

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.

5. Lease Serial No.
NMNM 56749

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE – Other instructions on page 2.

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

1. Type of Well

☒ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
FEDERAL USA L 3

2. Name of Operator
CHESAPEAKE OPERATING, INC.

ATTN: LINDA GOOD

9. API Well No.
30-025-30685

3a. Address
P. O. BOX 18496
OKLAHOMA CITY, OK 73154-0496

3b. Phone No. (include area code)
405-767-4275

10. Field and Pool or Exploratory Area
TONTON

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

1980' FNL & 1675' FEL, SEC 14, T19S, R33E

11. Country or Parish, State
LEA COUNTY, NEW MEXICO

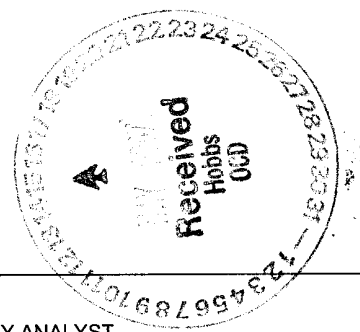
12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

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 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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input checked="" 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 recompleate 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 recompleation 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, request permission to extend the TA status for 2 years. This well we be used as part of a Tonto Seven Rivers Waterflood Unit that is still in the process of being unitized. Attached is a preliminary map showing the proposed outline for the Tonto Waterflood and the wells to be included in it.

**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**



(CHK PN 890906)

14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
LINDA GOOD

Title FEDERAL REGULATORY ANALYST

Signature

Linda Good

Date 04/30/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Title

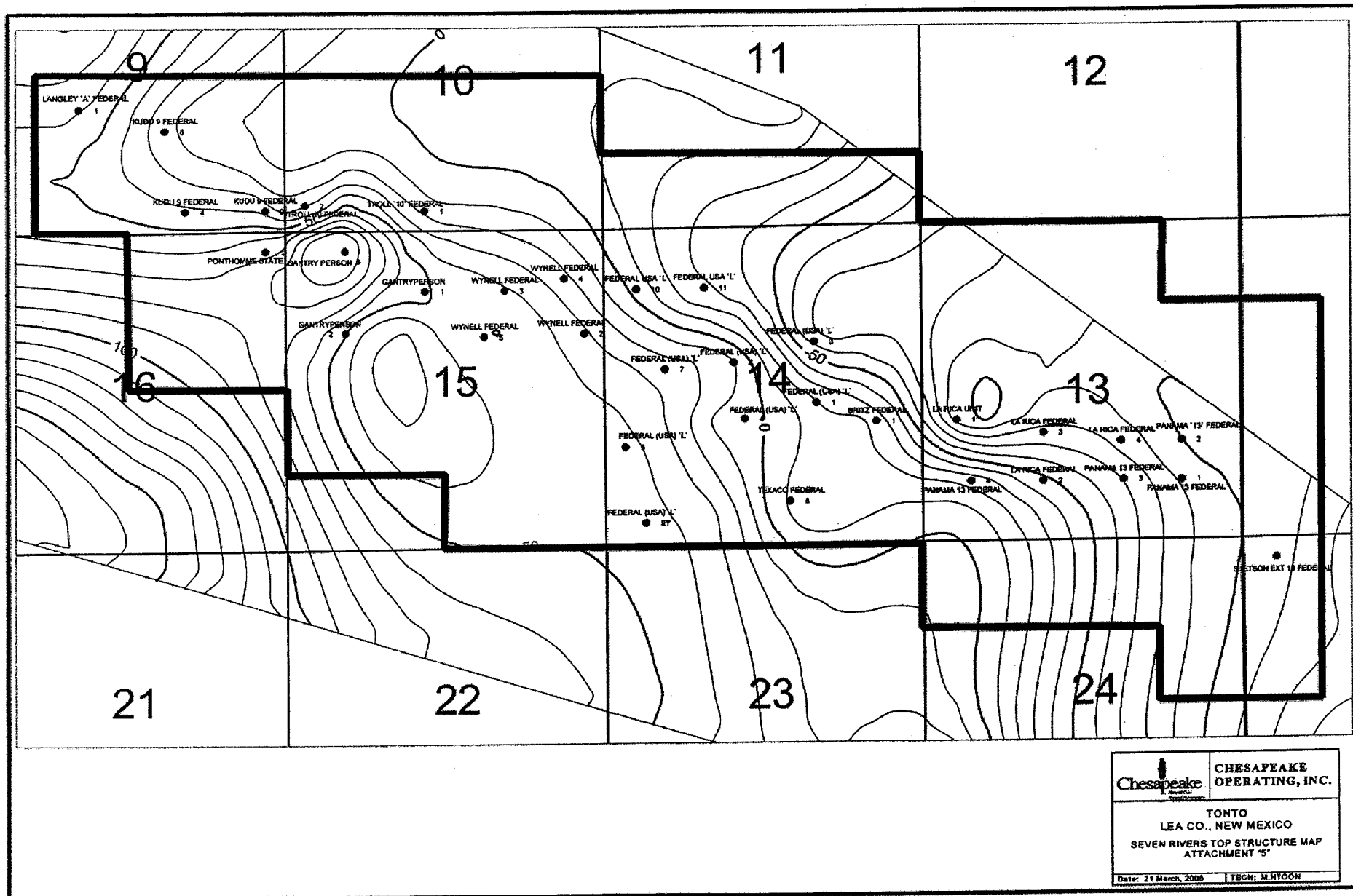
Office

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 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



SUNDRY NOTICE SPECIAL STIPULATIONS

1. Approval is granted to T/A this well through 5/9/2008 subject to the following conditions:
2. The operator must obtain an agreement with the required 75% of the owners in the proposed waterflood unit by that time or submit a P&A procedure for this well.

Engineering
can be reached at 505-706-2779 for any variances that might be necessary.

F Wright 5/9/07