

OCD-HOBBS

Form 3160-5
(April 2004)UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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.

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

5. Lease Spring No.

NMN 071949

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

KELLER 27 FEDERAL 2

9. API Well No.

30-025-37906

10. Field and Pool, or Exploratory Area

Bell Lake

11. County or Parish, State

Lea County, New Mexico

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well



Oil Well



Gas Well



Other

2. Name of Operator

CHESAPEAKE OPERATING, INC.

ATTN: LINDA GOOD

3a. Address

P. O. BOX 18496, OKLAHOMA CITY, OK 73154-0496

3b. Phone No. (include area code)

405-767-4275

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1967 FSL & 2055 FWL, SEC 27-T23S-R34E

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

TYPE OF SUBMISSION

TYPE OF ACTION



Notice of Intent



Subsequent Report



Final Abandonment Notice



Acidize



Alter Casing



Casing Repair



Change Plans



Convert to Injection



Deepen



Fracture Treat



New Construction



Plug and Abandon



Plug Back



Production (Start/Resume)



Reclamation



Recomplete



Temporarily Abandon



Water Disposal



Water Shut-Off



Well Integrity



Other Water Disposal

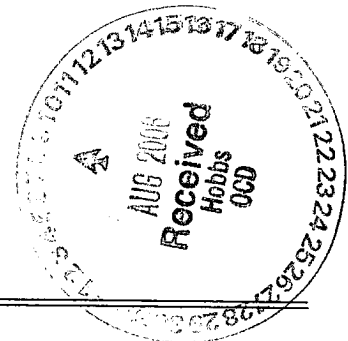
Pipeline

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 recomplete 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 recompletion 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, respectfully, request permission to lay 651 ft of 3" SDR 11 Poly flowline to the Keller 27 Federal 2 per the attached plats.

BLM NATIONWIDE BOND #NM2634.

(CHK PN 610218)



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

LINDA GOOD

Title PERMITTING AGENT

Signature

Linda Good

Date

07/10/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

/s/ Don Peterson

ACTING

FIELD MANAGER

Date AUG 02 2006

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

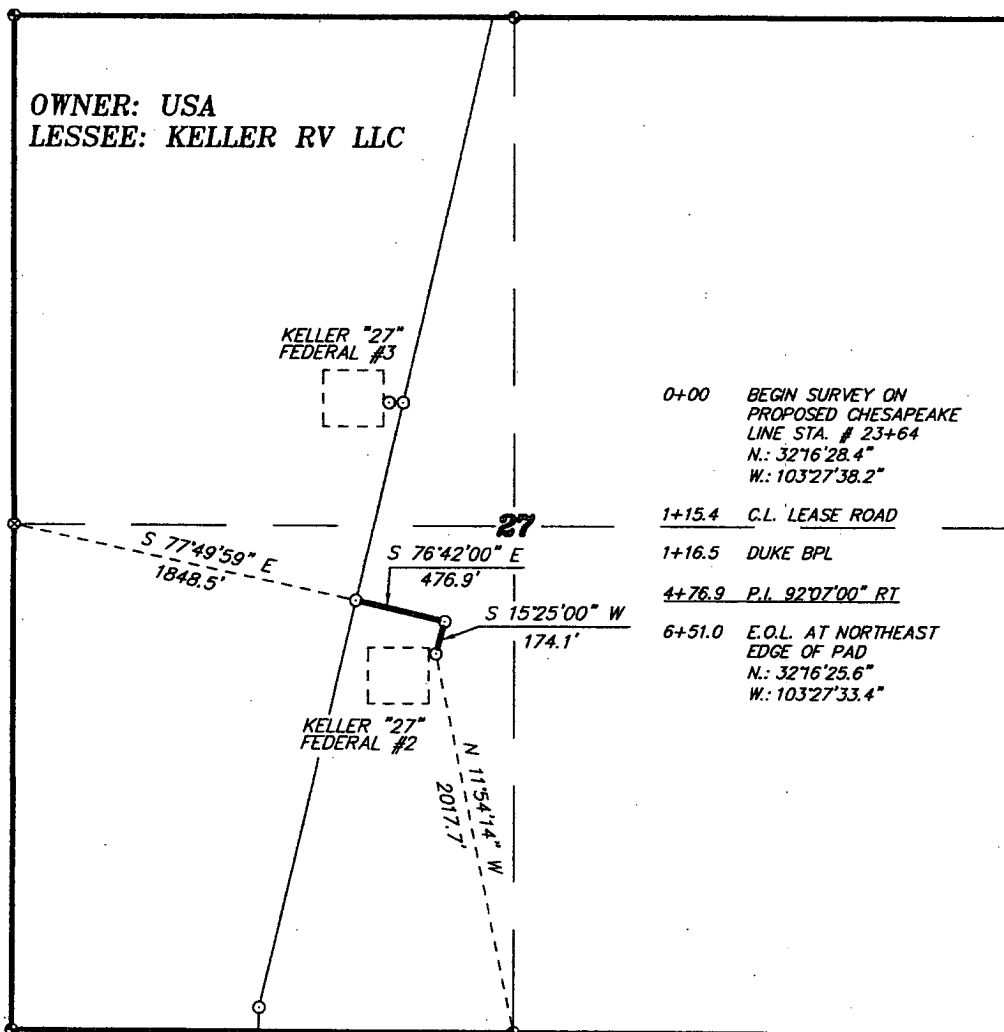
CARLSBAD FIELD OFFICE

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

SECTION 27, TOWNSHIP 23 SOUTH, RANGE 34 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



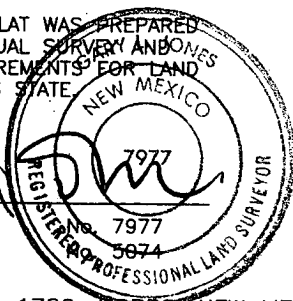
LEGAL DESCRIPTION

A STRIP OF LAND 50.0 FEET WIDE, LOCATED IN SECTION 27, TOWNSHIP 23 SOUTH, RANGE 34 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO AND BEING 25.0 FEET LEFT AND RIGHT OF THE FOLLOWING DESCRIBED CENTERLINE SURVEY.

SECTION 27 = 651.0 FEET = 39.45 RODS = 0.12 MILES = 0.75 ACRES

I HEREBY CERTIFY THAT THIS PLAT WAS PREPARED FROM FIELD NOTES OF AN ACTUAL SURVEY AND ONES MEETS OR EXCEEDS ALL REQUIREMENTS FOR LAND SURVEYS AS SPECIFIED BY THIS STATE.

GARY L. JONES N.M. P.S.
TEXAS P.L.S.



BASIN SURVEYS P.O. BOX 1786-HOBBS, NEW MEXICO

W.O. Number: 6849 Drawn By: J. M. SMALL

Date: 06-27-2006 Disk: JMS 6849P

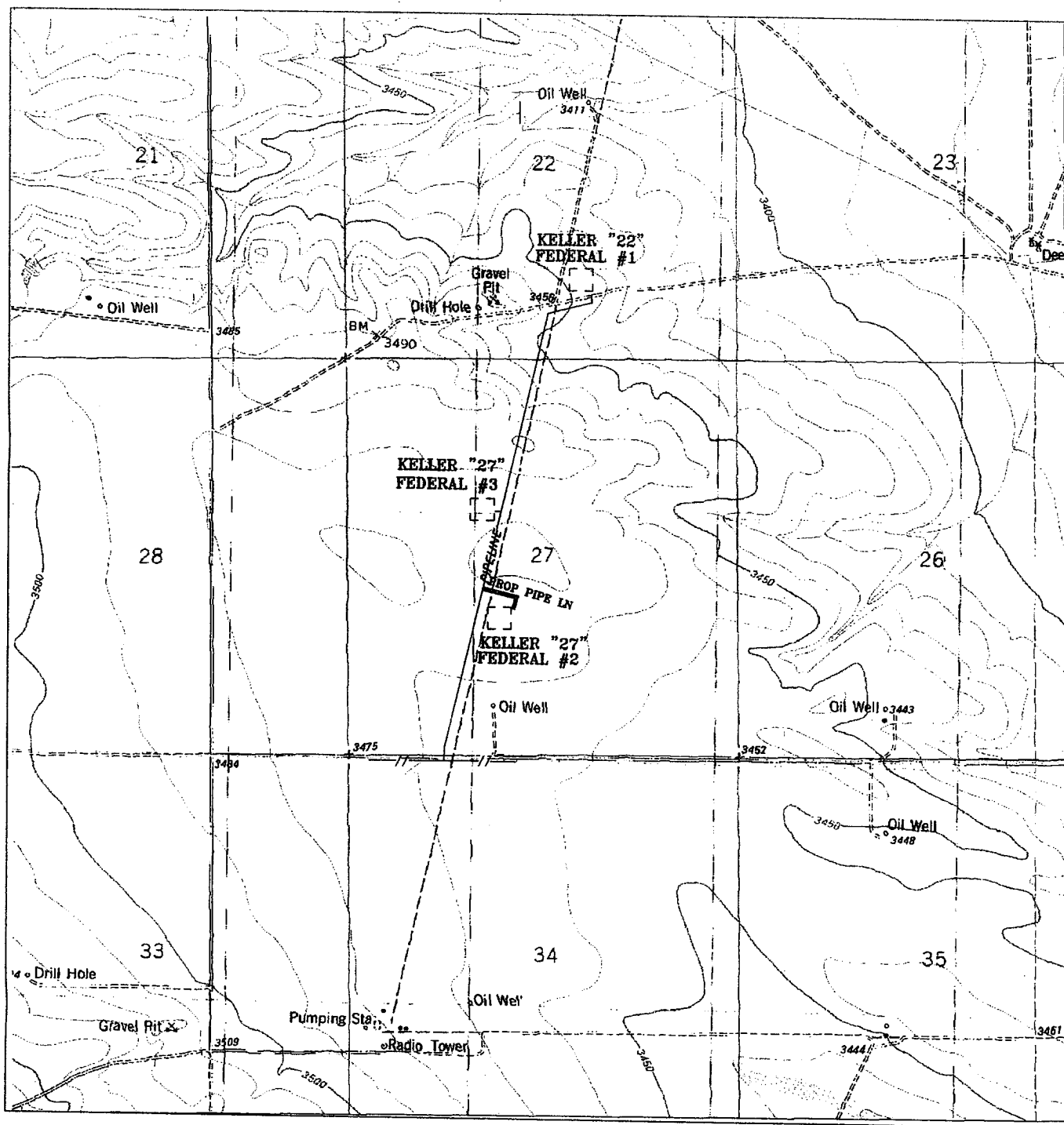
1000 0 1000 2000 FEET

CHESAPEAKE OPERATING INC.

REF: PROPOSED PIPELINE TO THE KELLER "27" FEDERAL #2

A PIPELINE CROSSING USA LAND IN
SECTION 27, TOWNSHIP 23 SOUTH, RANGE 34 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.

Survey Date: 06-23-2006 Sheet 1 of 1 Sheets



**PROPOSED PIPELINE TO THE
KELLER "27" FEDERAL #2**
Section 22, Township 23 South, Range 34 East,
N.M.P.M., Lea County, New Mexico.

**basin
surveys**
focused on excellence
in the oilfield

P.O. Box 1786
1120 N. West County Rd.
Hobbs, New Mexico 88241
(505) 393-7316 - Office
(505) 392-3074 - Fax
basinsurveys.com

W.O. Number: JMS 6849T

Survey Date: 06-23-2006

Scale: 1" = 2000'

Date: 06-27-2006

**CHESAPEAKE
OPERATING
INC.**