

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****RECEIVED****DEC 16 2009****NMOCD ARTESIA**

1. Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM13074
2. Name of Operator CHESAPEAKE OPERATING, INC.		6. If Indian, Allottee or Tribe Name
Contact LINDA GOOD E-Mail linda.good@chk.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address OKLAHOMA CITY, OK 73154-0496	3b. Phone No. (include area code) Ph. 405-935-4275	8. Well Name and No. MOAIC 34 FEDERAL 3H
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T24S R28E NESW 1670FSL 25FWL		9. API Well No. 30-015-36001-00-S1
		10. Field and Pool, or Exploratory WILLOW LAKE
		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"/> Deepen	<input checked="" type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 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/BLA. 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.)

Chesapeake, respectfully, requests verbal/quick approval to clean out this well and return to production per the following procedure. We would like to start this work today.

1. MIRU PU. NU BOP. Load tubing and determine if hole will circulate. POH laying down tubing.

2. Rig up coil tubing. Clean out hole to PBTD of 9,621' drilling out frac plugs at 5,950', 6,700', 7,400', 8,200', and 9,000'. Circulate clean. RD coil. Note: plug at 5,950' may have moved downhole.

3. RIH w/2 7/8" tubing w/2 3/4" tubing pump w/on/off tool. Set the EOT at the kick off point of 4450' and the TAC @ 4300'. Run the following rod string

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. Thereby certify that the foregoing is true and correct	
Electronic Submission #78784 verified by the BLM Well Information System For CHESAPEAKE OPERATING, INC., sent to the Carlsbad Committed to AFMSS for processing by KURT SIMMONS on 12/14/2009 (10KMS0388SE)	
Name (Printed/Typed) LINDA GOOD	Title SR. REGULATORY COMPLIANCE SPEC
Signature (Electronic Submission)	Date 12/14/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By CHRISTOPHER WALLS	Title PETROLEUM ENGINEER	Date 12/14/2009
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 #78784 that would not fit on the form

32. Additional remarks, continued

76 1" Norris 97
76 7/8" Norris 97
25 1" Norris 97
On/off tool

4. ND BOP/NU WH. Rig down. Turn well over to production

(CHK PN 616369)



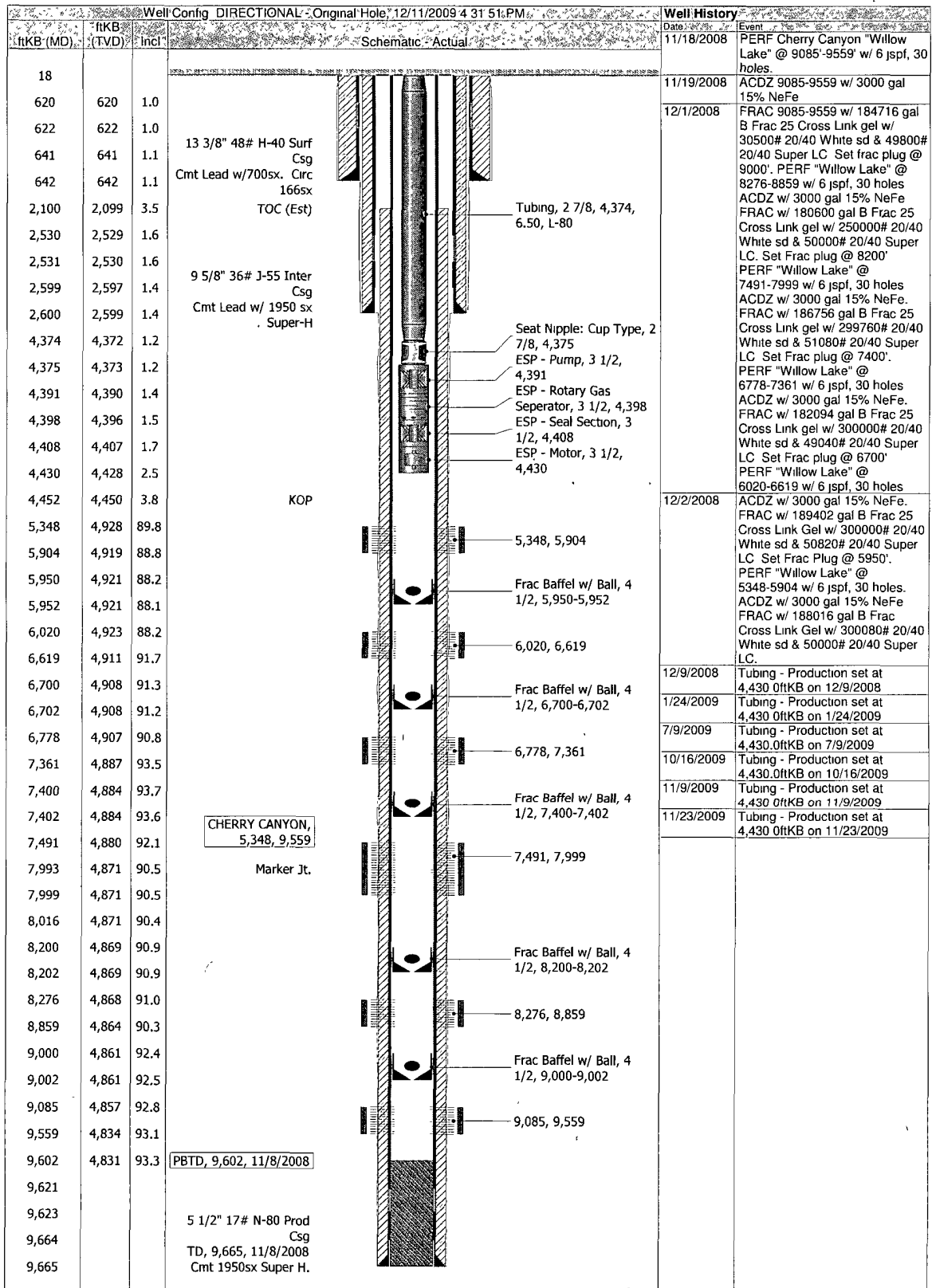
Current Wellbore Schematic with Survey Tracks

MOSAIC 34 FEDERAL 3H

Field: SE EDDY PROJECT - WILLOW LAKE PROSPECT
County: EDDY
State: NEW MEXICO
Elevation: GL 2,987.00 KB 3,005.00
KB Height: 18.00

Location: SEC 34, 24S-28E, 1670 FSL & 25 FEL

Spud Date: 10/4/2008
Initial Compl. Date:
API #: 3001536001
CHK Property #: 616369
1st Prod Date: 12/15/2008
PBTD: Original Hole - 9602.0
TD: 9,665.0



**Mosaic 34 Federal 3H
30-015-36001
Chesapeake Operating Inc.
December 14, 2009
Conditions of Approval**

- 1. Surface disturbance beyond the existing pad must have prior approval.**
 - 2. Closed loop system required.**
 - 3. A Communitization Agreement covering the acreage dedicated to this well must be filed for approval with the BLM by January 14, 2010. Operator to supply NMOCD order, which details the vertical and horizontal extent of pool to verify that requested communitization is within an approved and established pool. NMOCD form C-123 – pool designation request.**
 - 4. A Subsequent Sundry with current well test is required.**
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CRW 121409