

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

OCD Hobbs

HOBSOCD
AUG 25 2009

RECEIVED

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMNM68821
2. Name of Operator CHESAPEAKE OPERATING INC. ✓ Contact: LINDA GOOD E-Mail: linda.good@chk.com		6. If Indian, Allottee or Tribe Name
3a. Address P O BOX 18496 OKLAHOMA CITY, OK 73154-0496	3b. Phone No (include area code) Ph: 405-935-4275	7. If Unit or CA/Agreement, Name and/or No
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 30 T23S R34E NWSE 2430FSL 2420FEL Unit - J ✓		8. Well Name and No. PALOMA 30 FEDERAL 02 ✓
		9. API Well No. 30-025-37413-00-S1 ✓
		10. Field and Pool, or Exploratory UNKNOWN Atoka ✓
		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 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 Workover Operations
	<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.)

SUMMARY OF WORKOVER:

7/14/09: MIRU

7/15/09: RIH W/BIT. TAGGED CEMENT AT 12,476'.

7/16/09: DRILLED OUT 32' OF CEMENT, CIBP. CLEANED OUT TO 12,616'. TOH W/BIT. START IN HOLE WITH PACKER.

7/17/09: TIH W/PACKER TO 12,478'. PRESSURE TESTED BACKSIDE TO 500 PSI ? OK. PUMPED INTO PERFS 1/2 BPM AT 2300 PSI. TOH W/PACKER (LOST DRAG BLOCK OFF PACKER). RIH W/WIRELINE GAUGE RING AND JUNK BASKET TO 12,580'. SET CEMENT RETAINER @ 12,546'.

14. I hereby certify that the foregoing is true and correct Electronic Submission #73342 verified by the BLM Well Information System For CHESAPEAKE OPERATING INC, sent to the Hobbs Committed to AFMSS for processing by CHERYLE RYAN on 08/17/2009 (09CMR0184SE)	
Name (Printed/Typed) LINDA GOOD	Title SR. REGULATORY COMPLIANCE SPEC
Signature (Electronic Submission)	Date 08/17/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	DUSTIN WINKLER Title PETROLEUM ENGINEER	Date 08/20/2009
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 Kz

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.

Additional data for EC transaction #73342 that would not fit on the form

32. Additional remarks, continued

7/18/09: RIH W/STINGER AND STUNG INTO RETAINER. PUMPED 14 SXS OF CLASS H INTO ATOKA PERFS 12,556-67'. POH W/TBG.

7/19/09: WOC

7/20/09: WOC

7/21/09: PERFORATE ATOKA 12,520-24', 2 SPF (8 HOLES). RIH W/PACKER TO 12,418'.

7/22/09: RIG UP SWAB. IFL AT SURFACE. SWAB WELL DOWN TO 12,418'. NO FLUID ENTRY.

7/23/09: SITP 0 PSI. IFL AT 11,500'. SWAB 1 BBL WATER.

7/24/09: PICKLE TBG W/500 GAL ACID. SPOTTED 200 GAL OF ACID ACROSS PERFS. COULD NOT PUMP INTO PERFS.

7/25/09: POH W/PACKER.

7/26/09: PERFORATE ATOKA 12,530-40' 2 SPF (20 HOLES). RIH W/PACKER TO 12,418'.

7/27/09: SD

7/28/09: SWAB WELL DOWN. NO OIL OF GAS. TRIED TO PUMP INTO PERFS, COULD NOT.

7/29/09: SPOT ACID ACROSS PERFS. ACIDIZED ATOKA W/1000 GAL 7 1/2% NEFE ACID. SWAB 70 BW AND WELL STARTED FLOWING. SWAB AND FLOW 303 BW, NO OIL OR GAS.

7/30/09: SWAB AND FLOW 228 BW, NO OIL OR GAS. POH W/PACKER.

7/31/09: SET CIBP @ 12,500'. DUMP 35' OF CEMENT ON TOP OF PLUG. PRESSURE TESTED CASING TO 500 PSI, LEAK OFF 15 PSI IN 30 MIN.

8/1/09: RDMO.

WILL FILE SUNDRY NOTICE OF INTENT TO RECOMPLETE IN THE BONE SPRING.

DUSTIN WINKLER
EPTED