

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. NMNM0415688A
2. Name of Operator CHESAPEAKE OPERATING INC		6. If Indian, Allottee or Tribe Name
Contact: LINDA GOOD E-Mail: linda.good@chk.com		7. If Unit or CA/Agreement, Name and/or No. NMNM71004A
3a. Address OKLAHOMA CITY, OK 73154-0496	3b. Phone No (include area code) Ph: 405-935-4275	8. Well Name and No. OLD INDIAN DRAW 1
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 18 T22S R28E NWSE		9. API Well No. 30-015-20918-00-S1
		10. Field and Pool, or Exploratory INDIAN DRAW
		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	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.)

Chesapeake, respectfully requests permission to modify this Central Tank Battery per the following.

It is recommended that the header be rebuilt and all valves replaced. The heater treater and separator will be removed.

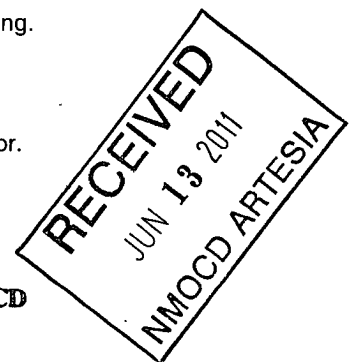
A new 3 phase separator will be installed with mechanical dumps and be used as a test separator.

Gas produced off this separator will be minimal but will be tied into an incinerator that will also be added to the site in order to stay in compliance with New Mexico air regulations.

The current emergency flare will be removed.

Accepted for record - NMOCD

DY 6-22-11



14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #105318 verified by the BLM Well Information System For CHESAPEAKE OPERATING INC, sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 03/31/2011 (11KMS1256SE)	
Name (Printed/Typed) LINDA GOOD	Title SR. REGULATORY COMPLIANCE SPEC
Signature (Electronic Submission)	Date 03/28/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By JAMES A AMOS	Title SUPERVISOR EPS	Date 06/05/2011
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.

Additional data for EC transaction #105318 that would not fit on the form

32. Additional remarks, continued

All produced fluids will be sent to the gun barrel.

All old storage tanks will be replaced with new 500BBL tanks. Oil will be trucked and water will go to 6 in suction header.

COI has another triplex pump that is a good fit to serve as a back up pump to the existing Gardner Denver TA3.

Throttling chokes will be added on the discharge of the pumps to ensure that maximum allowable injection pressures are not exceeded.

It is also recommended to replace the injection header system at this time.

It is also recommended that the building be torn down and electrical service be brought up to code.

ATTACHMENTS BEING SENT BY EMAIL TO KURT SIMMONS.

(CHK PN 890820)