

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO 1004-0135
Expires July 31, 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 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 NMNM02860
2. Name of Operator CHESAPEAKE OPERATING INC		6. If Indian, Allottee or Tribe Name
Contact: LYNDEE SONGER E-Mail: lyndee.songer@chk.com		7. If Unit or CA/Agreement, Name and/or No 891000303X
3a. Address OKLAHOMA CITY, OK 73154-0496	3b. Phone No. (include area code) Ph: 405-935-2411	8. Well Name and No. PLU PIERCE CANYON 20 24 30 USA 1H
4. Location of Well (Footage, Sec, T, R, M, or Survey Description) Sec 20 T24S R30E NWNE 75FNL 1725FEL		9. API Well No. 30-015-39692-00-X1
		10. Field and Pool, or Exploratory WILDCAT
		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	Drilling Operations
	<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.)

SPUD & SET SURFACE & INTERMEDIATE CASING

1/3/2012 SPUD WELL @ 8:30 PM

1/4/2012 RAN 14 JTS 13.375" 48# H-40 SET @ 575'. CMT IN W/800 SKS + ADDITIVIES. DISPLACE 83 BBLs. WOC 40.5 HRS. 8.4 PPG. COMPRESSIVE STRENGTH 500 PSI @ 9:54. *Circ. ?*

1/10/2012 RAN 87 JTS 8.625" 32# J-55 SET @ 3665'. LEAD IN W/1550 SKS, DISPLACED W/538 BBLs. TAIL IN W/300 SKS. DISPLACE W/220 BBLs. WOC PRIMARY CEMENT: 5 HR PRIOR TO TEMP SURVEY-19 HRS TOTAL. LEAD COMPRESSIVE- 500 PSI @ 15:50. TAIL COMPRESSIVE: 500 PSI @ 10:49. RAN TEMP SURVEY: TOC @ 250'. WOC TOP OUT CEMENT 6 HRS. TOP OUT COMPRESSIVE: 500 PSI @ 4:56.

*Secondary Cmt, Sacks?***RECEIVED**

JAN 25 2012

NMOCD ARTESIA

Accepted for record

NMOCD 10/25/2012

14. I hereby certify that the foregoing is true and correct	
Electronic Submission #128547 verified by the BLM Well Information System For CHESAPEAKE OPERATING INC, sent to the Carlsbad Committed to AFMSS for processing by JAMES (JIM) HUGHES on 01/18/2012 (12TMM0008S)	
Name (Printed/Typed) LYNDEE SONGER	Title REGULATORY COMPLIANCE ANALYST
Signature (Electronic Submission)	Date 01/18/2012

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 01/22/2012
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 #128547 that would not fit on the form

32. Additional remarks, continued

While drilling the 11" intermediate hole section, the wellbore crossed the section and lease line to the north from a depth of 1800' to 3300'. 8-5/8" Intermediate casing was set at 3668' and was located within the same lease and section as the SHL. No production is planned for this zone. Chesapeake's land department is notifying the unit operator in the section to the north as well as the state. As discussed with the BLM engineer, Chesapeake will run additional centralizers on the 8-5/8" casing (one every other joint) in the section with high inclination (above 3 degrees).

TEMP SURVEY ATTACHED

(CHK PN 640123)