Field and Pool, or Exploratory SANTO NINO
3b. Phone No. (include area code) Ph: 405-767-4275		
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 30 T18S R30E SWSE 760FSL 2080FEL		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 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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Change to Original PD
	<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.)

CHESAPEAKE, RESPECTFULLY, REQUESTS PERMISSION TO RECOMPLETE THIS WELL PER THE ATTACHED PROCEDURE.

PRODUCTION CASING: 5 1/2" J-55, 0-8,352', ID - ?, DRIFT - ?

PBTD/TD: 7,120/8,352'

CURRENT PERFS: NONE

RECOMMENDED PROCEDURE:

1. MIRU PU. NDWH/NUBOP.

SEE ATTACHED FOR
CONDITIONS OF APPROVALAPPROVED FOR 3 MONTH PERIOD
ENDING 9/28/08

14. I hereby certify that the foregoing is true and correct. Electronic Submission #60771 verified by the BLM Well Information System For CHESAPEAKE OPERATING, INC., sent to the Carlsbad			
Name (Printed/Typed) LINDA GOOD	Title REGULATORY COMPLIANCE SPEC.		
Signature (Electronic Submission)	Date 06/10/2008		
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			

APPROVED

JUN 30 2008

WESLEY W. INGRAM
PETROLEUM ENGINEER

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

Accepted for record - NMOC

**Elliott Federal 3
Chesapeake Operating, Inc.
June 30, 2008
Conditions of Approval**

0. Inadequate cement on top of CIBP at 7150'. Requirement is 35' if bailed, 25 sacks if pumped. Plug currently has 30'.
1. Ok
 - a. CBL required on production casing. Proposed perforations in step 2 may still be within the original cement pumped when casing set.
2. Ok
3. Ok
4. Ok
5. Ok
 - a. Temperature survey or CBL required prior to perforating Delaware to verify cement behind pipe in zone of interest.
6. Ok
7. Ok
8. Ok
9. Ok
10. Ok
11. Subsequent sundry required detailing work that was completed.
12. Completion report required for new zone.

WWI 063008

Additional data for EC transaction #60771 that would not fit on the form

32. Additional remarks, continued

2. RIG UP WIRELINE CO PERFORATE SQUEEZE HOLES @ 6050' (12, 4 SPF, 90 DEGREE PHASING).
3. ESTABLISH INJECTION RATE INTO SQUEEZE HOLES AND OUT 5 1/2" X 8 5/8" annulus
4. SET CEMENT RETAINER AT 6000' RIH w/2 7/8" TBG AND STING INTO RETAINER.
5. RU CEMENT TRUCKS. SQUEEZE CASING PER CEMENT RECOMMENDATION. ESTIMATE 300 SXS LITE CEMENT FOLLOWED BY 400 SXS 50/50 POZ MIX. STING OUT OF RETAINER, WASH UP, AND POH W/TBG. LET CEMENT SET UP.
6. RU WIRELINE CO. RIH GAUGE RING AND JUNK BASKET TO 4700'. PERFORATE ~~BONE SPRINGS~~ ^{Delaware} 4616-38' (22'), 2 SPF (45 HOLES) 120 DEGREE PHASING, 4" HSC GUN
7. RIH W/PACKER ON 2 7/8" TBG TO 4,500'. ACIDIZE ~~BONE SPRINGS~~ ^{Delaware} PERFS W/3000 GAL 15% NEFE ACID DROPPING 70 PERF BALLS EVENLY THROUGHOUT JOB. SI 30 MINS AND SWAB BACK ACID.
8. IF NECESSARY, RE-ACIDIZE ~~BONE SPRINGS~~ ^{Delaware} W/10,000 GAL ULTRAGEL AT 25 BPM. SWAB BACK AND TEST. POH W/PACKER.
9. RIH W/2 7/8" TBG, SN AND TAC SET SN @ 4,650' BELOW LOWEST PERF AND TAC ABOVE TOP PERF @ 4,500'. NDBOP/NUWH. RIH W/PUMP AND RODS.
10. PLACE WELL ON LINE. RD MO

(CHK PN 890854)

**Elliott Federal 3
Eddy County, New Mexico
Recomplete Delaware Procedure**

Date: June 9, 2008

Location: 760' FSL & 2080' FEL Sec. 30-T18S-R30E

Production Casing: 5 1/2" J-55, 0-8,352', ID - ?, Drift - ?"

PBTD/TD: 7,120'/8,352'

Current Perfs: None

Proposed Perfs: 4616-38'

Recommended Procedure:

1. MIRU PU. NDWH/NUBOP.
2. Rig up wireline co. Perforate squeeze holes @ 6050' (1', 4 spf, 90 degree phasing).
3. Establish injection rate into squeeze holes and out 5 1/2" X 8 5/8" annulus.
4. Set cement retainer at 6000'. RIH w/ 2 7/8" tbg and sting into retainer.
5. RU cement trucks. Squeeze casing per cement recommendation. Estimate 300 sxs Lite cement followed by 400 sxs 50/50 POZ Mix. Sting out of retainer, wash up, and POH w/ tbg. Let cement set up.
6. RU wireline co. RIH gauge ring and junk basket to 4700'. Perforate Delaware 4616-38' (22'), 2 spf (45 holes) 120 degree phasing, 4" HSC gun.
7. RIH w/ packer on 2 7/8" tbg to 4,500'. Acidize Delaware perfs w/ 3000 gal 15% NEFE acid dropping 70 perf balls evenly throughout job. SI 30 mins and swab back acid.
8. If necessary, re-acidize Delaware w/ 10,000 gal Ultragel at 25 BPM. Swab back and test. POH w/ packer.
9. RIH w/ 2 7/8" tbg, SN and TAC. Set SN @ 4,650' below lowest perf and TAC above top perf @ 4,500'. NDBOP/NUWH. RIH w/ pump and rods.
10. Place well on line. RD MO.