

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

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 ☐ Oil Well ☒ Gas Well ☐ Other		5. Lease Serial No. NMNM 96244
2. Name of Operator Chesapeake Operating, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address P. O. Box 11050 Midland TX 79702-8050	3b. Phone No. (include area code) (432)687-2992	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1450' FNL 1950' FEL, Sec. 9, T22S, R33E		8. Well Name and No. Livestock Federal 2 #9
		9. API Well No. 30-025-36583
		10. Field and Pool, or Exploratory Area Bootleg Ridge; Morrow
		11. County or Parish, State Lea New Mexico

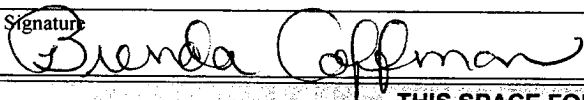
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/ Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other _____
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ 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 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.)

Chesapeake, hereby, request permission for off lease measurement only for this well. The sales meter will be located 1.5 miles SW from this well in Section 8, T22S, R33E. A map is attached to show the location of both leases. Also attached is a schematic diagram of the Livestock Federal 2-9 facilities showing the pipeline to the Merchant Federal lease, NMNM24683. Both leases are measured separately and there is no comingling of product. Monthly production for this lease is approximately 15759 MCF. Each lease has its own check meter. All interest owners have been notified.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) Brenda Coffman	Title Regulatory Analyst
Signature 	Date 03/22/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by ORIG SGD J DAVID R GLASS	Title PETROLEUM ENGINEER	Date MAR 28 2005
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

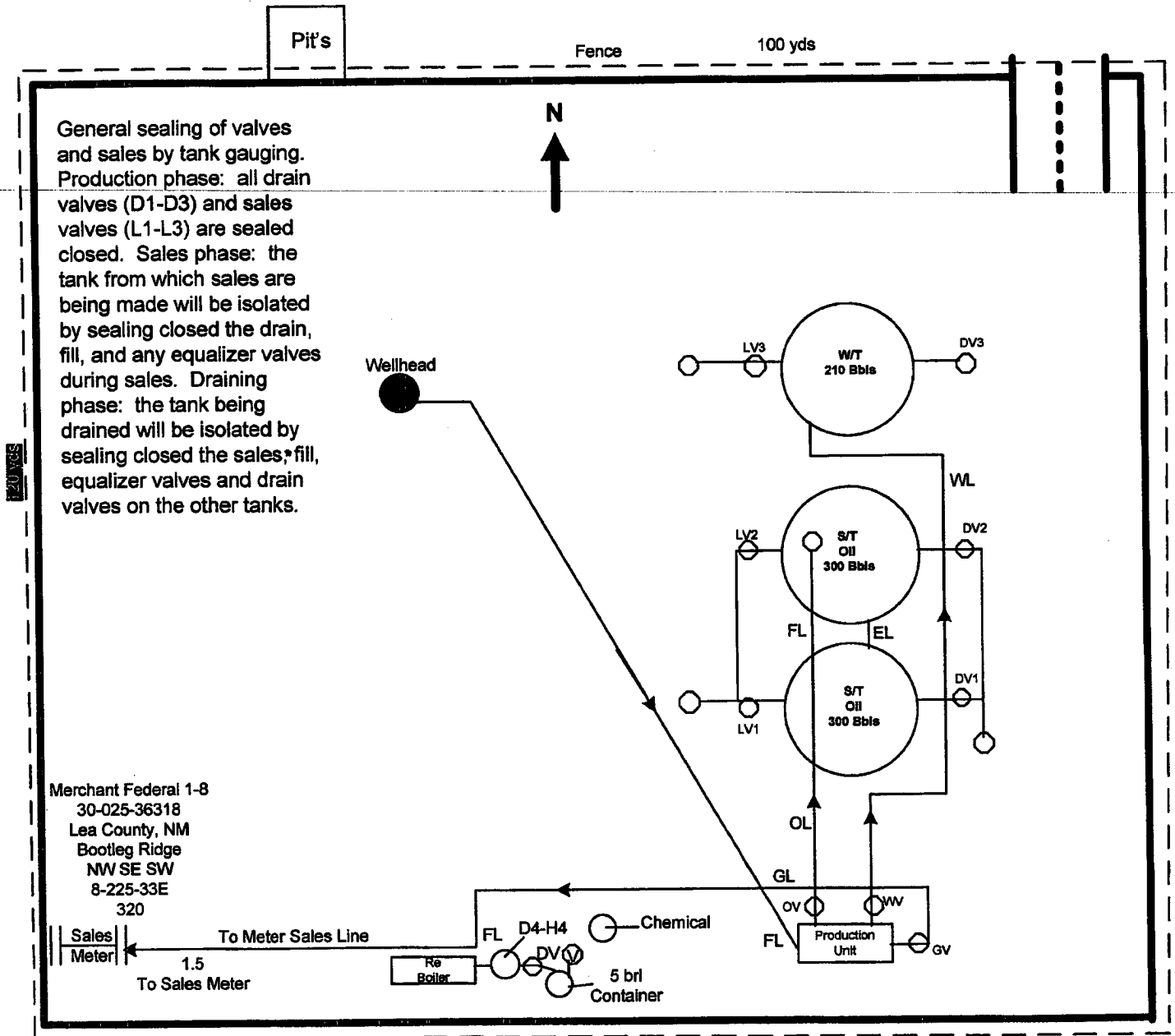
Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

CHESAPEAKE OPERATING, INC.

CHK Name & Number: LIVESTOCK FEDERAL 2-9 819494
 API number: 30-025-36583
 County: LEA
 State: NM
 Field: BOOTLEG RIDGE EAST
 Qtr Qtr Calls: SW NW - 1450 FNL 1950 FEL
 Sec/Twnshp/Rng: 9-22S-33E
 Number of Acres: 320

Regulatory Agency: BLM
 Lease Sign Type: FEDERAL
 CA#: CA PENDING
 APD Lease #: NMNM 96244
 Federal/Indian: FEDERAL
 Last Violation: UNKNOWN
 District: PERMIAN
 Field Office: HOBBS



LIVESTOCK FEDERAL 2-9_819494

Direction of Flow off Site: SW

This lease is subject to
 Chesapeake's Site Security Plan
 located at 8100 N. Western
 Oklahoma City, OK 73118

Prepared by: DEBBIE HERNANDEZ
 Date: 8-23-04

Approved by:
 Date:

