

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

NEW Oil Cons. DIV-Dist. 2

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000**SUNDRY NOTICES AND REPORTS**
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for special proposals.1601 Ws Grand Avenue
Artesia, NM 882105. Lease Serial No.
NMNM97160

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

☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.

APPALOOSA FEDERAL 1

2. Name of Operator

CHESAPEAKE OPERATING INC

Contact: LINDA GOOD

E-Mail: lgood@chkenergy.com

9. API Well No.

30-041-20886-00-S1

3a. Address

P O BOX 18496
OKLAHOMA CITY, OK 73154-0496

3b. Phone No. (include area code)

Ph: 405.767.4275
Fx: 405.879.9583

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

Sec 35 T7S R37E NWSE 1980FSL 1980FEL

SEP 01 2004

OCD-ARTESIA

10. Field and Pool, or Exploratory

UNDESIGNATED

11. County or Parish, and State

ROOSEVELT 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	Site Facility Diagram/Security Plan
	<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 recomplete 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.)

Attached is the site facility for the Appaloosa Federal 1.

(890850)

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

**Electronic Submission #35189 verified by the BLM Well Information System
For CHESAPEAKE OPERATING INC, sent to the Roswell
Committed to AFMSS for processing by ARMANDO LOPEZ on 08/26/2004 (04AL0482SE)**

Name (Printed/Typed) LINDA GOOD

Title AUTHORIZED REPRESENTATIVE

Signature (Electronic Submission)

Date 08/25/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

ACCEPTED

ARMANDO A LOPEZ
Title PETROLEUM ENGINEER

Date 08/26/2004

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 Roswell

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.

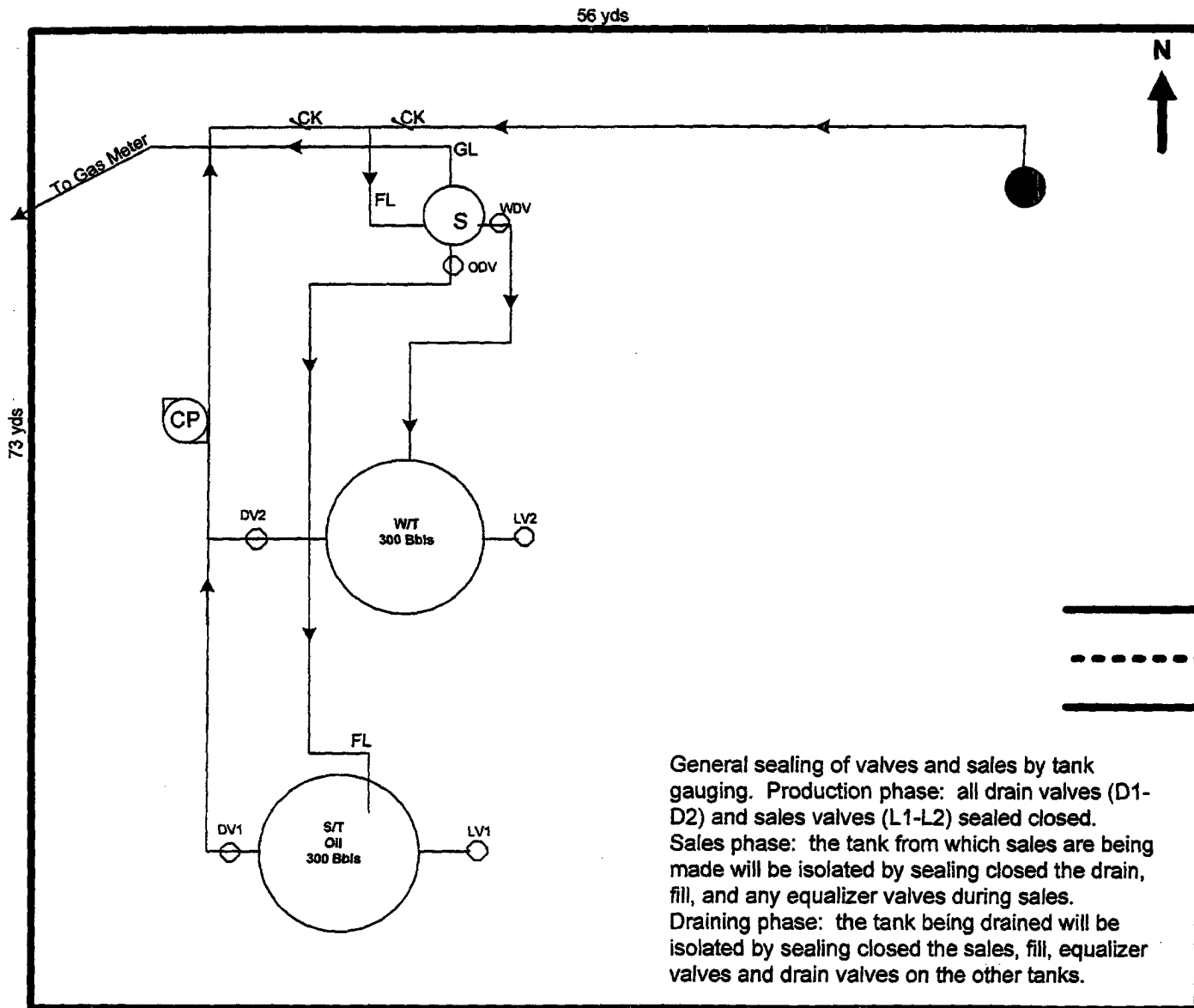
**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

CHESAPEAKE OPERATING, INC.

CHK Name & Number: APPALOOSA FED 1 890850
 API number: 30-041-20886
 County: ROOSEVELT
 State: NM
 Field: BLUITT NE
 Qtr Qtr Calls: C NW SE - 1980 FSL 1980 FEL
 Sec/Twnshp/Rng: 35-7S-37E
 Number of Acres: 320

Regulatory Agency: BLM
 Lease Sign Type: FEDERAL
 CA#: 100% BLM LEASE
 APD Lease #: NMNM 97160
 Federal/Indian: FEDERAL
 Last Violation: UNKNOWN
 District: PERMIAN
 Field Office: HOBBS

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APPALOOSA FED 1_890850

Direction of Flow off Site: S

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

Prepared by: DEBBIE HERNANDEZ
 Date: 8-23-04

Approved by:
 Date: