

S 3160-5 (Apr. 2004)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

OCD-ARTESIA RECEIVED 11/27/2006

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. NMLC-29392B
6. If Indian, Allottee or Tribe Name
7. If Unit or CA/Agreement, Name and/or No.
8. Well Name and No. PRINCIPLE FEDERAL 4
9. API Well No. 30-015-32894
10. Field and Pool, or Exploratory Area SHUGART
11. County or Parish, State EDDY COUNTY, NEW MEXICO

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well [X] Oil Well [] Gas Well [] Other

2. Name of Operator CHESAPEAKE OPERATING, INC. ATTN: LINDA GOOD

3a. Address P. O. BOX 18496, OKLAHOMA CITY, OK 73154-0496
3b. Phone No. (include area code) 405-767-4275

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
1920 FNL & 660 FWL, SWNW, SECTION 27, T18S, R31E

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

Table with columns: TYPE OF SUBMISSION, TYPE OF ACTION. Includes checkboxes for Notice of Intent, Subsequent Report, Final Abandonment Notice, Acidize, Deepen, Production (Start/Resume), Water Shut-Off, etc.

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 recomplate 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.)

11/10/2006 RU Jarrels Services, RIH w/5 1/2" CIBP, set @ 6095', dump 2 sx cmt on plug, RD WL, RIH w/2 7/8" tbg open ended, BOT @ 5978', circ hole clean using 2% KCL water mixed w/pkr fluid, test plug to 600#, OK, SDFN.

11/11/2006 POOH, LD w/2 7/8" tbg open ended, ND BOP, install wellhead and tbg valve, load csg, pressure up to 500#, held 30 min using chart and recorder, RD PU, well T&A'd.

We intend to review the wellbore for additional recompletion potential uphole within the next 12 months.

Accepted for record NMOCD

APPROVED FOR 12 MONTH PERIOD

ENDING 11/27/2007

(CHK PN 890591)

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed)

LINDA GOOD

Title PERMITTING AGENT

Signature

Linda Good

Date

11/27/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

APPROVED

Approved by

Title

Date

DEC 11 2006

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

Wesley W Ingram

WESLEY W INGRAM

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)

