

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

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 reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Lease Serial No. NMLC-0293871
2. Name of Operator CHESAPEAKE OPERATING, INC. ATTN: LINDA GOOD		6. If Indian, Allottee or Tribal Name
3a. Address P. O. BOX 18496, OKLAHOMA CITY, OK 73154-0496	3b. Phone No. (include area code) 405-767-4275	7. If Unit or CA Agreement, Name and No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2310 FSL & 2160 FWL, Section 30-18S-31E		8. Well Name and No. Benson Shugart Waterflood Unit
		9. API Well No. 30-015-10369
		10. Field and Pool, or Exploratory Area Shugart
		11. County or Parish, State Eddy County, New Mexico

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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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 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.)

7/22/2006 RU Gray WL, PU 5 1/2" CIBP, RIH to 3300', set CIBP, dump 6 sx cmt on top of CIBP, RD Gray WL, SIW.

7/25/2006 RU Gray WL, RIH to 2110' and 4 sqz holes, POOH, RD Gray WL, SIW.

7/26/2006 RU Key Pumping Service, spot 25 sx Class "C" Neat cmt from 2171' - 1930', pull up to 1150', SIW.

7/27/2006 RU Gray WL, RIH to 1835', shoot 4 sqz holes, POOH, PU pkr, RIH w/tbg to 1540', set pkr, pmp into perf'd holes @ 2.5 BPM @ 1350#, sqz perf'd holes w/50 sx Class "C" Neat cmt, SI 4 hrs, RIH w/open ended tbg to 1683', tag cmt plug, POOH, RU Gray WL, RIH to 810', shoot 4 sqz holes, POOH, RD Gray WL, RIH w/tbg to 500', set pkr, pmp into perf'd holes @ 3 BPM @ 250#, sqz perf'd holes w/50 sx Class "C" Neat cmt; SIW.

7/28/2006 RIH w/open ended tbg to 723', tag cmt plug, RU Key Service, spot 10 sx Class "C" Neat cmt, 14.8 ppg, POOH, LD tbg, ND BOP, RIH w/60' pump surf plug, cut off wellhead, install dry hole marker, clean location, RDMO.

(CHK PN 890869)

Accepted for record - NMOC

Approved as to plugging of the well bore.
Liability under bond is retained until
surface restoration is completed.

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

LINDA GOOD

Title PERMITTING AGENT

Signature

Linda Good

Date

07/31/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

Office

APPROVED

AUG - 3 2006

ALEXIS C. SWOBODA
PETROLEUM ENGINEER

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)