

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM 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.*5. Lease Serial No.
NMNM69369

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

RECEIVED

MAR 29 2010

NMOCD ARTESIA

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator

CHESAPEAKE OPERATING, INC.

Contact: LINDA GOOD

E-Mail: linda.good@chk.com

8. Well Name and No.

SUNDANCE 1 FEDERAL 4

9. API Well No.

30-015-28176

3a. Address

P.O. BOX 18496
OKLAHOMA CITY, OK 73154-0496

3b. Phone No. (include area code)

Ph: 405-935-4275

10. Field and Pool, or Exploratory

MESA VERDE DELAWARE

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

Sec 1 T24S R31E SESE 740FSL 330FEL

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 checked="" 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 Workover Operations
	<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 recompleting 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 recompleting 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 WORKOVER AND ADD ADDITIONAL PERFS IN THE BRUSHY CANYON PER THE FOLLOWING PROCEDURE.

1. MIRU PU. NU BOP. Unload, rack, and tally 2-7/8" 6.5# L-80 tubing.

2. RIH w/4 3/4" bit, drill collars on 2 7/8" tbg. Check PBTD of 8,555'. POH w/bit.

3. RIH w/packer to 8,200', just above perfs. Pressure test casing. If test fails, located casing leak. POH w/packer. (Note: if large section of casing is bad, consider running 4 1/2" flush joint liner).

4. Rig up wire line co. Perforate Brushy Canyon:

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

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

Electronic Submission #82786 verified by the BLM Well Information System
For CHESAPEAKE OPERATING, INC., sent to the Carlsbad

Name (Printed/Typed) LINDA GOOD

Title SR. REGULATORY COMPLIANCE SPEC

Signature (Electronic Submission)

Date 03/16/2010

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

MAR 26 2010

/s/ Dustin Winkler

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 any statement or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

BUREAU OF LAND MANAGEMENT
CARLSBAD FIELD OFFICE**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

09 3240

Additional data for EC transaction #82786 that would not fit on the form

32. Additional remarks, continued

8,155-8,174' (19') (one shot every other foot) (10 holes)
8,193-8,225' (32') (one shot every other foot) (16 holes)
8,236-8,244' (8') (one shot per foot) (8 holes)
Set CBP @ 8,255'.

5. RIH w/packer to 8,250'. Pump 5 bbl 15% inhibited HCL to pickle tubing. Circulate acid out with clean 2% KCL. Spot 15% NEFE acid across perms. Pull packer up to 8,050'. Set packer and acidize Brushy Canyon perms w/5,000 gal 15% NEFE acid dropping 50 perms balls through out job. Swab back acid and test. Drop packer down through perms to knock off perf balls. POH w/packer.

6. If warranted, frac Brushy Canyon per frac recommendation (anticipate 30 BPM down casing, 100,000# of sand).

7. RIH w/bit & collars on tbg. Drill out CBP @ 8,225'. Clean out to PBTD of 8,555'. POH w/bit.

8. RIH w/production tbg & rods. POP from entire Brushy Canyon Section 8,155' - 8,282'. RD MO.

(CHK PN 890549)

Chesapeake Operating Company
NM-69369: Sundance 1 Federal #4
API: 30-015-28176
Eddy County, New Mexico

RE: Add Pay NOI – Conditions of Approval

There is to be no surface disturbance beyond the existing pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

2M BOP required. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.

If 4-1/2" liner to be run, sundry must be submitted and approved before casing is run and cemented.

Submit subsequent report and well test once work is completed.

DHW 032210