

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED  
OMB NO. 1004-0135  
Expires: July 31, 2010**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 26 T24S R30E SWSW 150FSL 600FWL 32.18207 N Lat, 103.85830 W Lon		8. Well Name and No. PLU BIG SINKS 26 FEDERAL 1H
		9. API Well No. 30-015-37031-00-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	Change to Original
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	PD

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 shall 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 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.)

ATTENTION: WESLEY INGRAM

PER OUR CONVERSATION:

As stated on the Conditions Of Approval "If 75% or greater lost circulation occurs while drilling the intermediate casing hole, the cement of the production casing must come to surface".

Intermediate casing cement job:

Chesapeake displaced cement with partial to total lost returns. Opened DV tool at 950' and did not circulate cement off the DV tool. Circulated between stages for 8 hrs. Cemented second stage with 200 sxs, 91 bbls, 11.8 ppg, 2.56 yield cement slurry. Displaced cement with partial to total lost returns and did not circulate cement to surface. Waited on cement for 8 hrs and ran temperature

14. I hereby certify that the foregoing is true and correct. <b>Electronic Submission #80444 verified by the BLM Well Information System For CHESAPEAKE OPERATING, INC., sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 01/22/2010 (10KMS0538SE)</b>	
Name (Printed/Typed) LINDA GOOD	Title SR. REGULATORY COMPLIANCE SPEC
Signature (Electronic Submission)	Date 01/22/2010

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

Approved By WESLEY INGRAM	Title PETROLEUM ENGINEER	Date 01/22/2010
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 \*\***

**Additional data for EC transaction #80444 that would not fit on the form**

**32. Additional remarks, continued**

log with estimated top of cement at 660'. Run 1" pipe and tagged up at 400'. Cemented back to surface with 160 sacks, 38 bbls, 14.8 ppg, 1.35 yield plus 1% Calcium Chloride. Circulated 25 sacks, 6 bbls cement slurry to surface.

CBL ran 1/16/2010. (Attached)

DV tool @ 3500'.

As a result of the one inch operation on the intermediate casing, Chesapeake is requesting a variance to the COA requiring that cement be brought to surface on the production casing.

(CHK PN 624842)