

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED
OMB NO 1004-0135
Expires: July 31, 2010

EC

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 NMNM025503
2. Name of Operator CHESAPEAKE OPERATING, INC.		6. If Indian, Allottee or Tribe Name
Contact LINDA GOOD E-Mail lgood@chkenenergy.com		7. If Unit or CA/Agreement, Name and/or No. NMNM88499X
3a. Address PO BOX 18496 OKLAHOMA CITY, OK 73154-0496	3b. Phone No. (include area code) Ph. 405-767-4275	8. Well Name and No BENSON SHUGART 9
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 26 T18S R30E NENE 330FNL 330FEL		9. API Well No 30-015-20526-00-S1
OCT 02 2007 OCD-ARTESIA		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	Workover Operatic
	<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.)

ADD PAY AND STIMULATE.

8/11/2007 PERF PENROSE 3300' - 3405', SEVEN RIVERS 2200' - 2240' @ 2 JSPF, 90 HOLES.

8/15/2007 ACIDIZE AND SAND FRAC PENROSE AND GRAYBURG 3300' - 3465' W/500 GAL 15% HCL AND 15,393 GAL "B" FRAC 25 X-LINK GEL W/40,000# 20/40 SUPER LC SAND W/SUPERSET ADDED, FLUSH W/987 GAL LINEAR GEL, RIH TO 3250', SET CIBP, RU CUDD, ACIDIZE AND SAND FRAC PENROSE 3132' - 3191' W/500 GAL 15% HCL, 13,356 GAL "B" FRAC 25 X-LINK GEL W/30,500# 20/40 SUPER LC SAND W/SUPERSET ADDED.

8/16/2007 RIH TO 2300', SET CIBP, RU CUDD PUMPING SERVICE, ACIDIZE AND SAND FRAC SEVEN RIVERS 2200'-2240' W/500 GAL 15% HCL AND 11,802 GAL "B" FRAC 25 X-LINKED GEL W/30,000# 20/40 SUPER LC W/SUPERSET ADDED, FLUSH W/567 GAL LINEAR GEL.

14. I hereby certify that the foregoing is true and correct	
Electronic Submission #56270 verified by the BLM Well Information System For CHESAPEAKE OPERATING, INC., sent to the Carlsbad Committed to AFMSS for processing by ALEXIS SWOBODA on 09/06/2007 (07AS1425SE)	
Name (Printed/Typed) LINDA GOOD	Title FEDERAL REGULATORY ANALYST
Signature (Electronic Submission)	Date 09/06/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	DAVID R GLASS Title PETROLEUM ENGINEER	Date 09/26/2007
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 **

Additional data for EC transaction #56270 that would not fit on the form

32. Additional remarks, continued

8/17/2007 DRILL OUT 32' FRAC SAND AND CIBP @ 2300', RETURNED TO PRODUCTION.

(CHK PN 890665)