

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB No 1004-0137
Expires October 31, 20145. Lease Serial No. *LC-061705B*
NMNM25533 (SH) NMLE0647513 (BH)

6 If Indian, Allottee or Tribe Name

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 page 2.**

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other2. Name of Operator
CHESAPEAKE AGENT FOR BOPCO3a. Address
PO BOX 18496
OKLAHOMA CITY, OK 73154-04963b. Phone No. (include area code)
405-935-28964. Location of Well (Footage, Sec., T., R., M., or Survey Description)
(SH) 140' FNL & 1980 FWL NENW 19-24S-31E7. If Unit of CA/Agreement, Name and/or No.
NMNM071016X8. Well Name and No.
PLU BIG SINKS 19 24 31 USA 1H9. API Well No.
*30-015-40181*10. Field and Pool or Exploratory Area
WILDCAT; BONE SPRING11. County or Parish, State
EDDY, NM

12 CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

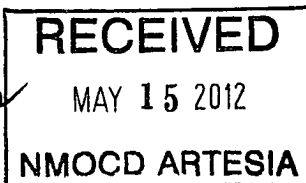
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 <u>Rig Skid</u>
	<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 recomplete 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Confidential

Chesapeake is requesting permissions to skid the rig 10' to the north for the PLU Big Sinks 19-24-31 USA 1H. Bit became stuck while drilling 30" hole at 118' in preparation for setting 20" conductor pipe at 120'. Hole was drilled without contacting ground water. Hole was filled with 30 cubic yards (810 cu ft) of ready mix cement. Cellar was then filled with dirt. Note to Wesley Ingram: Chris Gray was misinformed when he stated that we contacted ground water. The cellar was filled with water after plugging the hole, hence the confusion.

Attached you will find the Surface Use Plan and Drilling Plan as required by Onshore Order No.1, Exhibit A-1 to A-4 Survey plats, Exhibit B 1 mile radius plat, Exhibit C Production facility, Exhibit D Patterson Rig #62 layout, Exhibit E- Fresh Water Line, Exhibit F-1 to F-2 BOP & Choke Manifold and Exhibit G Directional Drill Plan.

*Cactus Rig 120*Accepted for record
NMOCD*106
5/17/2012*SEE ATTACHED FOR
CONDITIONS OF APPROVAL

14 I hereby certify that the foregoing is true and correct Name (Printed/Typed)

Erin Carson

[Signature]

Title Regulatory Compliance Technician III

Signature

Date 05/10/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Don Peterson

Title

AFM

Date

5/10/12

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 FIELD 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)