

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Artesia

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

RECEIVED

JUN 14 2010

NMOCD ARTESIA

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 | | 8. Well Name and No. SUNDANCE 1 FEDERAL 4 |
| 2. Name of Operator CHESAPEAKE OPERATING, INC. Contact: LINDA GOOD E-Mail: linda.good@chk.com | | 9. API Well No. 30-015-28176 |
| 3a. Address P.O. BOX 18496 OKLAHOMA CITY, OK 73154-0496 | 3b. Phone No. (include area code) Ph: 405-935-4275 | 10. Field and Pool, or Exploratory MESA VERDE DELAWARE |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 1 T24S R31E SESE 740FSL 330FEL | | 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 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 checked="" type="checkbox"/> Other Workover Operatic |
| | <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/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.)

ATTENTION WESLEY INGRAM:

CHESAPEAKE WOULD LIKE TO MODIFY THE PREVIOUS FILED SUNDRY NOTICE - WORKOVER OPERATIONS DATED 3/16/2010 AND TO RUN A 4 1/2" LINER SUNDRY DATED 6/8/2010 WITH THE FOLLOWING:

- 1) Pushed drilled up CIBP to 8,392'. POH w/bit.
- 2) RIH w/cement retainer on tbg. Set retainer at +/- 8,200'. Squeeze off Brushy Canyon perms 8,266-82' per cement recommendation (anticipate 150 sxs Class C cement). POH w/tbg.
- 3) RIH with bit and drill out retainer and cement back down to 8,392'. POH w/bit.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

| | |
|---|--------------------------------------|
| 14. I hereby certify that the foregoing is true and correct. Electronic Submission #87679 verified by the BLM Well Information System For CHESAPEAKE OPERATING, INC., sent to the Carlsbad Committed to AFMSS for processing by CHERYLE RYAN on 06/09/2010 () | |
| Name (Printed/Typed) LINDA GOOD | Title SR. REGULATORY COMPLIANCE SPEC |
| Signature (Electronic Submission) | Date 06/09/2010 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | | |
|---|--------------|---|------------|
| Approved By _____ | Title _____ | APPROVED JUN 10 2010 <i>[Signature]</i> | Date _____ |
| 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 _____ | | |

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 #87679 that would not fit on the form

32. Additional remarks, continued

4) Run 4 1/2" liner as planned.

(CHK PN 890549)

**Sundance 1 Federal 4
30-015-28176
Chesapeake Operating, Inc.
June 10, 2010
Conditions of Approval**

- 1. Ok**
- 2. Ok – when well is plugged, plug will be required across perforations.**
- 3. Ok**
 - a. Pressure test of squeezed perforations required. Minimum 500 psi for 15 minutes with no more than 10% drop. Copy of chart to be sent with subsequent sundry.**
- 4. 4-1/2" liner does not meet Onshore Order 2 requirements for minimum clearance.**

WWI 061010