



OCD-ARTESIA

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

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.

FORM APPROVED OM B No. 1004-0137 Expires: March 31, 2007

5. Lease Serial No. NNMNM-17224

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well [X] Oil Well [] Gas Well [] Other

2. Name of Operator CHESAPEAKE OPERATING, INC. ATTN: LINDA GOOD

3a. Address P. O. BOX 18496, OKLAHOMA CITY, OK 73154-0496 3b. Phone No. (include area code) 405-767-4275

4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1950 FNL & 1980 FEL, NWNE, Section 19, T24S, R29E

8. Well Name and No. Queen Lake 19 Federal 1

9. API Well No. 30-015-24292

10. Field and Pool, or Exploratory Area Pierce Crossing

11. County or Parish, State Eddy County, New Mexico

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

Table with columns TYPE OF SUBMISSION and TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, and various actions like Acidize, Deepen, Production, etc.

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 recomplate 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 permission to temporarily abandoned this well. We are going to lay out the pump, rods, and tubing, then set a CIBP @ 4875'. We will bail 2 sx of cmt on the plug. The well will be MIT'd and charted to ~300 psi for 30 minutes. We are requesting 12 months to evaluate this well for any additional potential or utility. 500

Wellbore Schematic attached.

Approved for MIT.

Accepted for record NMOCD

SEE ATTACHED FOR CONDITIONS OF APPROVAL



14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)

LINDA GOOD

Title PERMITTING AGENT

Signature

Linda Good

Date

11/10/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved by

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.

Title

Office

Date

NOV 15 2006

Wesley W. Ingram

WESLEY W. INGRAM

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 State any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

CURRENT WELLBORE SCHEMATIC

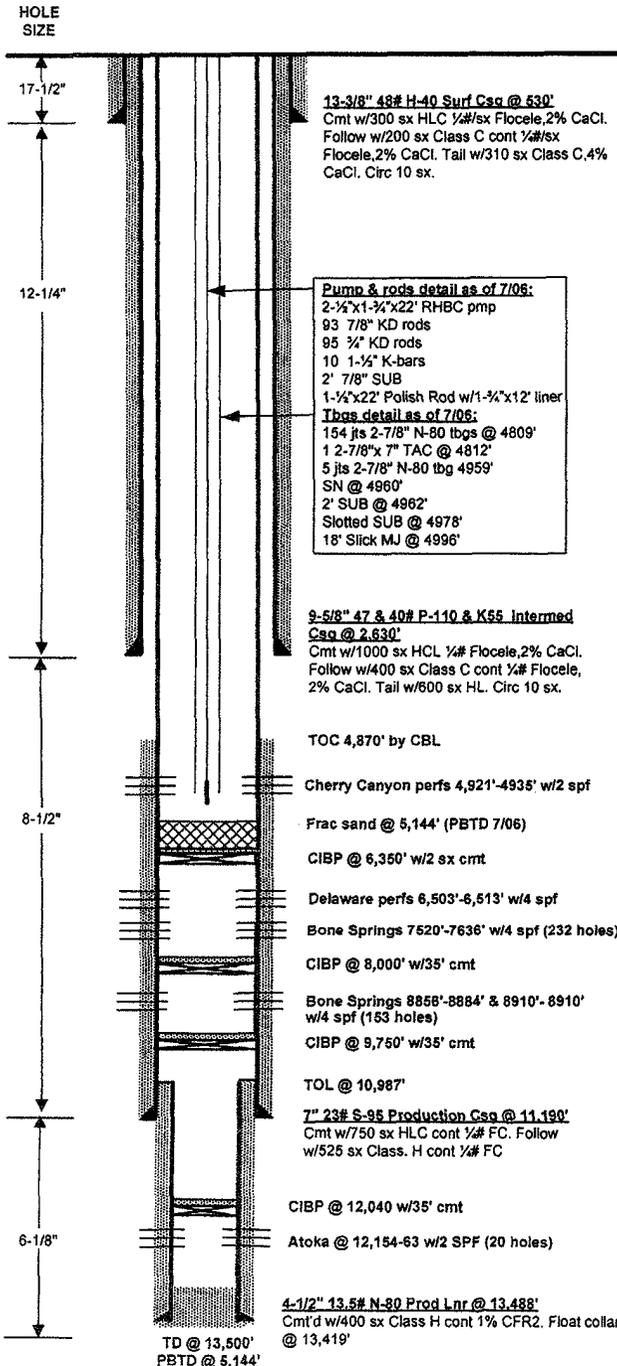
CHESAPEAKE OPERATING INC.



WELL : QUEEN LAKE 19 FED #1
 FIELD : PIERCE CROSSING
 LOCATION : 1,950' FNL & 1,980' FEL, SEC. 19-T24S-R29E
 COUNTY : EDDY STATE : NM
 ELEVATION : GL - 2,956' RKB - 2,976'



API #: 30-015-24292
 SPUD DATE: 10/20/82
 COMPLETION DATE: 12/30/82
 LAST RECOMPLETION DATE: 08/10/99
 CHK PN: 819238



WELL HISTORY:

10/21/82: Spud well.
 11/21/82: Logged well.
 12/30/82: Atoka perms @ 12,154'-12,163'.
 12/31/82: Acdz Atoka perms 12154'-12163' w/4500 gal 15%
 BDA w/30 BS. Flush w/ FW.
 12/8/90: Set CIBP @ 12040' w/35' cmt. RIH w/7" 23# CIBP
 set @ 9750' cap w/35'.
 12/10/90: Bone Spring perms @ 8856'-84' and 8900'-10'.
 12/12/90: Acdz BS perms 8856'-8910' w/2100 gal 7.5% HCL
 w/additives w/200 BS. Flush w/55 bbl 2% KCL.
 12/14/90: Frac BS perms 8856'-8910' w/80,000# 16/30
 westprop lite, 100 tons of CO2 & 40# gel. Flush w/2% KCL
 slick wtr.
 4/27/95: Set CIBP @ 8000' cap w/35' cmt. Bone Spring per
 @ 7630'-36', 7612'-16', 7602'-08', 7586'-96', 7570'-82', 7520
 40'.
 4/29/95: Frac BS perms 7520'-7636' w/ 1641 bbls Viking I-30
 gel & 200,640# 20/40 Ottawa sn.
 8/3/99: Delaware perms @ 6503'-6513'. Acdz w/1500 gals
 7.5% NEFE.
 8/4/99: Frac Delaware perms w/10,000 gal Medallion 3000
 pad w/sn concentration 1 ppg to 6 ppg. Finish w/15000# rosi
 coated 16/30 sn.
 1/17/00: Pmp change.
 1/29/03: Rod part.
 2/19/05: Pmp change. TAC @ 5839'.
 5/17/05: Pmp 2000 gals 15% NEFE acid w/2750# rock salt.
 RIH w/swab 6 runs. Flush w/100 bbl 2% KCL, RD
 Cudd. Replace 102 B/O rods.
 7/19/05: Clean out paraffin from surface to 6000'. Sent pmp
 for repair.
 12/28/05: Install beam gas compressor.
 1/17/06: RIH w/exchange pmp & new 3/4" rods.
 4/3/06: Tbg leak. Clean out paraffin from 6000' to surface.
 RIH w/exchane pmp and rods.
 8/28/06: RIH, set CIBP @ 6,470', bail 1 sk cmt on plug,
 attempt to load w/ brine water, pump 30 bbls.
 8/30/06: Isolate csg leak between 6356'-6389'.
 7/5/06: RIH w/ 7" CIBP, set @ 6,350', load hole w/ 141 bbls
 2% KCL. RIH, bail 2 sx cmt on plug, RIH, perforate squeeze
 holes @ 4,721' and 5,185' w/ 4 spf, RIH, set cmt retainer @
 5,180', RIH w/ stinger and 120 jts tbg to 4,700'
 7/8/06: POOH past perforations to 4,700'. RIH w/ 42 jts tbg,
 sting into cmt retainer, establish injection rate release stinger
 POOH past perforations to 4,700'.
 7/7/06: RIH w/ tbg and stinger, latch into retainer. Squeeze
 perforations @ 4,781' and 5,165' w/ 125 sx Class "H" w/ 1%
 CaCl w/ .8% of FL 67, pump 15 bbls preflush Mud Clean, 5
 bbls spacer, 26 bbl cmt, flush w/ 28 BW, sting out of retainer.
 7/8/06: Run CBL 5,157' - 3,800', bond looks good, TOC @
 4,870'. RIH, tag @ 5,156', pressure up on squeeze
 perforations to 500#, lost 300# in 15 min. IRU WLU, RIH, run
 CBL 5,157' - 3,800', bond looks good, TOC @ 4,870'.
 7/11/06: RIH w/ swab, IFL surface, swab dry in 6 runs, rec
 44 BW, FFL 4,748'
 7/12/06: RIH w/ 7" cmt retainer, set @ 4,680',

CONT: Next page

PREPARED BY: Linda S. Fries
 UPDATED BY: Myo Htoon

DATE: 5/10/05
 DATE: 8/8/06

AJM

**BUREAU OF LAND MANAGEMENT
Carlsbad Field Office
620 East Greene Street
Carlsbad, New Mexico 88220
505-234-5972**



**Temporary Abandonment of Wells on Federal Lands
Conditions of Approval**

A temporarily abandoned well is defined as a completion that is not capable of production in paying quantities but which may have value as a service well. Pursuant to 43 CFR 3162.3-4 (c), no well may be temporarily abandoned for more than 30 days without the prior approval of the authorized officer.

Temporary Abandonment (TA) status approval requires a successful mechanical or casing integrity test as follows:

1. A Notice of Intent (NOI) Sundry Notice (Form 3160-5) requesting approval to run a mechanical integrity test (MIT) or casing integrity test (CIT).
2. A description of the temporary abandonment procedure.
 - a. A bridge plug or packer must be installed as close to 50 feet above any open perforations or open hole as possible. If a cement plug is used, the top of the cement must be verified by tagging.
 - b. The wellbore must be filled with corrosion inhibited fluid and pressure tested to 500 psi. The casing shall be capable of holding this pressure for at least 30 minutes with a 10% allowable leakoff.
 - c. All downhole production/injection equipment (tubing, rods, etc.) shall be removed from the casing if they are not isolated by a packer.
 - d. A bradenhead test must be conducted. If the test indicates a problem exists, a remedial plan and time frame for remediation shall be submitted within ninety (90) days of the test.
 - e. Contact the appropriate BLM office at least 24 hours prior to the scheduled Casing Integrity Test. For wells in Eddy County, 505-234-5972; Lea County 505-393-3612.
3. Provides justification why the well should be temporarily abandoned rather than permanently plugged and abandoned and an estimated date that the well will be returned to beneficial use or plugged and abandoned.

Wells that successfully pass the casing integrity test will be approved for Temporary Abandonment (TA) status for a 12 month period provided that the operator:

1. Submits a subsequent Sundry Notice (Form 3160-5) requesting TA approval.
2. Describes the temporary abandonment procedure.
3. Attaches a clear copy or the original of the pressure test chart.

The TA status could be extended for an additional 12 month period without another casing integrity test provided there was no leak-off during the test and the test was witnessed by a BLM representative. The operator must submit a sundry notice requesting an extension of TA status 30 days prior to expiration of the previous approval and appropriate justification for extending the TA status is included.

If the well does not pass the casing integrity test, then the operator shall within 30 days submit to BLM for approval one of the following:

1. A procedure to repair the casing so that a TA approval can be granted.
2. A procedure to plug and abandon the well.