

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-HOBBS

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
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **CHESAPEAKE OPERATING, INC.** **LINDA GOOD**

3a. Address **P.O. BOX 18496, OKLAHOMA CITY, OK 73154-0496**
3b. Phone No. (include area code) **405-767-2275**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
860 FSL 660 FEL, SEC 17-T19S-R33E

5. Lease Serial No.
NMNM 77004

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
NMNM 115988

8. Well Name and No.
EXCALIBUR 17 FEDERAL 1

9. API Well No.
30-025-36543

10. Field and Pool, or Exploratory Area
GEM; MORROW

11. County or Parish, State
LEA 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 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 checked="" type="checkbox"/> Water Disposal | |

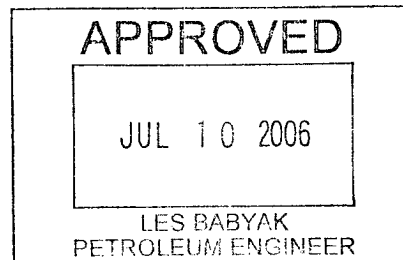
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must 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 permission for water disposal. There is a 300 bbl fiberglass water tank on the lease. Victory Services will haul the water to the Government "E" #1 (Sec 25-T19S-R34E, 610 FSL 1880 FWL, 30-025-23708) for disposal. Attached is the Water Production & Disposal Information, Water Analysis and the Application for Salt Water Disposal from the OCD.

BLM NATIONWIDE BOND #NM2634.

(CHK PN 891087)

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**



14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

LINDA GOOD

Title **PERMITTING AGENT**

Signature

Linda Good

Date

06/13/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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.

Title

Date

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)

GWW

Water Production & disposal Information

In order to process your disposal request, the following information must be completed:

1. Name of formations producing water on the lease. Morrow
2. Amount of water produced from all formations in barrels per day. 1
3. Attach a current water analysis of produced water from all zones showing at least the total dissolved solids, ph, and the concentrations of chlorides and sulfates. (one sample will suffice if the water is commingled)
4. How water is stored on the lease. Water tank
5. How water is moved to the disposal facility. Truck
6. Identify the Disposal Facility by :
 - A. Facility operators name. _____
 - B. Name of facility or well name & number. Government E' No. 1
 - C. Type of facility or well (WDW) (WIW) etc. WDW
 - D. Location by 1/4 1/4 _____ section 25 township 19S range 34E
7. Attach a copy of the State issued permit for the Disposal Facility.

Submit to this office, 414 West Taylor, Hobbs, NM 88240, the above required information on a Sundry Notice 3160-5. Submit 1 original and 5 copies, within the required time frame. (This form may be used as an attachment to the Sundry Notice.) Call me at 505-393-3612 if you need to further discuss this matter.

