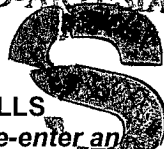


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA



FORM APPROVED
OMB No. 1004-0137
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.

5. Lease Serial No
NMNM 013074

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

AUG 21 2007
OCD-ARTESIA

2. Name of Operator
CHESAPEAKE OPERATING, INC.

ATTN: LINDA GOOD

8. Well Name and No.
MOAIC 34 FEDERAL 1H

9. API Well No.
30-015-35118

3a. Address
P O BOX 18496
OKLAHOMA CITY, OK 73154-0496

3b. Phone No. (include area code)
405-767-4275

10. Field and Pool or Exploratory Area
UNDESIGNATED WILLOW LAKE

4. Location of Well (Footage, Sec, T, R., M., or Survey Description)

SL. 330 FSL & 2310 FWL, SESW, SECTION 34, T24S, R28E

11. Country or Parish, State
EDDY COUNTY, NEW MEXICO

12. CHECK THE 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 Site Facility Diagram |
| | <input type="checkbox"/> Change Plans | <input 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 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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Please find the attached site facility diagram for Mosaic 34 Federal 1.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

(CHK PN 611681)

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

Name (Printed/Typed)
LINDA GOOD

Title FEDERAL REGULATORY ANALYST

Signature

Linda Good

Date 07/16/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

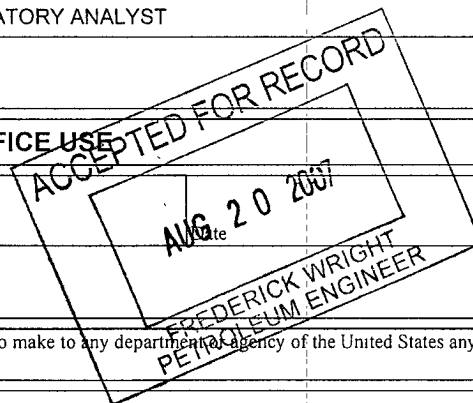
Title

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.

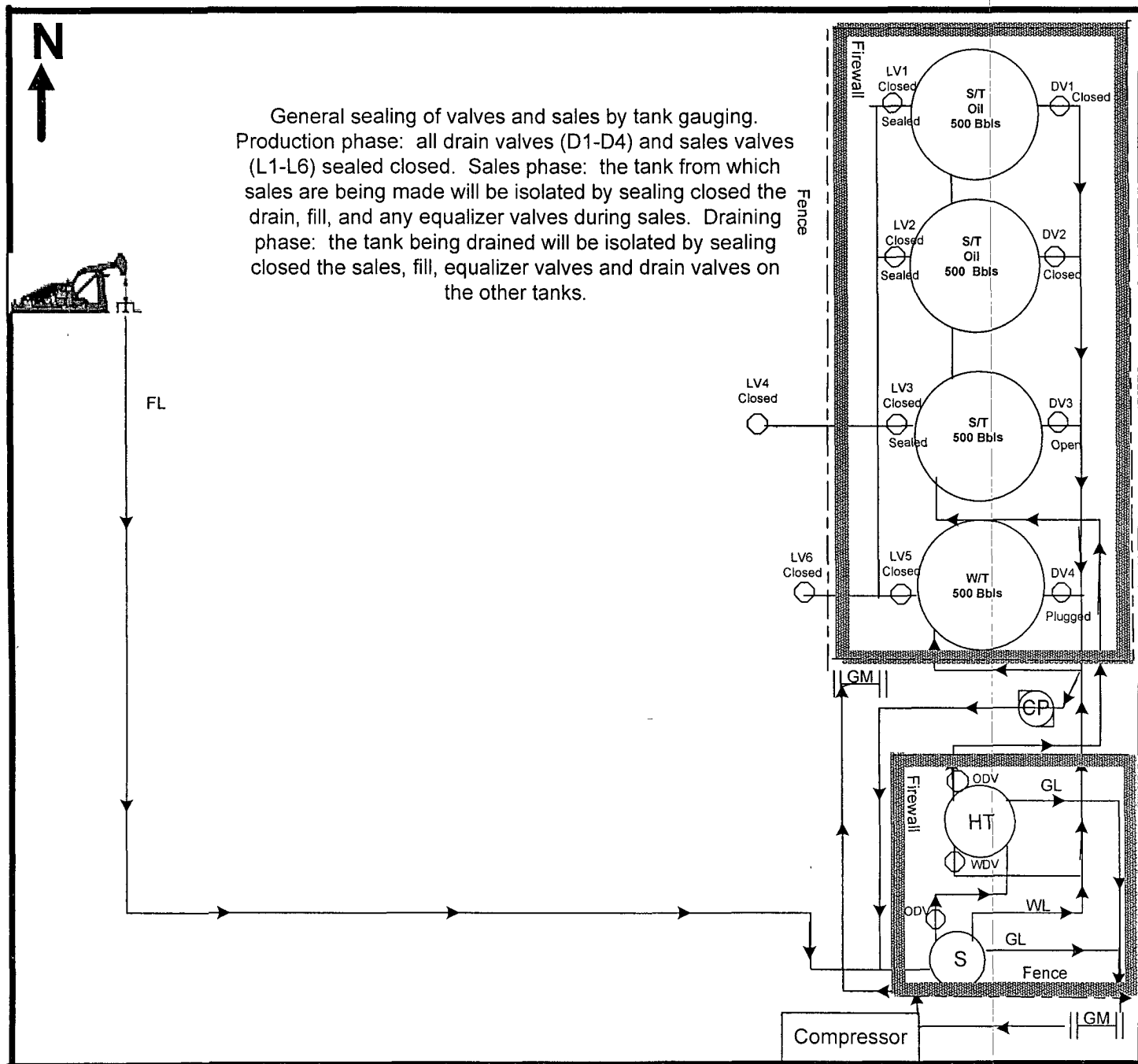
(Instructions on page 2)



CHESAPEAKE OPERATING, INC.

CHK Name & Number: MOSAIC 34 FEDERAL 1 611681
 API Number: 30-015-35118
 County: EDDY
 State: NM
 Field: UNDES. WILLOW LAKE
 Qtr Qtr Calls: SESW
 Sec/Twnshp/Rng: 34-24S-28E
 Number of Acres: 80

Regulatory Agency: BLM
 Lease Sign Type: APD WELL
 CA#: 100% BLM LEASE
 APD Lease #: NMNM 13074
 Federal/Indian: FEDERAL
 Last Violation: NONE
 District: PERMIAN NORTH
 Field Office: HOBBS



Direction of Flow off Site: S

MOSAIC 34 FEDERAL 1H 611681

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

Prepared by: DEBBIE HERNANDEZ
 Date: 07-12-2007

Approved by:
 Date:

SUNDRY NOTICE SPECIAL STIPULATIONS

1. This sundry is accepted for record only. The following additional information will be needed in order to approve this operation:
2. The facility diagram must identify the tank equalizer valves.
3. The facility diagram must identify the fill line and valves for all tanks.
4. If gas is being used for beneficial use for the compressor and / or heater treater the fuel lines must show that the gas is being taken upstream of the point of measurement for sales.

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 8/20/07