

RECEIVEDUNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO 1004-0135
Expires: July 31, 2010

SEP 10 2008

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.****HOBBBS****SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1 Type of Well <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM57285
2 Name of Operator CHESAPEAKE OPERATING INC		6 If Indian, Allottee or Tribe Name
3a Address P O BOX 18496 OKLAHOMA CITY, OK 73154-0496		7. If Unit or CA/Agreement, Name and/or No
3b. Phone No (include area code) Ph: 405-767-4275		8 Well Name and No. SUNBURST SHOGRIN FEDERAL 1
4 Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 22 T19S R34E NWSE 1860FSL 1980FEL		9 API Well No 30-025-29543-00-S1
		10 Field and Pool, or Exploratory LEA ; Bone Springs
		11. County or Parish, and 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 type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input checked="" 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 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 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.)

REPAIRED CASING AND RETURNED TO PRODUCTION PER THE ATTACHED DAILY ACTIVITY REPORT.

(CHK PN 890795)

14. I hereby certify that the foregoing is true and correct.	
Electronic Submission #62549 verified by the BLM Well Information System For CHESAPEAKE OPERATING INC, sent to the Hobbs Committed to AFMSS for processing by KURT SIMMONS on 08/26/2008 (08KMS1103SE)	
Name (Printed/Typed) LINDA GOOD	Title REGULATORY COMPLIANCE SPEC.
Signature (Electronic Submission)	Date 08/26/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 09/08/2008
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 Hobbs

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.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

KZ

CHESAPEAKE OPERATING, INC.

P. O. Box 18496
OKLAHOMA CITY, OKLAHOMA 73154-0496
405/848-8000
405/879-9573 FAX

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Operated Daily Activity Report

Status: SHUTIN

SUNBURST SHOGRIN FED 1

Northern Lea
BONE SPRING 11,800'

Well #	890795	AFE. 401467	LEA, NM	Cost	Wt. 41.750000	NRI: 31 262753
Date	Day	Footage Depth	Cum Cost	Present Operation		
08/07/07		0' 11,800'		POOH w/ rods and pump MIRU Mesa and completion equipment, unhang well, unseat pump, POOH w/ 105 - 1" rods, 108 - 7/8" rods, 211 - 3/4" rods and pump, SDFN. Isolate Hole in Casing		
08/08/07		0' 11,800'		RIH w/ bit, DCs and tbg ND wellhead, NU BOP, release TAC, POOH w/ 323 jts 2 7/8" L-80 tbg, 5 1/2" TAC, 23 jts 2 7/8" L-80 tbg, 2 7/8" SN, PS and BPMA, RIH w/ 4 1/2" bit, scraper, 6 - 3 1/2" DCs and 246 jts 2 7/8" tbg to 7,900', hole running over, circ 30 BO to swab tank, transfer to stock tanks, RIH w/ 100 jts 2 7/8" tbg to 11,089', POOH to 10,205', SDFN.		
08/09/07		0' 11,800'		POOH w/ tbg and pkr POOH w/ tbg, DCs, scraper and bit, RIH w/ 5 1/2" TS RBP, 5 1/2" Kline pkr and 324 jts 2 7/8" N-80 tbg, set RBP @ 10,214', pull up, set pkr @ 10,183', pressure RBP to 1000#, OK, pump into backside 2 BPM @ 100#, release pkr, come up hole to isolate leak, found hole between 4,608' and 4,639', pump 22 bbls into 3 BPM @ 450#, circ out 8 5/8" csg, pressure backside to 700#, OK, release pkr, POOH w/ tbg and pkr.		
08/10/07		0' 11,800'		POOH w/ tbg and RBP SICP 0#, RIH w/ retrieving tool and 324 jts 2 7/8" tbg, latch onto RBP, release and POOH w/ tbg and RBP, SDFN.		
08/11/07		0' 11,800'		RIH w/ pump and rods, TDFR SICP 0#, RIH w/ BPMA, PS, SN and 346 jts 2 7/8" tbg, ND BOP, NU wellhead, RIH w/ 211 - 3/4" rods, 108 - 7/8" rods, 105 - 1" rods and 1 1/2" x 26' PR, did not hang, RDMO, TDFR.		
08/12/08		0' 11,800'		MIRU WELL SER UNIT BROKE DOWN. MAKE RIG REPAIRS. MIRU WELL SER UNIT & SURFACE EQUIP.		
				Mud Weight	Viscosity	Water Loss
08/13/08		0' 11,800'		TOOH TOOH W/ PRODUCTION RODS. NDWH, NU BOP, TOOH TALLYING 347 JTS 2 7/8" PRODUCTION TBG.	Chlondes	
08/14/08		0' 11,800'		TIH PU 5 1/2" RBP & PKR. TIH TO 750'. STACKED OUT. TOOH . FOUND PLUG & PKR FULL OF PARIFFIN. TIH OPEN ENDED TO 2500'. MIRU HOT OILER & HOT WATER CSG W/ 75 BBLs OF WATER W/ PARFFIN SOLVENT. TOOH. PU 5 1/2" SCRAPPER & TIH TO 3000'. TOOH. PU 5 1/2" RBP & PKR TIH TO 10198'. SET RBP. PU TO 10127 & SET PKR. TEST PLUG TO 1000 PSI. NO LEAK OFF. PU TO 8026'. SET PKR & TEST. NO LEAK OFF.		
				Mud Weight	Viscosity	Water Loss
08/15/08		0' 11,800'		ISOLATE CSG LEAK ISOLATE CSG BETWEEN 4546 & 4642'. ESTABLISH INJECTION @ 2 BPM @ 500 PSI. TIH & RETRIVE RBP @ 10198'. PU TO 4867'. SET RBP & SET PKR. TEST TO 1000 PSI. NO LEAK OFF. TOOH W/ PKR. TIH OPEN ENDED TO 4860 & DUMP 6 SXS OF SAND ON RBP. TOOH. PU 5 1/2" RETAINER & TIH TO 1500'.	Chlondes	
				Mud Weight	Viscosity	Water Loss
08/16/08		0'		SQUEEZE		

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Status: SHUTIN

SUNBURST SHOGRIN FED 1

Well #: 890795 AFE: 401467 LEA, NM Northern Lea
BONE SPRING 11,800'

Footage Cost WI: 41.750000 NRI: 31 262753
Depth Cum Cost Present Operation

11,800' CONT TIH, SET CMT RETAINER @ 4449'. MIRU CMT SER. LOAD & PRESS UP BS TO 500 PSI. BROKE CIRCU & SQUEEZE CSG LEAKS FROM 4546-4642' W. 400 SXS (149 BBLs) OF LEAD 35/65 MIXED @ 12.8 PPG W/ A 2.09 YEILD & TAIL IN W/ 150 SXS (35 BBLs) OF "C" NEET MIXED @ 14.8 PPG W/ A 1.32 YEILD @ 2 BPM FROM 260 PSI TO 630 PSI, BACK TO SURFACE BETWEEN 5 1/2" ANNULUS & 8 5/8" CSG. ISIP 930 PSI. STING OUT OF RETAINER & WASH UP. TOOH. PU 4 3/4" BIT 6-3 1/2" DRILL COLLARS & TIH TO 3000'.

Mud Weight Viscosity Water Loss Chlorides

08/19/08 0' DRILL OUT
11,800' CONT TIH & TAG @ 4440'. PU SWEVIL & DRILL OUT CMT & CMT RETAINER @ 4449'. CONT DRILLING & FELL OUT @ 4550'. TEST SQUEEZE TO 750 PSI FOR 30 MINS. NO LEAK OFF. TIH & TAG SAND @ 4811'. WASH OFF SAND ON RBP. TOOH/ 100 JTS OF TBG

Mud Weight Viscosity Water Loss Chlorides

08/20/08 0' RETRIEVE RBP
11,800' FINISH TOOH W/ TBG. LAY DOWN BHA. PU RETRIEVING TOOL & TIH. TAG SAND @ 4850'. WASH SAND & LATCH ON RBP @ 4867'. RELEASE & TOOH W/ TBG. LAY DOWN RBP.

Mud Weight Viscosity Water Loss Chlorides

08/21/08 0' TIH W/ PRODUCTION TBG
11,800' MIRU HYDRO TESTERS. TIH HYDROTESTING 342 JTS OF 2 7/8" TBG TO 7000 PSI ABOVE THE SLIPS. SET TAC. SN @ 10877'. ND BOP. NUWH. PREP TO RUN RODS. CHANGED OUT 11 BOXS & 1JT OF TBG.

Mud Weight Viscosity Water Loss Chlorides

08/22/08 0' TRY TO TIH W/ PUMP
11,800' HOT WATER TBG W/ 75 BBLs OF WATER W/ PARIFFIN SOLVENT. PU PUMP & TIH. STACKED OUT @ 2075'. TOOH. PU PARIFFIN KNIFE & TIH TO 4000'. TOOH KNIFE WAS HANGING UP @ 2075'. TOOHW/ KNIFE. NDWH. NU BOP. RELEASE TAC & TOOH. FOUND CRIMPED JT 67 JTS DOWN. REPLACE TBG JT & TIH. SET TAC. NDBOP, NUWH. PU PUMP & TAG 125'. TIH W/ PARIFFIN KNIFE. PULLED OUT HARD PARIFFIN.

Mud Weight Viscosity Water Loss Chlorides

08/23/08 0' TRY TO TIH W/ RODS
11,800' MIRU HOT OIL SER. HOT WATER TBG W/ 75 BBLs OF HOT WATER W/ PARIFFIN SOLVENT. PU PUMP & TIH W/ RODS. STACKED OUT @ 4475'. TOOH. PU PARIFFIN KNIFE & TIHWENT TIGHT SPOT @ 4475'. PU & HANG UP @ 4475'. WORKED FREE. TOOH. NDWH, NUBOP. RELEASE TAC & TOOH. FOUND CRIMPED JT @ 4475'. CONNT TOOH.

Mud Weight Viscosity Water Loss Chlorides

08/24/08 0' TIH W/ TBG
11,800' TIH DRIFTING 347 JTS OF 2 7/8" TBG. FOUND 5 CRIMPED JTS. ND BOP, NUWH. PU 2 1/2" X 1 3/4" X 24' RHBC PUMP. TIH W. PRODUCTION RODS

Mud Weight Viscosity Water Loss Chlorides

8/25/08 8/24/08 RDMO. Turn over to Production

08/26/08 9:01:03AM
THE INFORMATION IN THIS REPORT IS PROPRIETARY, CONFIDENTIAL AND NOT FOR PUBLIC DISSEMINATION.
THIS INFORMATION MAY NOT BE SHARED WITH UNAUTHORIZED PERSONS WITHOUT THE WRITTEN CONSENT OF CHESAPEAKE.

Per Linda Good well returned to prod. 8/26/08
J. Amos