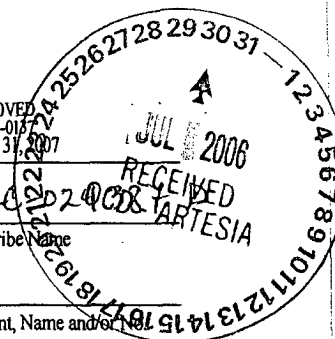


N.M. Oil Cons. DIV-Dist. 2
1301 W. Grand Avenue
UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Alamogordo, NM 88210

FORM APPROVED
OMB No. 1004-0127
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. NMNM-29387D
2. Name of Operator CHESAPEAKE OPERATING, INC. ATTN: LINDA GOOD		6. If Indian, Allottee or Tribe 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/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2310 FSL & 2160 FWL, NESW, SEC 30-T18S-R31E		8. Well Name and No. Benson Shugart WFU #34
		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

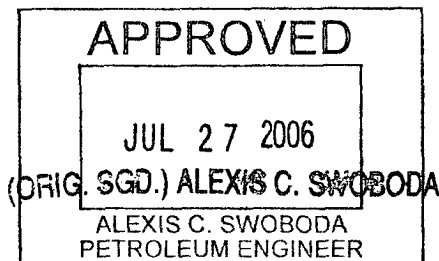
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 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 recomplate 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.)

Chesapeake, respectfully, request verbal permission to plug & abandoned this well per the attached plugging procedure.

I will overnight the original and 5 copies today.

BLM NATIONWIDE BOND #NM2634.



(CHK PN 890869)

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) LINDA GOOD		Title PERMITTING AGENT
Signature <i>Linda Good</i>	Date 07/24/2006	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____	Title _____	Date _____
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 _____	

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)



**Benson Shugart WFU 34
Plug and Abandonment Procedure
7-24-2006
Eddy County, New Mexico**

1. Notify the BLM and/or NMOCD 24 hrs in advance prior to commencing plug and abandonment operations.
2. MIRU Well Service Unit. ND wellhead. NU BOP. POOH with tubing and packer.
3. Set a CIBP at 3330'. Bail 2 - 3 sxs of cement on the CIBP (35' minimum on plug).
4. TIH w/ 2 3/8" OE tubing to PBTD ~ 3295'. Circulate 5 1/2" casing with salt gel mud containing 9.5 pound brine and 25 lbs of gel per barrel. POOH with tubing.
5. RU wireline service unit. Perforate 4 squeeze holes at 2110'.
6. RIH with tubing. Spot a 50 sx Class "C" Neat cmt plug at 2110'. Pull tubing above cement, reverse with salt gel mud, then displace 25 sx into squeeze holes. Shut in for 4 hrs and tag top of cement. Spot additional cement if needed. POOH.
7. Perforate 4 squeeze holes at base of salt at 1835'. Spot a 50 sx Class "C" Neat cmt plug at 1835'. Pull tubing above cement, reverse with salt gel mud, then displace 25 sx into squeeze holes. Shut in for 4 hrs and tag top of cement. Spot additional cement if needed. POOH.
8. Perforate 4 squeeze holes at base of surface casing at 810'. Establish circulation and cement squeeze to surface. Displace with salt gel mud. Leave a minimum of 50' of cement above shoe depth of 788'. WOC. Tag to verify plug in place.
9. Spot 60' Class "C" Neat cmt plug from 63-3'.
10. ND BOP. Cut off 8 - 5/8" and 5-1/2" casings 3' below Ground Level.
11. Weld on an ID plate. RD and release Well Service Unit. Restore location.

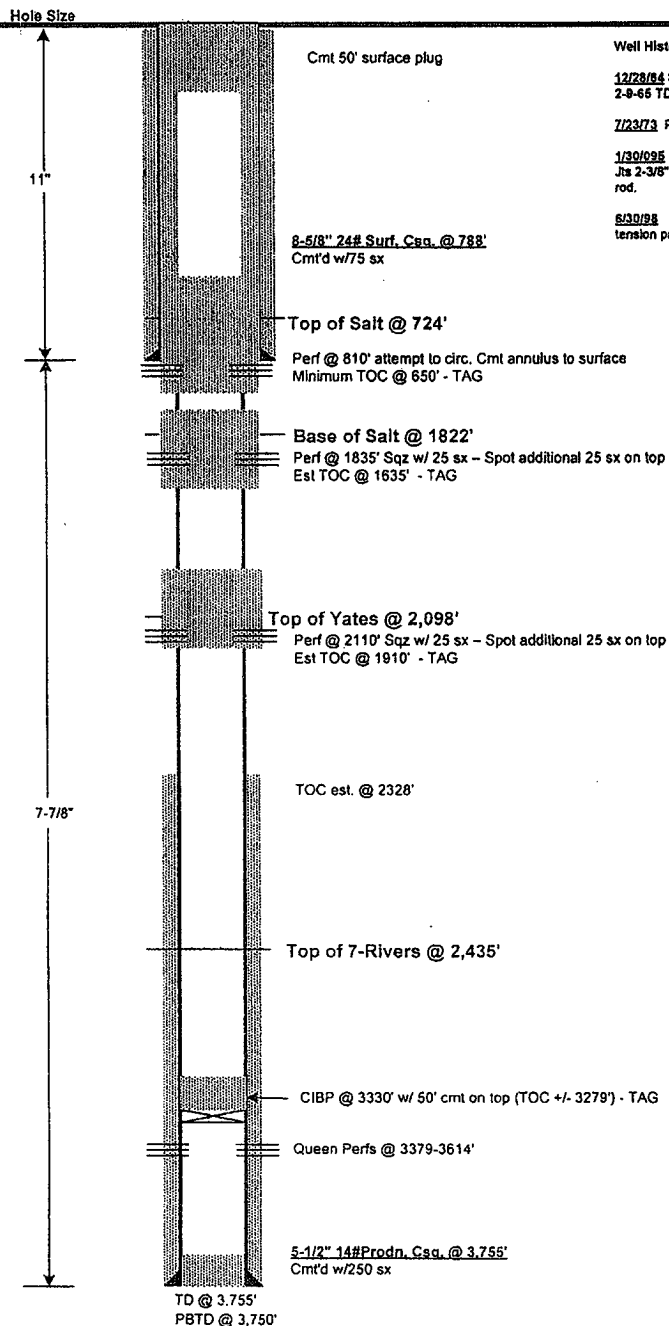
CURRENT WELLBORE SCHEMATIC

CHESAPEAKE OPERATING INC.

WELL : BENSON SHUGART WFU #34 P&A
 LOCATION : 2,310' FSL & 2,160' FWL, SEC. 30-18S-31E
 COUNTY : EDDY STATE : NM
 FIELD : SHUGART (YATES-SEVEN RIVERS-QUEEN-GRAYBURG)
 ELEVATION : 3,595' GR DF 3598.5 KB (unk)
 API : 30-015-10369



SPUD DATE: 12/28/64
 COMPL. DATE: 02/15/65
 CHK #: 890869



PREPARED BY: Renee Thomas
 UPDATED BY: _____

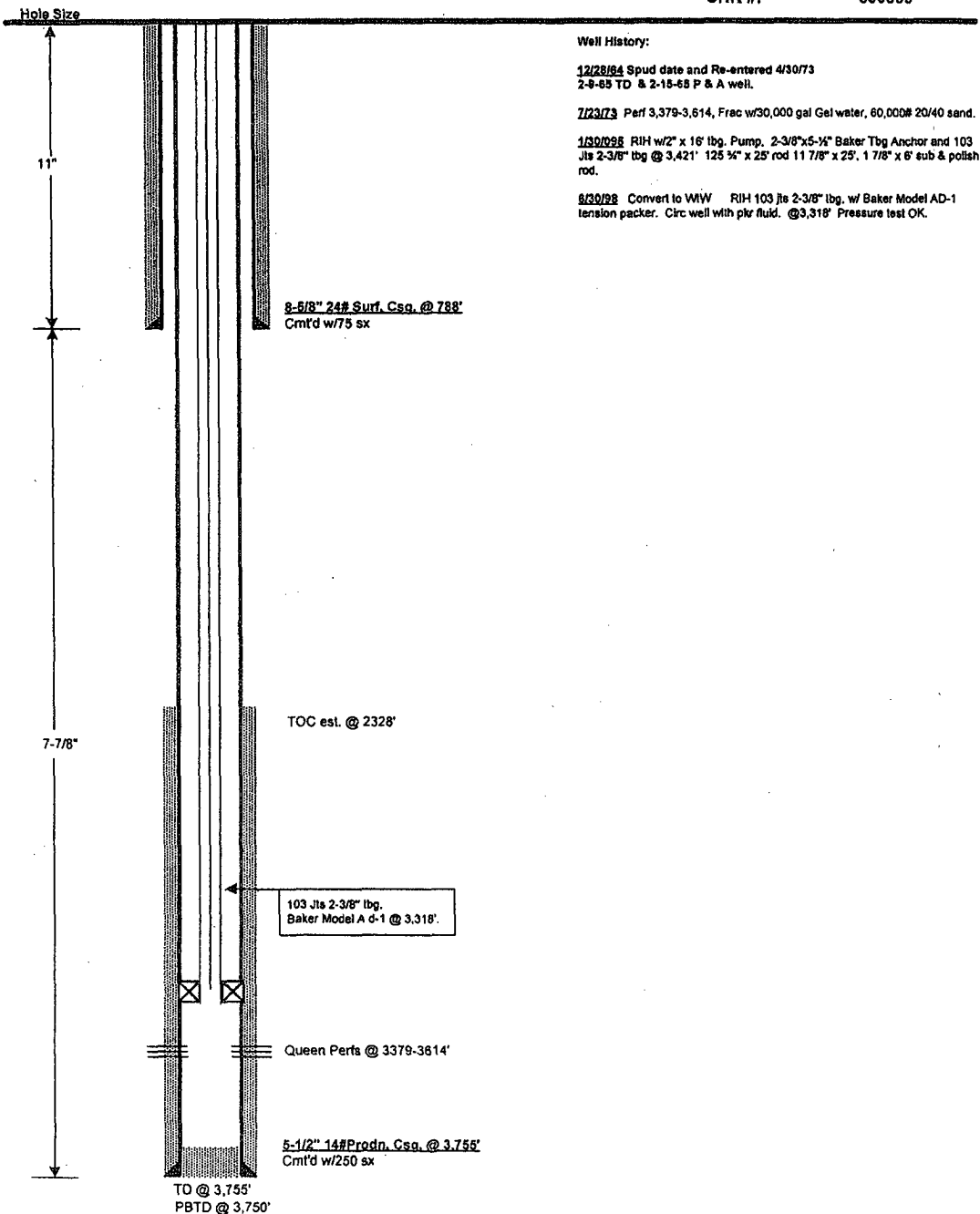
DATE: 11/01/04 AJM
 DATE: _____

CURRENT WELLBORE SCHEMATIC CHESAPEAKE OPERATING INC.



WELL : BENSON SHUGART WFU #34 (Injection)
 LOCATION : 2,310' FSL & 2,160' FWL, SEC. 30-18S-31E
 COUNTY : EDDY STATE : NM
 FIELD : SHUGART (YATES-SEVEN RIVERS-QUEEN-GRAYBURG)
 ELEVATION : 3,595' GR DF 3598.5 KB (unk)
 API : 30-015-10369

SPUD DATE: 12/28/64
 COMPL. DATE: 02/15/65
 CHK #: 890869



PREPARED BY: Renee Thomas

DATE: 11/01/04 AJM

UPDATED BY:

DATE: