

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENTFORM 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 NMLC029392B
2 Name of Operator CHESAPEAKE OPERATING, INC. Contact LINDA GOOD E-Mail linda.good@chk.com		6 If Indian, Allottee or Tribe Name
3a Address OKLAHOMA CITY, OK 73154-0496	3b Phone No. (include area code) Ph. 405-767-4275 Fx: 405-879-7899	7 If Unit or CA Agreement, Name and/or No
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 27 T18S R31E SWNW 1920FNL 660FWL		8 Well Name and No PRINCIPLE FEDERAL 4
MAY - 7 2008 OCD-ARTESIA		9 API Well No 30-015-32894-00-S1
		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 checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Deepen
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input checked="" type="checkbox"/> Recomplete
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other
	<input type="checkbox"/> Temporarily Abandon
	<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 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 recomplate 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.)

CHESAPEAKE, RESPECTFULLY, REQUESTS PERMISSION TO EXTEND THE TA PERIOD FOR ONE YEAR PER THE ATTACHED PROCEDURE.

(CHK PN 890591)

After 8-5-08 the well must be online  
or plans to P & A must be submitted.

**APPROVED**

MAY 5 2008

BUREAU OF LAND MANAGEMENT  
CARLSBAD FIELD OFFICE

14. I hereby certify that the foregoing is true and correct Electronic Submission #59883 verified by the BLM Well Information System For CHESAPEAKE OPERATING, INC., sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 04/25/2008 (08KMS1574SE)	
Name (Printed/Typed) LINDA GOOD	Title REGULATORY COMPLIANCE SPECIALI
Signature (Electronic Submission)	Date 04/24/2008

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By <u>DUNCAN WHITLOCK</u>	Title <u>LEAD PETROLEUM ENGINEERING TECH</u>	Date <u>05/05/20</u>
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		

I, the undersigned, do hereby certify that I am a duly authorized representative of the United States and I 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 \*\***

Accepted for record - NMOCD



**Principle Federal #4**  
**Cherry Canyon Re-Completion**  
**Eddy County, New Mexico**

**Location:** Section 27, 18S-31E, 1920 FNL & 660 FWL

**Surface**

**Casing:** 9-5/8" 40# J-55 0-648', ID=8.835", Drift=8.679", Burst=2,570#

**Production**

**Casing:** 5-1/2" 17# J-55 0-6,367', ID=4.892", Drift=4.767", Burst=4,910#

**TD:** 6,367'

**Current Perfs:** Delaware 6,140' – 6,222'

**OIH:** CIBP w/ cmt cap @6,095'

**Procedure**

Hold Tailgate Safety meeting prior to beginning work each morning and as required for specific operations.

1. Prep location. Check anchors and clean area for workover.
2. MIRU workover rig. ND WH. NU BOP.
3. RU wireline unit. RIH w/ gauge ring and junk basket to CIBP @ 6,095'.
4. RIH and perforate Cherry Canyon as follows:

Cherry Canyon	5,261' – 5,268'	7'	3 SPF	120° phasing	21 holes
Cherry Canyon	5,190' – 5,192'	2'	3 SPF	120° phasing	6 holes
Cherry Canyon	5,173' – 5,177'	4'	3 SPF	120° phasing	12 holes
Totals		13'			39 holes

Correlate to attached log. RDMO wireline.

5. Breakdown and acidize the Cherry Canyon perfs with 2,000 gallons of 15% NeFe acid @ 5-6 bpm dropping 60 ball sealers evenly throughout the job
6. RU frac service and frac Cherry Canyon perfs 5,173' – 5,268' (39 holes). Frac design/pump schedule will be provided separately once finalized. Record ISIP-5-10-15 min pressures
7. TIH with production tubing and SN. Set seat nipple at +/-5,320' (below perfs). Set TAC @ +/-5,120'.
8. ND BOP. NU WH. TIH with pump and rods. Fill tubing and space out pump accordingly. Verify pump action. Place well on test. *Note: Rod design to follow this procedure.*
9. RDMO workover rig. Clean location.

Contacts

Workover Foreman

Lynard Barrera

Office 575-391-1462

Cell: 575-631-4942

Asset Manager

Kim Henderson

Office 405-879-8583

Cell 405-312-1840

Production Foreman

Ralph Skinner

Office 575-391-1462

Cell: 575-441-4921

Field Engineer

Doug Rubick

Office: 575-391-1462

Cell: 575-441-7326