

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

New Mexico Oil Conservation Division, BLM  
1645 N. French Drive  
Tobbs, NM 88219

FORM APPROVED  
OMB No. 1004-0137  
Expires: March 31, 2007

**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<br><input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other |  | 5. Lease Serial No.<br><b>NMNM14000</b>                           |
| 2. Name of Operator<br><b>CHESAPEAKE OPERATING, INC.    LINDA GOOD    405-767-4275</b>   |  | 6. If Indian, Allottee or Tribe Name                              |
| 3a. Address<br><b>P.O. BOX 18496, OKLAHOMA CITY, OK 73154-0496</b>   | 3b. Phone No. (include area code)<br><b>405-848-8000</b> | 7. If Unit or CA/Agreement, Name and/or No.                       |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)<br><b>2310 FNL 2310 FEL SW NE SEC 26-18S-32E</b>          |  | 8. Well Name and No.<br><b>BURLESON FEDERAL 3</b>                 |
|  |  | 9. API Well No.<br><b>30-025-29573</b>                            |
|  |  | 10. Field and Pool, or Exploratory Area<br><b>QUERECHE PLAINS</b> |
|  |  | 11. County or Parish, State<br><b>LEA COUNTY, NEW MEXICO</b>      |

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

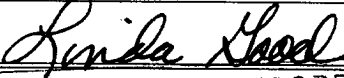
| TYPE OF SUBMISSION                                    | TYPE OF ACTION                                |   |  |  |
|---|---|---|--|--|
| <input type="checkbox"/> Notice of Intent             | <input type="checkbox"/> Acidize              | <input type="checkbox"/> Deepen           | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off                        |
| <input checked="" 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 <b>SITE FACILITY</b> |
|   | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon       | <b>DIAGRAM</b>   |
|   | <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.)

**PLEASE FIND ATTACHED SITE FACILITY FOR BURLESON FEDERAL 3.**

**BLM NATIONWIDE BOND #NM2634.**

**(CHK PN 891476)**

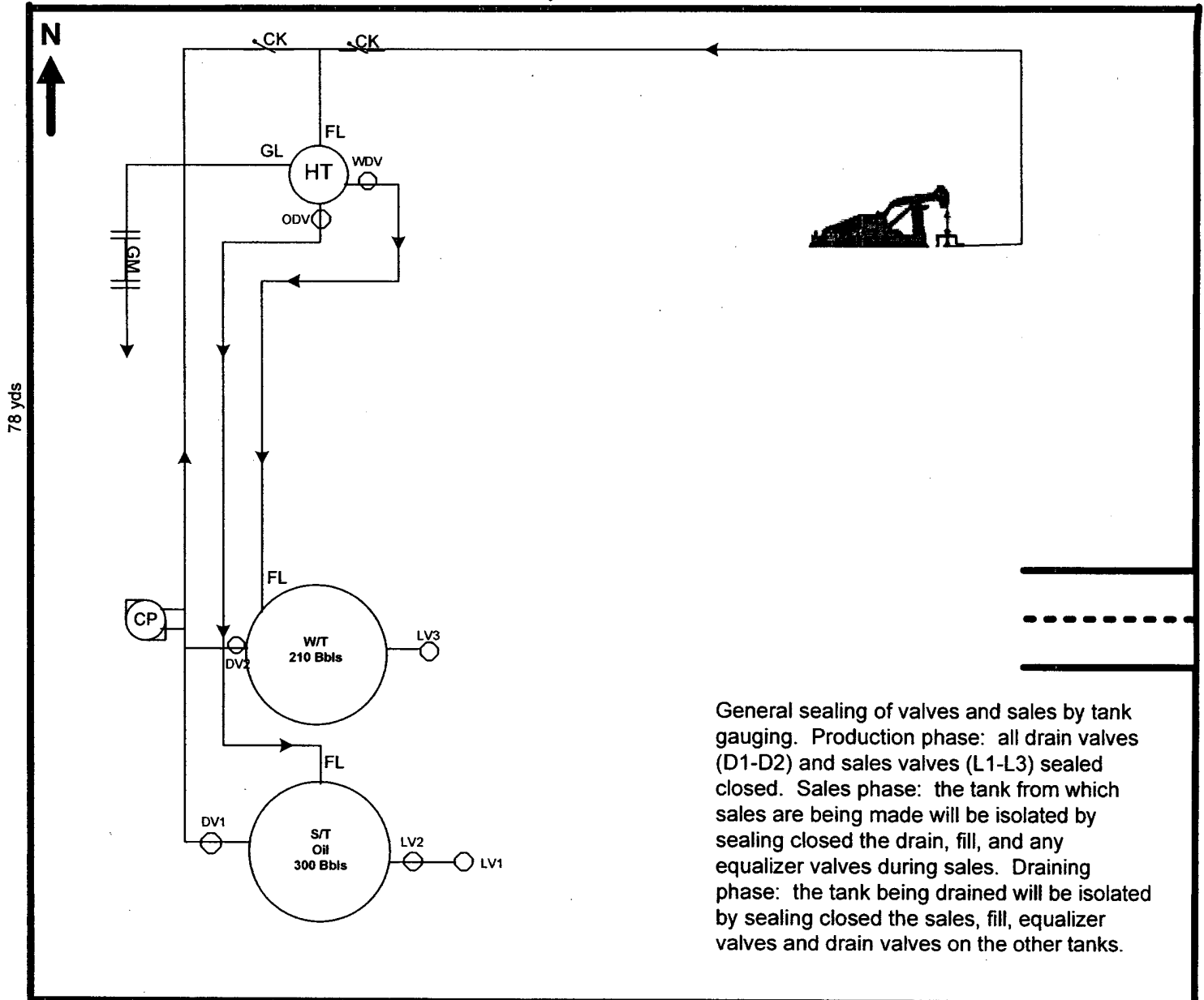
|  |  |                                 |      |
|--|--|---------------------------------|------|
| 14. I hereby certify that the foregoing is true and correct<br>Name (Printed/Typed)<br><b>LINDA GOOD</b>   |  | Title <b>PERMITTING AGENT 1</b> |      |
| Signature<br>   |  | Date<br><b>07/27/2005</b>       |      |
| <b>ACCEPTED FOR FILING THIS SPACE FOR FEDERAL OR STATE OFFICE USE</b>  |  |                                 |      |
| Approved by<br><b>(CHIEF BGD) DAVID R. CLARK</b>   |  | Title                           | 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. |  |                                 |      |

(Instructions on page 2)

# CHESAPEAKE OPERATING, INC.

|                    |                    |        |                    |                |   |
|--------------------|--------------------|--------|--------------------|----------------|---|
| CHK Name & Number: | BURLESON FEDERAL 3 | 891476 | Regulatory Agency: | BLM            | 1 |
| API number:        | 30-025-29573       |        | Lease Sign Type:   | FEDERAL        |   |
| County:            | LEA                |        | CA#:               | 100% BLM LEASE |   |
| State:             | NM                 |        | APD Lease #:       | NMNM14000      |   |
| Field:             | QUERECHO PLAINS    |        | Federal/Indian:    | FEDERAL        |   |
| Qtr Qtr Calls:     | SW NE              |        | Last Violation:    | UNKNOWN        |   |
| Sec/Twnshp/Rng:    | 26-18S-32E         |        | District:          | PERMIAN        |   |
| Number of Acres:   | 40                 |        | Field Office:      | HOBBS          |   |

47 yds



General sealing of valves and sales by tank gauging. Production phase: all drain valves (D1-D2) and sales valves (L1-L3) 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.

BURLESON FEDERAL #3 891476

Direction of Flow off Site: SE

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

Prepared by: DEBBIE HERNANDEZ  
Date: 07-21-2005

Approved by:  
Date: