

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NMOCD

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

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.

5. Lease Serial No.
NMLC029392B

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

RECEIVED

OCT 28 2004

1. Type of Well
☒ Oil Well ☐ Gas Well ☐ Other

2. Name of Operator
CHESAPEAKE OPERATING, INC.

Contact: LINDA GOOD
E-Mail: lgood@chkenenergy.com

3a. Address
OKLAHOMA CITY, OK 73154-0496

3b. Phone No. (include area code)
Ph: 405.767.4275
Fx: 405.879.9583

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 26 T18S R31E NENW 660FNL 1980FWL

8. Well Name and No.
HINKLE FEDERAL 2

9. API Well No.
30-015-23388-00-S3

10. Field and Pool, or Exploratory
SHUGART

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 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 Hinkle Federal 2.

(CHK PN 890457)

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #50339 verified by the BLM Well Information System
For CHESAPEAKE OPERATING, INC., sent to the Carlsbad
Committed to AFMSS for processing by ARMANDO LOPEZ on 10/25/2004 (05AL0023SE)

Name (Printed/Typed) LINDA GOOD

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 10/25/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By **ACCEPTED**

ALEXIS C SWOBODA
Title PETROLEUM ENGINEER

Date 10/26/04

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

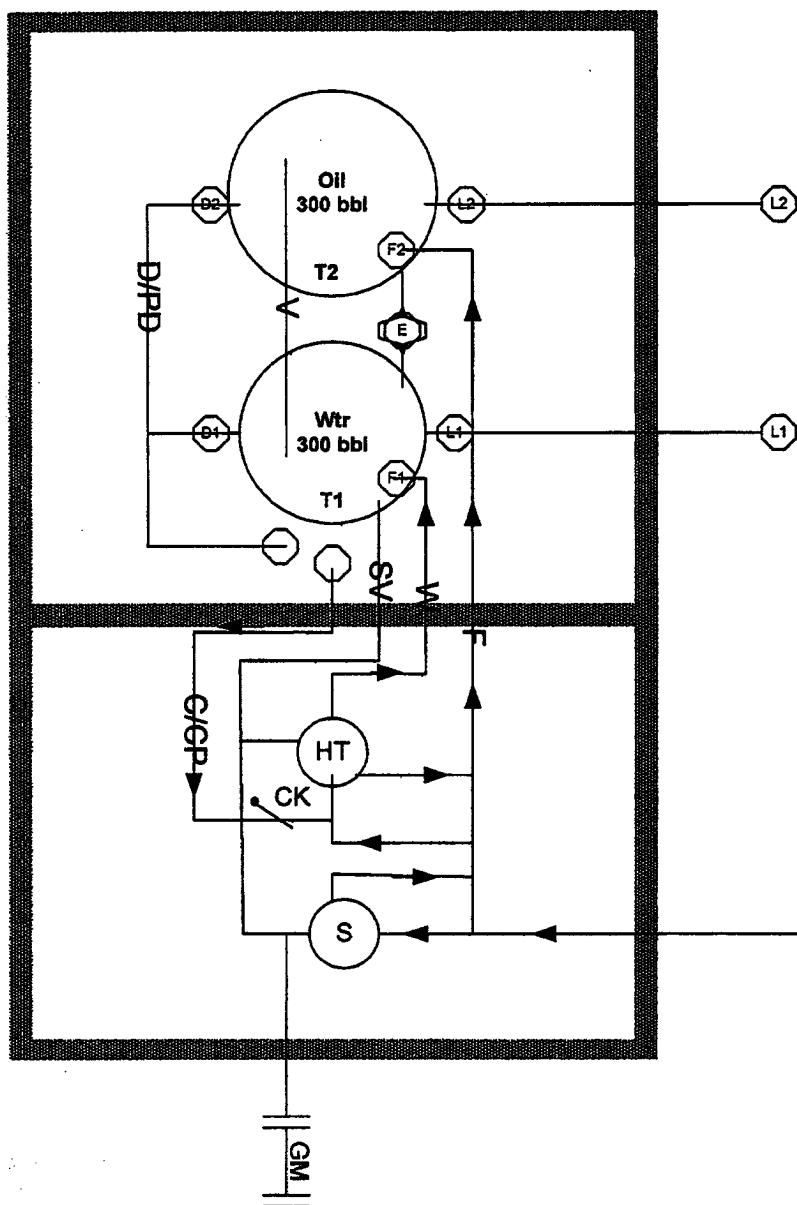
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

CHESAPEAKE OPERATING, INC.

Well Name & Number: LAMB 1-29 155226
 API Number: 35-151-22540
 County: WOODS
 State: OK
 Field: SAHARA EAST
 Qtr Qtr Calls: W2 NW
 Sec/Twnshp/Rng: 29-23N-14W

Regulatory Agency: BLM
 Lease Sign Type: FEDERAL
 CA#: OKNM 74667
 APD Lease #: FEE
 Federal/Indian: FEDERAL
 District: NW OKLAHOMA
 Field Office: WAYNOKA



General sealing of valves, sales by tank gauging. Production phase all drain valves, D1 & D2, and sales valves, L1 & L2, sealed closed. Sales phase the tank from which sales are being made will be isolated by sealing closed the drain, fill and equalizer valve during sales. Draining phase the tank being drained will be isolated by sealing closed the sales, fill, equalizer valves and the drain valves on the other tank.

Well Head

Direction of Flow off Site: SE

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

Prepared by: John Voth
 Date: 10-18-04

Approved by:
 Date: