

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

OCT 08 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 page 2.		5. Lease Serial No. NMLC 69513A
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator CHESAPEAKE OPERATING, INC. ATTN: DAVID L. BAKER		7. If Unit of CA/Agreement, Name and/or No. NMNM 71016X
3a. Address P.O. BOX 18496 OKLAHOMA CITY, OK 73154-0496		8. Well Name and No. PLU PHANTOM BANKS 1 FEDERAL 1H
3b. Phone No. (include area code) (405) 935-8313		9. API Well No. 30-015-37030
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 400' FSL 1,980' FEL, SEC 1-26S-30E, SW SE		10. Field and Pool or Exploratory Area SE EDDY
		11. Country or Parish, State EDDY, NM

12. CHECK THE 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 checked="" 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 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.)

IP TEST FOR 9/6/2010: 421 BO, 521 MCF, 2,534 BW, FLOWING, 440 PSI FTP

SEE THE ATTACHED COMPLETION SUMMARY

(CHK PN 623057)

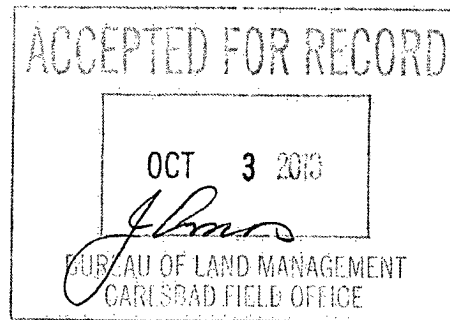
BLM NATIONWIDE BOND: NM2634

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HOBBSOCO

See Attached.

** Need DVT Depth.*



14. I hereby certify that the foregoing is true and correct. Name (Printed/Typed) DAVID L. BAKER		Title NORTHERN DIVISION - FEDERAL REGULATORY COMPLIANCE
Signature <i>David L. Baker</i>		Date 09/17/2010

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)

PLU Phantom Banks 1 Federal 1H

6/23/10: MIRU workover rig. NDWH/NUBOP. RIH w/ bit on tbg.

6/24/10: Drill cement and DV tool from 4454-4507'. Pressure test casing to 3000 psi, no leak off. RIH w/ bit to 12,738'. Circulate hole with fresh water.

6/25/10: POH w/ bit.

6/26/10: Run Cement Bond Log. Good cement to surface. TIH w/ bit.

6/29/10: Drill out casing shoe and formation to 12,893'. Establish injection rate of 1.6 BPM. POH w/ bit.

7/9/10-8/22/10: Set CIBP @ 12,860'. Perforate Bone Spring 8,600-12,850' w/ 600 holes. Frac w/ 62,160 gal 15% HCl, 107,000 Bbl, 4,666,000# sand.

8/23/10: TIH w/ bit and cleaned out to PBTD'. POH w/ bit.

8/26/10: Wireline set packer @ 7,969' w/ pump out plug.

8/27/10 RIH w/ 2 7/8" tbg w/ On/Off tool. Circulate packer fluid. Latch on to packer. Pump out plug, open well up to production.