

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO 1004-0135
Expires July 31, 2010

MAY - 6 2009

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 checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5 Lease Serial No. NMNM02862
2 Name of Operator CHESAPEAKE OPERATING, INC. Contact: LINDA GOOD E-Mail: linda.good@chk.com		6 If Indian, Allottee or Tribe Name
3a Address OKLAHOMA CITY, OK 73154-0496	3b Phone No. (include area code) Ph: 405-935-4275	7 If Unit or CA/Agreement, Name and/or No. NMNM71016X
4 Location of Well (Footage, Sec., T, R, M., or Survey Description) Sec 28 T24S R30E SESE 350FSL 850FEL		8 Well Name and No. PLU PIERCE CANYON 28 FEDERAL 1
		9 API Well No. 30-015-36830-00-X1
		10 Field and Pool, or Exploratory WILDCAT
		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
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Onshore Order Var
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal <input type="checkbox"/> ce

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.)

ATTN: WESLEY INGRAM:

CHESAPEAKE REQUESTS A VARIANCE OF LATSHAW RIG #6 IS USED TO DRILL THIS WELL TO USA A CO-FLEX LINE BETWEEN THE BOP AND CHOKE MANIFOLD.

MANUFACTURER: MIDWEST HOSE & SPECIALITY INC.
LENGTH: 26"
SIZE: 4 1/16 10,000# AFI FLANGES
WP RATING: 10,000
ANCHORS REQUIRED B MANUFACTURER - YES
I.D. 3 1/2"
O.D. 6 1/2"

ENTERED IN
AFMSSSEE ATTACHED FOR
CONDITIONS OF APPROVAL

14. I hereby certify that the foregoing is true and correct. Electronic Submission #69705 verified by the BLM Well Information System For CHESAPEAKE OPERATING, INC., sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 05/04/2009 (09KMS1299SE)	
Name (Printed/Typed) LINDA GOOD	Title SR. REGULATORY COMPLIANCE SPEC
Signature (Electronic Submission)	Date 05/04/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <u>Ryan D. Hall</u>	Petroleum Engineer	MAY 04 2009
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 CFO	

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 **

Additional data for EC transaction #69705 that would not fit on the form

32. Additional remarks, continued

TEST PRESSURE 15,000

(CHK PN 624840)

**PECOS DISTRICT
CONDITIONS OF APPROVAL
May 4, 2009**

OPERATOR'S NAME:	Chesapeake Operating, Inc.
LEASE NO.:	NMNM71016X
WELL NAME & NO.:	PLU Pierce Canyon 28 Federal #1H
SURFACE HOLE FOOTAGE:	350' FSL & 850' FEL
BOTTOM HOLE FOOTAGE	350' FNL & 850' FEL
LOCATION:	Section 28, T. 24S., R 30E., NMPM
COUNTY:	Eddy County, New Mexico

1. Variance approved to use flex line from the BOP to the choke manifold.
Manufacturer : Midwest Hose & Speciality Inc.
Length : 26"
Size : 4-1/16" 10,000# AFI Flanges, WP Rating – 10,000#
I.D. 3-1/2", O.D. 6-1/2"
Anchors required by manufacturer
2. Check condition of 4-1/16" flexible line from BOP to choke manifold. Replace if exterior is damaged or if line fails test.
3. Line to be as straight as possible with no hard bends.
4. Anchors to be installed.

RGH 050409