

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

AUG 19 2004

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

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.
NMNM13406

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
FEDERAL BN 2

9. API Well No.
30-015-32721-00-S1

10. Field and Pool, or Exploratory
HAPPY VALLEY

11. County or Parish, and State

EDDY COUNTY, NM

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
CHESAPEAKE OPERATING, INC.

Contact: LINDA GOOD
E-Mail: lgood@chkenenergy.com

3a. Address
OKLAHOMA CITY, OK 73154-0496

3b. Phone No. (include area code)
Ph: 405.767.4275
Fx: 405.379.9583

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

Sec 17 T22S R26E SENW 2215FNL 2365FWL

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
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Site Facility Diagram/Security Plan
	<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.)

Attached is the site facility diagram for the Federal BN 2.

(PN 890837)

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

Electronic Submission #34096 verified by the BLM Well Information System

For CHESAPEAKE OPERATING, INC., sent to the Carlsbad

Committed to AFMSS for processing by ARMANDO LOPEZ on 08/17/2004 (04AL0332SE)

Name (Printed/Typed) LINDA GOOD

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 08/17/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTED

LES BABYAK
Title PETROLEUM ENGINEER

Date 08/17/2004

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 Carlsbad

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.

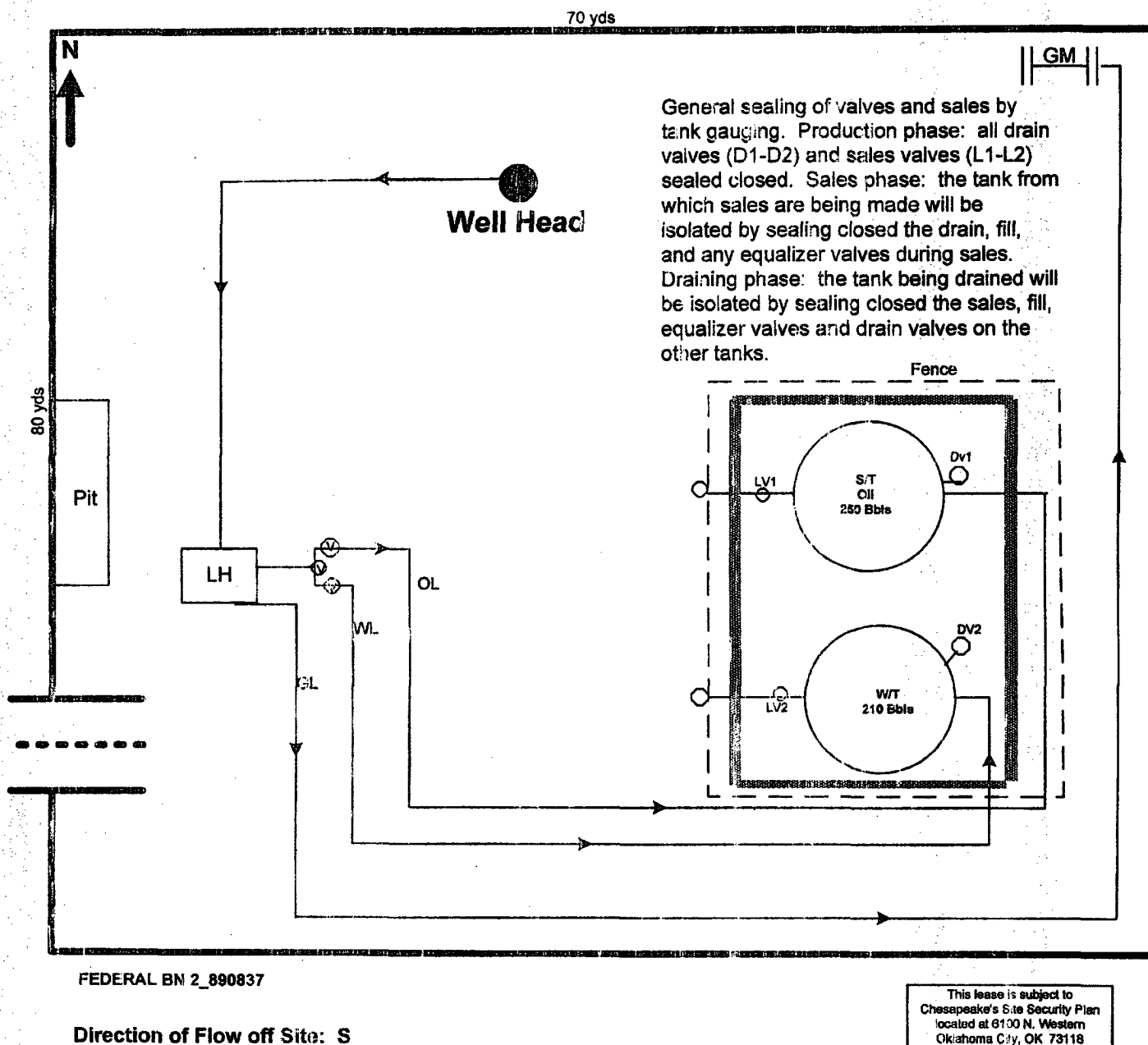
**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

CHESAPEAKE OPERATING, INC.

CHK Name & Number: FEDERAL BN 2
 API number: 30-015-32721
 County: EDDY
 State: NM
 Field: HAPPY VALLEY
 Qtr Qtr Calls: SE NW
 Sec/Twnshp/Rng: 17-22S-26E
 Number of Acres: 320

890837

Regulatory Agency: BLM
 Lease Sign Type: FEDERAL
 CA#: 100% BLM LEASE
 APD Lease #: NMNM 13406
 Federal/Indian: FEDERAL
 Last Violation: UNKNOWN
 District: PERMIAN
 Field Office: Hobbs



Prepared by: DEBBIE HERNANDEZ
 Date: 7-16-04

Approved by:
 Date: