

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

NM Oil Cons. DIV-Dist. 2

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

**SUNDRY NOTICES AND REPORTS**  
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.*

Lease Serial No.  
NMNM28306

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit or CA/Agreement, Name and/or No. NMNM072221
2. Name of Operator CHESAPEAKE OPERATING INC		8. Well Name and No. COYOTE DRAW FED 3
Contact: LINDA GOOD E-Mail: lgood@chkenegy.com		9. API Well No. 30-005-61354-00-S1
3a. Address P O BOX 18496 OKLAHOMA CITY, OK 73154-0496	3b. Phone No. (include area code) Ph: 405.767.4275 Fx: 405.879.9583	10. Field and Pool, or Exploratory PECOS SLOPE
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 30 T7S R25E NESW		11. County or Parish, and State CHAVES COUNTY, NM

RECEIVED

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**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 for the Coyote Draw Fed 3.

(CHK PN 890008)

14. Thereby certify that the foregoing is true and correct. <b>Electronic Submission #35802 verified by the BLM Well Information System For CHESAPEAKE OPERATING INC, sent to the Roswell Committed to AFMSS for processing by LINDA ASKWIG on 09/08/2004 (04LA0296SE)</b>	
Name (Printed/Typed) LINDA GOOD	Title AUTHORIZED REPRESENTATIVE
Signature (Electronic Submission)	Date 09/08/2004

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <b>ACCEPTED</b>	ARMANDO A LOPEZ Title PETROLEUM ENGINEER	Date 09/09/2004
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 Roswell

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.

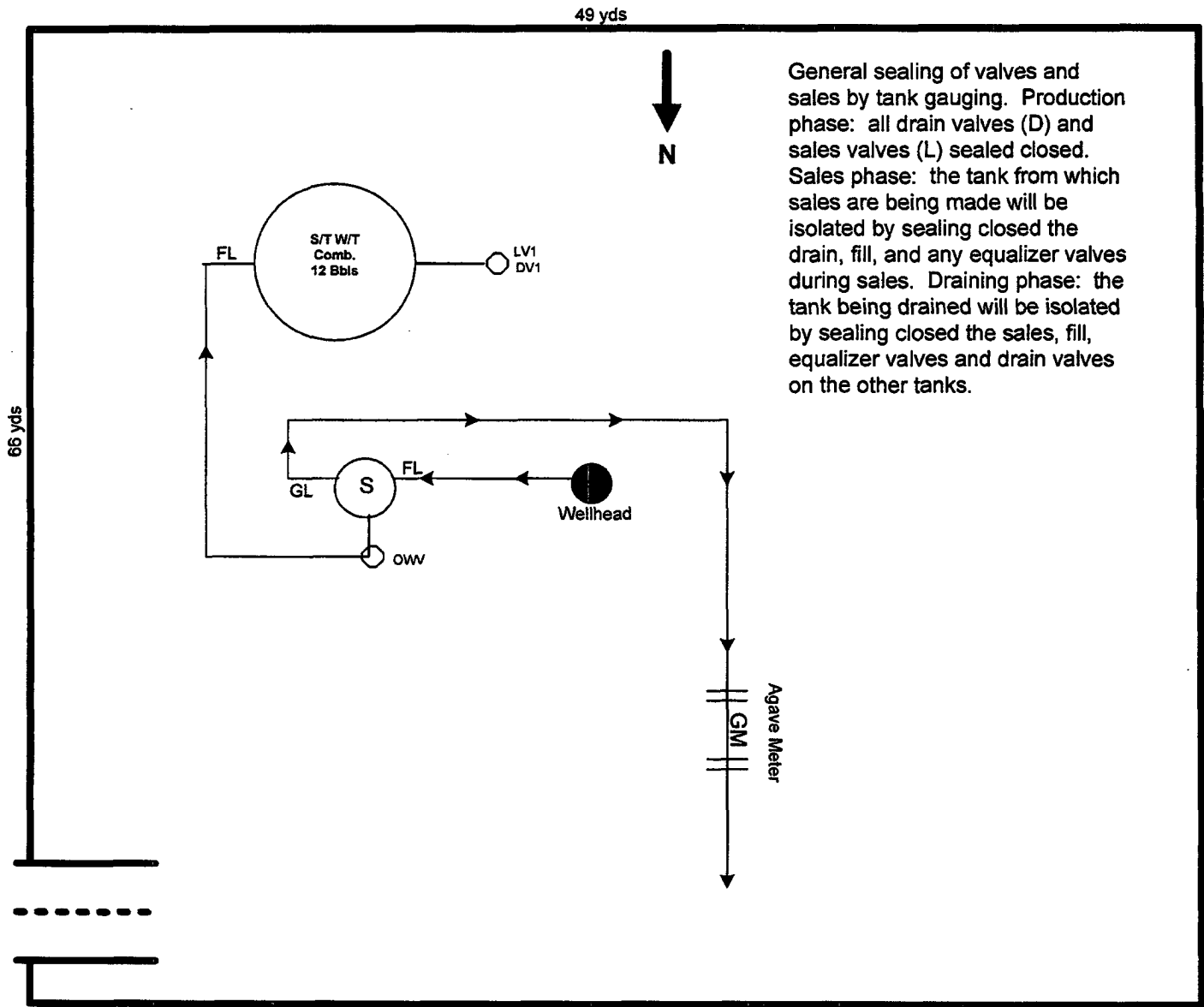
**\*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\* BLM REVISED \*\***

# CHESAPEAKE OPERATING, INC.

CHK Name & Number: COYOTE DRAW FED 3 890008  
API number: 30-005-61354  
County: CHAVES  
State: NM  
Field: PECOS SLOPE  
Qtr Qtr Calls: C NE SW - 1980 FSL 1980 FWL  
Sec/Twnshp/Rng: 30-7S-25E  
Number of Acres: 160

Regulatory Agency: BLM  
Lease Sign Type: FEDERAL  
CA#: 100% BLM LEASE  
APD Lease #: NMNM 28306  
Federal/Indian: FEDERAL  
Last Violation: UNKNOWN  
District: PERMIAN  
Field Office: HOBBS

1



COYOTE DRAW FED 3\_890008

Direction of Flow off Site: E

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

Prepared by: DEBBIE HERNANDEZ  
Date: 8-19-04

Approved by:  
Date: