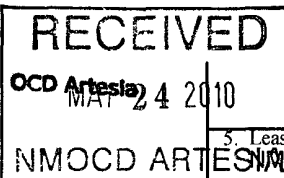


UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT



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. NMNM102035
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 P.O. BOX 18496 OKLAHOMA CITY, OK 73154-0496	3b. Phone No. (include area code) Ph: 405-935-4275	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T26S R30E SWSE 350FSL 1880FEL		8. Well Name and No. ROSS RANCH 6 FEDERAL 1H
		9. API Well No. 30-015-36883
		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 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"/> Fracture Treat
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Alter Casing
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Casing Repair
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> New Construction
	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Surface Commingl
	<input type="checkbox"/> Change Plans
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Plug Back

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 recomple 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 recomple 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.)

ATTENTION: DUNCAN WHITLOCK

Chesapeake, respectfully, requests permission to remove the Tank battery on the Ross Ranch 31 Fed 1H and run a flow line to the Ross Ranch 6 Fed 1H along the ROW (Serial #124292) since we will be crossing lease lines. The tank battery from the Ross Ranch 31 Fed 1H will be moved to the PLU Phantom Banks 1 Fed 1H (Tanks, heater treater and separator). A new heater treater and separator will be placed at the Ross Ranch 6 Fed 1H for the Ross Ranch 31 Fed 1H well.

Chesapeake is requesting permission to combine, store and measure production off-lease for the Ross Ranch 31 Fed 1H to the Ross Ranch 6 Fed 1H.

SEE ATTACHED FOR
CONDITIONS OF APPROVAL

NMNM102033 ROSS RANCH 6 FEDERAL 1H 30-015-36883-00-S1 Sec 6 T26S R30E SWSE 350FSL 1880FEL

**SUBJECT TO LIKE
APPROVAL BY STATE**

14. I hereby certify that the foregoing is true and correct	
Electronic Submission #85130 verified by the BLM Well Information System For CHESAPEAKE OPERATING, INC., sent to the Carlsbad	
Name (Printed/Typed) LINDA GOOD	Title SR. REGULATORY COMPLIANCE SPEC
Signature (Electronic Submission)	Date 04/21/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>J.D. Whitlock</i>	Title <i>LPET</i>	Date <i>4/22/10</i>
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 <i>CFO</i>

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

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #85130 that would not fit on the form

32. Additional remarks, continued

NMMN102033 ROSS RANCH 31 FEDERAL 1H 30-015-36775-00-S1 Sec 31 T25S R30E SWSE 350FSL 2290FEL

Please find the attached documents for numbers Items 2, 3 & 4 pertaining to the surface commingling guidelines:

2 Map showing the lease numbers and location of leases & wells.

3 Schematic Diagram

4 Estimated Monthly Production

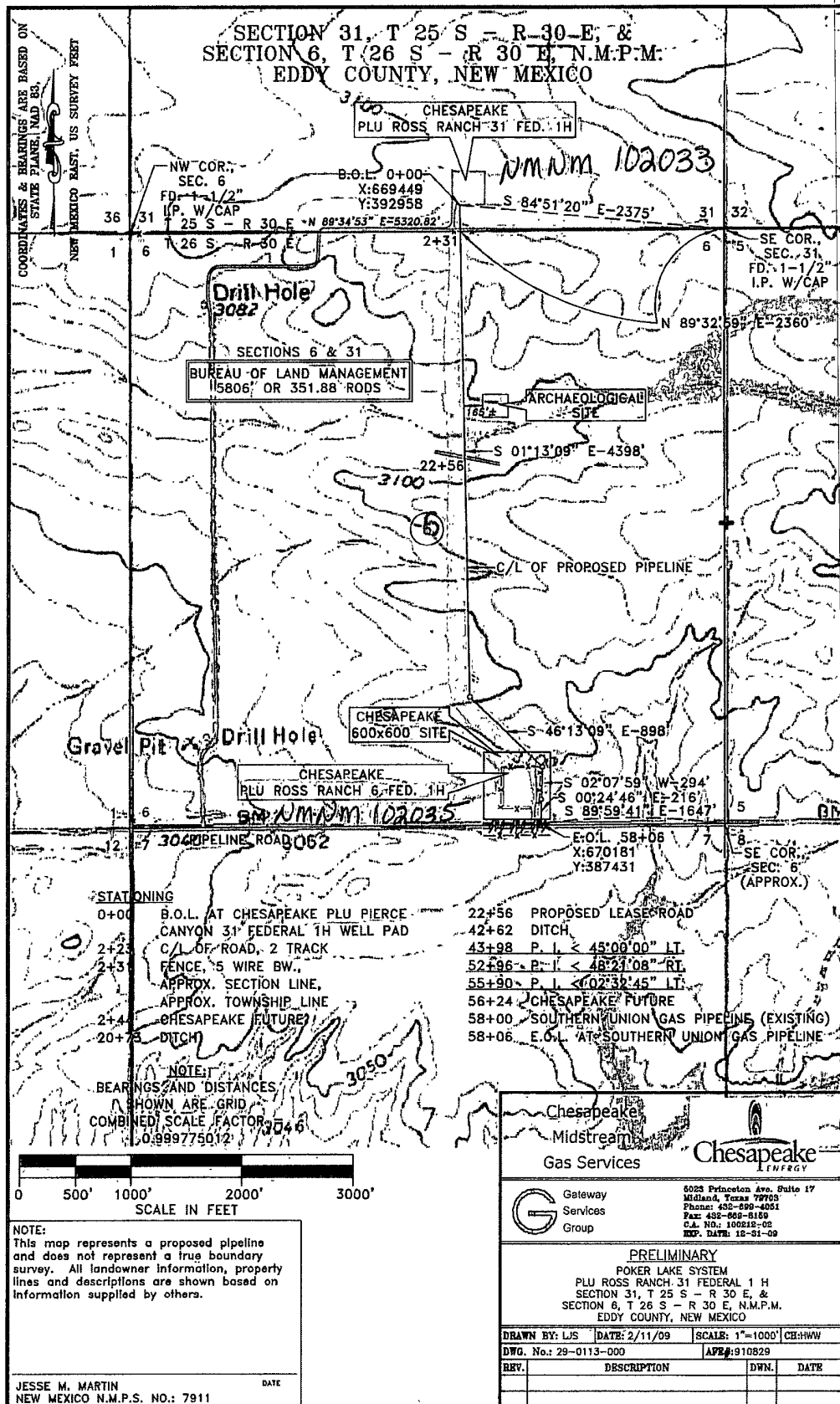
5 Details of proposed method for measuring and allocating production: Each well will have its own test separator measuring oil, gas and water everyday from each well meter. Both meters will be located at the PLU Ross Ranch 6 Fed 1H location.

6 All interest owners have been notified.

7 Federal or Indian royalties will not be reduced because the ownership of both wells is exactly the same. Commingling both wells into the same tank battery will extend the economic life of both wells by reducing operating expense.

8 Combining these 2 tank batteries should result in the savings of 10,000/month in operating expenses. This reduction will allow the wells to produce for a longer time and result in an increase in the total ultimate production from each well.

(CHK PN 624821 & 624838)

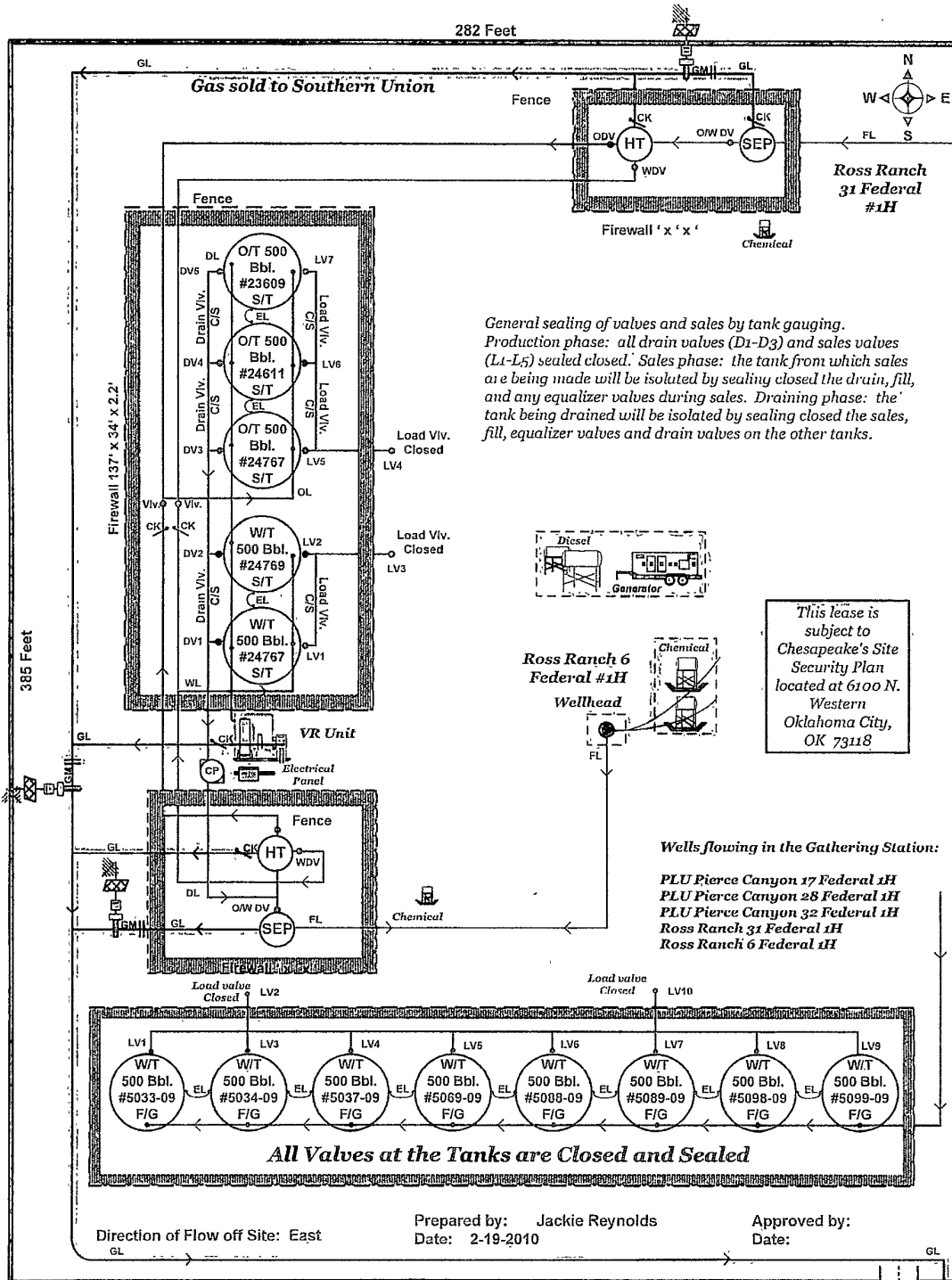


#2

CHESAPEAKE OPERATING, INC.

CHK Name & Number: ROSS RANCH 6 FED 1H
API Number: 30-015-36883 624821
County: EDDY
State: NM
Field: WILDCAT
Qtr Qtr Calls: SW SE
Sec/Twnshp/Rng: 6-26S-30E
Number of Acres: 962.350

Regulatory Agency:	BLM
Lease Sign Type:	APD WELL
CA#	100% BLM LEASE
APD Lease #:	NMNM 102035
Federal/Indian:	FEDERAL
Last Violation:	UNKNOWN
District:	PERMIAN
Field Office:	HOBBS





**PLU Water Gathering Station – Resides on the same well Pad as the
Ross Ranch 6 Federal 1H
* PN 624821 ***

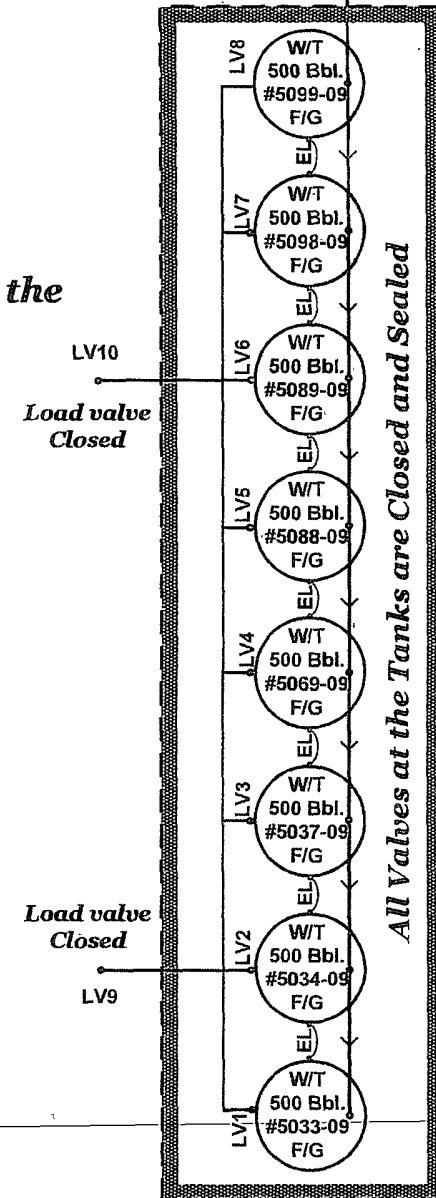
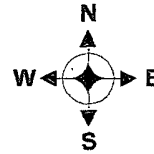
Wells flowing in the Gathering Station:

**PLU Pierce Canyon 17 Federal 1H
PLU Pierce Canyon 28 Federal 1H
PLU Pierce Canyon 32 Federal 1H
Ross Ranch 31 Federal 1H
Ross Ranch 6 Federal 1H**

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

**General sealing of valves and sales by tank gauging.
Production phase: all drain valves (D1-D3) and sales valves
(L1-L5) sealed closed. Sales phase: the tank from which
sales are being made will be isolated by sealing closed the
drain, fill, and any equalizer valves during sales. Draining
phase: the tank being drained will be isolated by sealing
closed the sales, fill, equalizer valves and drain valves on
the other tanks.**

282 Feet



385 Feet

Direction of Flow off Site: East

Prepared by: Jackie Reynolds
Date: 8-13-2009

Approved by:
Date:

CHESAPEAKE OPERATING, INC.

CHK Name & Number: ROSS RANCH 31 FED 1H
API Number: 30-015-36775 624838
County: EDDY
State: NM
Field: CORRAL CANYON
Qtr Qtr Calls: SWSE
Sec/Twnshp/Rng: 31-25S-30E
Number of Acres: 160

Regulatory Agency: BLM
Lease Sign Type: APD WELL
CA#: 100% BLM LEASE
APD Lease #: NMNM103033
Federal/Indian: FEDERAL
Last Violation: UNKNOWN
District: PERMIAN
Field Office: HOBBS

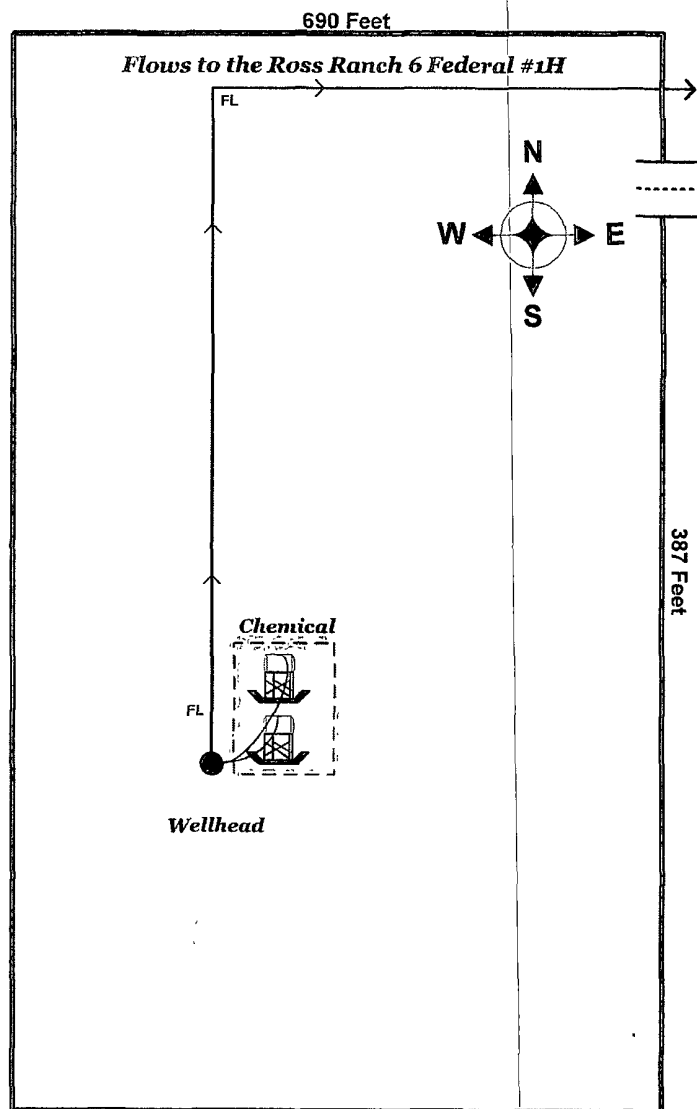
General sealing of valves and sales by tank gauging. Production phase: all drain valves (D1-D3) and sales valves (L1-L5) sealed closed. Sales phase: the tank from which sales are being made will be isolated by sealing closed the drain, fill, and any equalizer valves during sales. Draining phase: the tank being drained will be isolated by sealing closed the sales, fill, equalizer valves and drain valves on the other tanks.

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

Direction of Flow off Site: North

**Prepared by: Jackie Reynolds
Date: 8/3/2009**

**Approved by:
Date:**



Chesapeake Operating, Inc. (Operator's Name) is requesting approval for surface commingling and off-lease storage and measurement of hydrocarbon production from the following formation(s) and well(s):

Federal Lease No. NMNM 102033

<u>Well Name</u>	<u>API No.</u>	<u>Loc: ¼ ¼ Sec.Twp.Rng.</u>	<u>Formation</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>	<u>BTU</u>
PLU Ross Ranch 31 Fed 1H	3001536775	SWSE, Sec. 31, T25S, R30E	Bone Spring	28	49./@60*	186	1080

With hydrocarbon production from:

Federal Lease No. NMNM 102035

<u>Well Name</u>	<u>API No.</u>	<u>Loc: ¼ ¼ Sec.Twp.Rng.</u>	<u>Formation</u>	<u>BOPD</u>	<u>Oil Gravity</u>	<u>MCFPD</u>	<u>BTU</u>
PLU Ross Ranch 6 Fed 1H	3001536883	SWSE, Sec. 6, T26S, R30E	Bone Spring	33	49./@60*	1100	1090

The storage and measuring facility is located at SWSE ¼, Sec. 6, T 26 S, R 30 E, on Lease No. NMNM 102035, Lea/Eddy (circle one), New Mexico. BLM will be notified if there is any future change in the facility location.

sf Details of the proposed method for allocating production to contributing sources are as follows:

Each well will have its own test separator measuring oil, gas and water everyday from each well meter. Both meters will be located at the PLC Ross Ranch 6 Fed 1H location.

SHAMROCK GAS ANALYSIS

LABORATORY REFERENCE NUMBER : B12104

CHESAPEAKE

ID: 9021550544
AREA: HOBBS
METER: PLU ROSS RANCH 6 FED 1H
LEASE: PLU ROSS RANCH 6 FED 1H
OPERATOR: CHESAPEAKE
STATION: 9021550544
SAMPLE DATE: 10/28/2009
SAMPLE OF: GAS

LINE PRESSURE: 88 PSI
LINE TEMPERATURE: 75 F
CYLINDER NUMBER: 7594
EFFECTIVE DATE: 11/1/2009
SAMPLED BY: KELLY DOBBS
ANALYZED BY: BRENNAN
ANALYZED DATE: 11/11/2009
SAMPLE TYPE: SPOT

*Entered in
Cognet -
11-17-09
KD*

For: CHESAPEAKE OPERATING
Attn:
P.O. BOX 548806
OKLAHOMA CITY, OK 73154

Physical Properties per GPA 2145-09

Split Ratio = Hexane 0.272, Heptane 0.136, Octane 0.045

Calculations per GPA 2172-09

Note: Zero = Less than detection limit

	<u>MOL%</u>	<u>GPM @ 14.73</u>
HYDROGEN SULFIDE	0.000	0.000
NITROGEN	2.321	0.255
CARBON DIOXIDE	11.134	1.900
METHANE	70.155	11.890
ETHANE	9.047	2.419
PROPANE	4.475	1.233
ISOBUTANE	0.504	0.165
N-BUTANE	1.257	0.396
ISOPENTANE	0.312	0.114
N-PENTANE	0.342	0.124
HEXANES PLUS	0.453	0.198
	100.000	18.694

BTU	Vol. IDEAL Gas Fuel	Vol. Real Gas Fuel	PREVIOUS BTU	10/8/2009	Vol. IDEAL Gas Fuel	Vol. Real Gas Fuel
BTU @ 14.73 PSIA (DRY)	1090.6	1094.5	BTU @ 14.73 PSIA (DRY)		1093.8	1097.7
BTU @ 14.73 PSIA (SAT.)	1071.6	1075.5	BTU @ 14.73 PSIA (SAT.)		1074.8	1078.6
Specific Gravity	0.8085	0.8111				
Compressibility (Z)	0.9964					

Gasoline Content (Gallons Per Thousand - GPM)

Ethane & Heavier	4.649
Propane & Heavier	2.230
Butane & Heavier	0.997
Pentane & Heavier	0.436
Total 26 psi Reid V.P. Gasoline GPM	0.657

Remarks: FIELD H2S: 1.0 PPM FIELD CO2: 9.0%

Remarks:

SHAMROCK GAS ANALYSIS

Entered in G99net

LABORATORY REFERENCE NUMBER : A11865

11-17-09 KD

CHESAPEAKE

ID: 9021550541
AREA: HOBBS
METER: PLU ROSS RANCH 31 FED 1H
LEASE: PLU ROSS RANCH 31 FED 1H
OPERATOR: CHESAPEAKE
STATION: 9021550541
SAMPLE DATE: 10/27/2009
SAMPLE OF: GAS

LINE PRESSURE: 140 PSI
LINE TEMPERATURE: 78 F
CYLINDER NUMBER: 7188
EFFECTIVE DATE: 11/1/2009
SAMPLED BY: KELLY DOBBS
ANALYZED BY: BRENNAN
ANALYZED DATE: 11/11/2009
SAMPLE TYPE: SPOT

For: CHESAPEAKE OPERATING
Attn:
P.O. BOX 548806
OKLAHOMA CITY, OK 73154

Physical Properties per GPA 2145-09

Split Ratio = Hexane 0.259, Heptane 0.13, Octane 0.043

Calculations per GPA 2172-09

Note: Zero = Less than detection limit

	<u>MOL%</u>	<u>GPM @ 14.73</u>
HYDROGEN SULFIDE	0.000	0.000
NITROGEN	2.538	0.279
CARBON DIOXIDE	12.922	2.205
METHANE	67.372	11.419
ETHANE	9.282	2.482
PROPANE	4.885	1.345
ISOBUTANE	0.545	0.178
N-BUTANE	1.372	0.432
ISOPENTANE	0.310	0.113
N-PENTANE	0.342	0.124
HEXANES PLUS	0.432	0.188
	100.000	18.765

BTU	Vol. IDEAL Gas Fuel	Vol. Real Gas Fuel
BTU @ 14.73 PSIA (DRY)	1080.9	1085.0
BTU @ 14.73 PSIA (SAT.)	1062.1	1066.1
Specific Gravity	0.8334	0.8362
Compressibility (Z)	0.9962	

PREVIOUS BTU	10/8/2009	Vol. IDEAL Gas Fuel	Vol. Real Gas Fuel
BTU @ 14.73 PSIA (DRY)		1074.7	1078.7
BTU @ 14.73 PSIA (SAT.)		1056.0	1059.9

Gasoline Content (Gallons Per Thousand - GPM)

Ethane & Heavier	4.862
Propane & Heavier	2.380
Butane & Heavier	1.035
Pentane & Heavier	0.425
Total 26 psi Reid V.P. Gasoline GPM	0.641

Remarks: FIELD H2S: 1.7 PPM FIELD CO2: 11.2%
Remarks:



Linda Good
<linda.good@chk.com>
04/21/2010 07:38 AM

To "Duncan Whitlock (duncan_whitlock@nm.blm.gov)"
<duncan_whitlock@nm.blm.gov>,
"Kurt_Simmons@blm.gov" <Kurt_Simmons@blm.gov>

cc

bcc

Subject ATTACHMENTS FOR SUNDRY NOTICE FILED - ROSS
RANCH 6 FEDERAL 1H

Here are the attachments for the sundry notice I just submitted on the EC.

Thank you,

Linda Good
Sr. Regulatory Compliance Specialist
Southern Division - Permian North
Chesapeake Energy Corporation
Bldg. 11, #451
Office: (405) 935-4275
Fax: (405) 849-4275
E-mail: linda.good@chk.com

This email (and attachments if any) is intended only for the use of the individual or entity to which it is addressed, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this email is not the intended recipient, or the employee or agent responsible for delivering this message to the intended recipient you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error please notify the sender immediately by return email and destroy all copies of the email (and attachments if



any) COMMINGLED ATTACHMENTS.pdf

PLU Ross Ranch 6 Fed. #1H and PLU Ross Ranch 31 Fed. #1H

Chesapeake Operating, Inc.

February 19, 2010

Condition of Approval
Commingle on and off lease

1. This approval is subject to like approval by the New Mexico Oil Conservation Division.
2. This agency shall be notified of any spill or discharge as required by NTL-3A.
3. This agency reserves the right to modify or rescind approval whenever it determines continued use of the approved method may adversely affect the surface or subsurface environments.
4. This approval does not constitute right-of-way approval for any off-lease activities. Within 30 days, an application for right-of-way approval must be submitted to the Realty Section if not already done.
5. Approval for combining production from various sources is a privilege which is granted to lessees for the purpose of aiding conservation and extending the economic life of leases. Applicants should be cognizant that failure to operate in accordance with the provisions outlined in the Authorized Officer's conditions of approval and/or subsequent stipulations or modifications will subject such approval to revocation.
6. All above ground structures on the lease shall be painted Shale Green (5Y 4/2), or as per approved APD stipulations. This is to be done within 90 days, if you have not already done so.
7. Gas measurement for allocation must be measured as per Onshore Order #5 for sales meters.
8. All gas and oil subject to royalty shall be measured as per federal regulations and shall be reported to MMS as required. All gas which is vented, flared or used on lease shall be reported as per NTL-4A to MMS. All gas which is vented or flared shall be subject to royalty, unless prior approval was given by the authorized officer.
9. Submit Plans for removal of old flow lines and Removal of old tank battery.
10. Submit Plans for interim reclamation of existing facilities