

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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FORM 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.***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. NMNM67110
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. (If not on file) Ph: 405-935-1275		8. Well Name and No. FEDERAL 31-G 02
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 31 T19S R33E NWNE 400FNL 2310FEL 32.62288 N Lat, 103.70147 W Lon		9. API Well No. 30-025-31354-00-S1
		10. Field and Pool, or Exploratory GEM
		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 type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input checked="" 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.)

ATTEMPTED REMOVAL OF FISH IN HOLE AND PLUG AND ABANDONED:

6/23/2009 RIG UP PULLING & SURFACE EQUIPMENT. UNHANG WELL TOH W/RODS & PUMP. NDWH & NUBOP TOH W/46 JTS TBG & TBG STARTED PULLING WET. PERF. SUB POSSIBLIE PLUGGED W/PARAFFIN & SCALE.

6/24/2009 RU ENVIRO-PAN CONT. TOH W/10 JTS TBG. TBG PLUGGED W/PARAFFIN & SCALE. RIH W/TBG TOH LAYING DOWN TBG & TBG WAS PARTED 1' BELOW COLLAR ON JT. 106 (EATEN UP & THIN W/HOLES) STOOD BY FOR TBG. RECEIVE & TALLIE 174 JTS. USED 2 7/8" J-55 TBG FROM PERMIAN ENTERPRISES. PU 4 11/16" OVERSHOT W/2 7/8" GRAPPLE & EXTENSION TIH PICKING UP TBG TO 3324' LATCH ONTO FISH PULLED 8 POINTS ABOVE WEIGHT & PULLED TBG INTO OR GRAPPLE PULLED OFF LAY DOWN 1 JT.

6/24/2009 TOH W/2 7/8" TBG, BHA & FISH, RECOVER 24' PIECE OF 2 7/8" TBG, TIH W/4 11/16" OVERSHOT. Accepted as to plugging of the well bore. Liability under bond is retained until Surface restoration is completed.

14. Thereby certify that the foregoing is true and correct. Electronic Submission #75669 verified by the BLM Well Information System For CHESAPEAKE OPERATING INC, sent to the Hobbs Committed to AFMSS for processing by KURT SIMMONS on 10/14/2009 (09KMS0955SE)	
Name (Printed/Typed) LINDA GOOD	Title SR. REGULATORY COMPLIANCE SPEC
Signature (Electronic Submission)	Date 10/14/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By ACCEPTED	JAMES A AMOS Title SUPERVISOR EPS	Date 11/13/2009
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 <i>Kao</i>	2009

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 ****

Additional data for EC transaction #75669 that would not fit on the form

32. Additional remarks, continued

W/2 7/8" GRAPPLE, EXTENSION AND 105 JTS OF 2 7/8" TBG, CATCH FISH @ 3344', PULL-UP & FISH PARTED, TOH W/TBG, BHA & FISH, RECOVER 6" PIECE OF TBG, TIH W/SAME BHA & TBG, CATCH FISH @ 3344', PULL UP & FISH PARTED, TOH W/TBG, BHA & FISH, RECOVER 25' OF TBG, TIH W/SAME BHA, SET DOWN @ 3320', COULD NOT WORK THRU, EST TOP OF FISH @ 3367', TOH W/TBG & BHA, TIH W/2 7/8" X 2' SUB AND 2 7/8" TBG, SET DOWN @ 3320', FELL THRU, TIH TO 3364', TOH W/TBG. (POSSIBLE CSG PART @ 3320', EST TOP OF TBG FISH @ 3367')

6/26/2009 TIH W/2 7/8" X 8' SUB, 4 3/4" STRING MILL, 1 - 3 1/2" D.C., JARS, 5 - 3 1/2" D.C'S & 2 7/8" TBG TO 3302', RU SWIVEL & STRIPPER HD., PUMP 250 BBL OF 2% KCL WTR & COULD NOT BREAK CIRC, ROTATE THRU BAD CSG @ 3320', PULL UP TO 3302', GO DOWN AND SET DOWN @ 3322' TWO TIMES, WORK THRU THIRD TIME TO TOP OF TBG FISH @ 3367', PUMP 10 BBL DOWN TBG TO CLEAN TOP OF FISH, TOH W/TBG & BHA, LAID DOWN D.C'S, TIH W/OPEN-ENDED 2 7/8" TBG TO 3324', PULL UP TO 3245'.

6/27/2009 TIH TO 3323', PUMP 72 BBL OF 2% KCL DOWN TBG, MIRU W.L. TIH W/DHV VIDEO, SHOWS CSG PARTED FROM 3317.7' TO 3320', AND BAD CSG FROM 3320' TO 3324', RDMO W.L., TOH W/TBG.

6/30/2009 TIH W/4 11/16" OVERSHOT W/2 7/8" GRAPPLE, 8' X 2 7/8" SUB AND 2 7/8" J-55 TBG, WORK THRU BAD CSG TO CATCH TBG FISH @ 3367', MIRU W.L., TIH W/FREE-POINT, SET DOWN @ 3388', TOH, TIH W/SINKER BARS & BUMPER SUB, PUSH DOWN FROM 3388' TO 3412', COULD NOT GO DOWN, TOH, TIH W/CHEM CUTTER, CUT TBG @ 3407', TOH, RDMO W.L., TOH W/TBG, BHA & FISH, (RECOVER 46' OF 2 7/8" TBG, TOP OF TBG FISH @ 3413'.

7/1/2009 TIH W/4 3/4" GUIDE, 5 1/2" HALL RBP & 104 JTS OF 2 7/8" J-55 TBG, WORK THRU BAD CSG FROM 3318 TO 3320', GO DOWN SET RBP @ 3406' (TOP @ 3396'), TOH W/TBG, TIH W/5 1/2" RTTS PKR & 2 7/8" TBG, COULD NOT GET PAST 3320', PULL UP SET PKR @ 3313', LOAD BACKSIDE W/7 BBL, PRESS. 500# FOR 15 MINS OK, PUMP DOWN TBG 120 BBL OF 2% KCL @ 3 BPM @ 0#, NO BLOW ON 8 5/8", REL. PKR, TOH W/TBG & PKR TIH W/4 9/16" GUIDE, 5 1/2" RTTS PKR AND TBG, WORK THRU BAD CSG, SET PKR @ 3385', PRESS. UP ON RBP TO 500# FOR 15 MINS OK, REL PKR PULL UP WORK THRU BAD CSG, TOH W/TBG, PK. & GUIDE, TIH W/OPEN-ENDED TBG TO 3326', DUMP 20' OF SAND ON RBP. FISH @ 3413'.

7/2/2009 TOH W/TBG, TIH W/5 1/2" HALL. ALIGNMENT TOOL, CMT RET, SETTING TOOL W/CENTRALIZER, 2 7/8" X 10' SUB, 2 7/8" S.N. & 102 JTS OF 2 7/8" J-55 TBG TO 3280', MIRU CEMENTERS, PUMP 20 BBL DOWN TBG 2 BPM @ 0#, TIH W/2 JT (WORK TOOL THRU CSG PART 3318'-3320'), TRY TO SET RETAINER @ 3313', COULD NOT SET, TOH W/TBG & SETTING TOOL, LEFT IN HOLE: RETAINER & ALIGN. TOOL (HAD SHEARED OFF) (30K). DID NOT PULL ANY EXTRA WT. WHILE TRYING TO SET AND HAD 4 PTS. SET DOWN ONE TIME, TIH W/STINGER, 4 9/16" GUIDE & 105 JTS OF TBG TO TAG TOP OF RETAINER @ 3342', TOH W/TBG & STINGER.

(FISHING & P&A REPORT CONTINUED ON ATTACHMENTS - SENT VIA EMAIL TO KURT SIMMONS)
JAMES A AMOS
EPTD

FISHING & P&A REPORT ATTACHMENT:

7/7/2009 TIH W/4 5/8" X 3 1/2" SMOOTH OD SHOE WITH KICK TIP AND DIAMONDS, 2 - 3 1/2" D.C'S, JARS, 4 - 3 1/2" D.C'S AND 99 JTS. OF 2 7/8" J-55 TBG, WORK THRU CSG PART @ 3318 - 3320', TAG @ 3342', RU STRIPPER AND SWIVEL, MILL OVER FISH FOR 12" TO 3343', TOH W/TBG & BHA, RECOVER 2 1/2" COMPACTED X 5" PIECE OF 5 1/2" CSG IN SHOE, TIH W/4 11/16" SHORT CATCH OVERSHOT W/3 1/2" GRAPPLE, 2 - 3 1/2" D.C'S, BUMBER SUB, JARS, 4 - 3 1/2" D.C'S & 97 JTS OF 2 7/8" J-55 TBG TO 3330' SISO (PUMPED 640 BBLs. OF 2% WHILE MILLING WITH NO CIRCULATION).

7/8/2009 TIH W/3 JTS OF 2 7/8" J-55 TBG, WORK THRU CSG PART, CATCH FISH @ 3342', WORK UP THRU CSG PART, TOH W/TBG, BHA (RECOVERED CMT RET AND ALIGNMENT TOOL, BOTTOM 5 SLIP SEGMENTS GONE, FELL OUT AT CSG PART), TIH W/3 3/4" X 3 1/4" OVERSHOT & 2 7/8" TBG TO TAG @ 3371', RU STRIPPER HEAD & SWIVEL, WASH DOWN 25' OF SAND, TO RBP @ 3396', PUMP TOTAL OF 196 BBLs. WITH NO CIRC, LATCH ONTO RBP, TOH W/TBG & RBP, TIH W/D.C'S TOH LAY DOWN, TIH W/BULL PLUG PERF. SUB AND 97 JTS OF 2 7/8" TBG TO 3074'. PUMP TOTAL OF 1453 BBL DOWN AND OUT CSG PART WITH NO CIRCULATION.

7/9/2009 TIH W/RODS, TOH & LAID DOWN 82 - 1" AND 123 - 3/4" RODS, TOH & LAY DOWN 97 JTS OF 2 7/8" J-55 TBG, INSTALL 8' X 2 7/8" IN TOP OF WHD. RDMO. REL. ALL EQUIP, FINAL REPORT.

9/23/2009 SPOKE W/ BLM REPS, WESLEY INGRAM AND DUSTY WINKLER. EXPLAINED CHK'S FISHING PLANS AND WHY WE COULD NOT HOT OIL TBG AND CSG. RECEIVED BLM'S VERBAL BLESSING TO GO AHEAD W/PLANS. MIRU LUCKY W/S RIG # 77 AND ALL SURFACE RENTAL EQUIPMENT. RECIEVE RACK AND TALLY 165 JTS 2 7/8" N-80 W/S. 0 SICP, ND W/H AND NU BOP.

9/24/2009 PICK UP AND TIH W/ 4 11/16" O/S W/ 3 21/32" GRAPPEL, 3' X 3 3/4" EXTENSION, 3 3/4" BS, 3 3/4" JARS, 6-3 1/2" DC'S, 3 3/4" ACCELERATOR SUB AND 95 JTS 2 7/8" N-80 W/S. TAG PARTED CSG @ 3317' AND COULD NOT WORK THROUGH IT. TOOH, LAY DOWN BHA AND TIH W/OPEN ENDED TBG TAG 3317' AND WORK THROUGH TO 3353'. TOOH, PICK UP AND TIH W/ 4' X 2 3/8" SUB, 10' X 3 1/2" DC, 4 3/4" STRING MILL, 2- 3 1/2" DC'S 3 3/4" JARS, 4- 3 1/2" DC'S AND 97 JTS 2 7/8" TBG RIG UP POWER SWIVEL AND REVERSE UNIT. WORK MILL @ 3317', DRESS CSG PART OFF AND WORK TO 3350'. RUN MILL THROUGH PART WITHOUT ROTATING TBG WITH NO DRAG. PUMPED 35 BBL 2% KCL WHILE DRESSING CSG LAY DOWN POWER SWIVEL, TOOH W/TBG AND LAY DOWN BHA.

9/25/2009 PICK UP AND TIH W/4 11/16" O/S WITH WAVY BOTTOM GUIDE W/3 21/32" GRAPPEL, 4 5/8" X 2' EXTENSION, 4 3/4" B/S, 4 3/4" JARS, 6-3 1/2" DC'S, 4 3/4" ACCELERATOR SUB. TIH W/ 95 JTS 2 7/8" TBG. TAG PARTED CSG @ 3317', WORK THROUGH AND TAG 3405', 8' HIGH. RIG UP POWER SWIVEL, PUMP 45 BBL 2% KCL AND WORK O/S TO 3413'. CONTINUE IN TO 3574', WORK O/S AND TOOH W/TBG. AND BHA. RECOVERED 44" PIECE OF 2 7/8" TBG. W/TBG. COLLAR AND 6" X 3" PIECE OF CSG TIH W/4 11/16" O/S WITH WAVY BOTTOM GUIDE W/2 7/8" GRAPPEL W/MILL CONTROL AND SAME BHA AND 99 JTS. 2 7/8" TBG TAG 3414'. WORK O/S AND COULD NOT GO ANY DEEPER. TOOH W/TBG AND BHA. WAVY BOTTOM GUIDE WAS WORN AND ROLLED OUTWARD ON BOTTOM LIP. SUSPECT MORE PARTED CSG. PICK UP 4' X 2 3/8" TBG SUB, 10' X 3 1/2" DC, 4 3/4" STRING MILL, 2-3 1/2" DC'S, 3 3/4" JARS, 4-3 1/2" DC'S AND TIH W/8 JTS 2 7/8" TBG.

9/29/2009 PICK UP 4 5/8" BIT AND TIH W/TBG TAG 3414', RIG UP POWER SWIVEL AND ROTATE ON BIT. TOOH W/TBG AND BIT. BIT WAS NOT MARKED UP. TIH W/102 JTS OF OPEN ENDED TBG TO 3300'. WAIT ON DHV.

10/1/2009 TIH W/TBG TO 3412' PUMP 40 BBL 2% KCL TO CLEAN UP CSG RIG UP W/L AND DHV. TIH W/WIRELINE TO 3412' W/L DEPTH. DHV SHOWED PARTED CSG @ 3443'. CSG IS PARTED AND LAID OVER TO ONE SIDE. RIG DOWN W/L. TOOH W/TBG CALLED BLM AND HAD CONFERENCE CALL W/BLM REP WESLEY INGRAM. BLM AGREED TO PULL 5 1/2" CSG TO 3317' AND 94' SECTION FROM 3320' TO 3413'. TIH W/8 5/8" PKR TO TOP OF CSG FISH AND ESTABLISH INJECTION RATE. DUG OUT CELLAR AND PREP TO PULL CSG

10/2/2009 ND BOP AND ND W/H. INSTALL 9 5/8" 8RD. SCREW ON FLANGE. LATCH ONTO 5 1/2" CSG AND PULL SLIPS. NU 9" 3K BOP. RIG UP CSG CREW AND TOOH LAYING DOWN 81 JTS. 5 1/2" CSG AND 15' PIECE. TALLY SHOWS 3305' OF CSG PICK UP 5 1/2" CSG SPEAR W/ 4.961" GRAPPEL. TIH W/102 JTS 2 7/8" TBG TO 3324' LATCH CSG AND TOOH W/TBG AND FISH. REC. 2 PIECES OF CSG AND 1 COMPLETE JT REC 97.10' W/TOTAL OF 3402' OF 5 1/2" CSG. RIG DOWN CSG CREW. PREP TO RUN PKR AND TBG.

(Email from Wesley Ingram with the BLM) Here are the details of Friday's discussion

1200 hours 10/2/2009 Call from Lynard Barrera (CMT) regarding current situation with well. Operator has pulled 3402' of 5.5" casing. Both pieces of separated casing have been removed from the hole. Operator tagged at 3352'. came up hole to 3310' and set the packer. Operator pumped 291 barrels at 5 BPM with no blow back up the 8-5/8" casing. Plan is to pump 200 sack plug down below the packer with displacement to top of fish. If pressure builds to 500 psi, operator will stop pumping and release packer and displace workstring. If no pressure build up operator will WOC and tag plug. In addition, operator will set packer and attempt to establish an injection rate. If rate established, an additional plug will be pumped. If not plug will be set on top of fish. Work to commence Monday, October 5, 2009. W. Ingram

Thanks, Wesley

10/3/2009 CHANGE RAMS IN BOP. PICK UP AND TIH W/8 5/8" AD 1 PKR AND TBG TO 3352'. ATTEMPT TO SET PKR AND WOULD NOT HOLD. PULL PKR TO 3310', SET PKR AND PUMP 291 BBL 2% KCL @ 5 BPM. @ 300 PSI. NO COMMUNICATION TO SURF. SPOKE W/BLM REP WESLEY INGRAM, AGREED TO PUMP CMT TO FILL 5 1/2" CSG FISH AND CEMENT IN PLACE. WILL CEMENT FISH, WOC, TAG TOP OF CEMENT, TEST PLUG AND BLM WILL WRITE AN APPROVED PLUGGING PROCEDURE. PREP TO PUMP CEMENT.

10/6/2009 RIG UP RISING STAR CEMENTERS, TIE ONTO TBG, ESTABLISH INJECTION RATE W/25 BBL @ 3 BPM @ 50 PSI. MIX AND PUMP 200 SX CLASS C W/2% CALCIUM CHLORIDE MIXED @ 44.8 PPG W/1.34 YIELD. PUMP @ 3 BPM @ 250 PSI. DISPLACE W/25 BBL @ 1.3 BPM @ 0 PSI. BLM REP ANDY CORTEZ ON LOCATION. ATTEMPT TO RELEASE PKR AND COULD NOT. PUMP DOWN TBG AND TBG WAS PLUGGED.

10/7/2009 LOAD TBG AND PRESSURE TO 1000 PSI. FOR 15 MINS NO LEAK OFF. MIRU W/L, TIH W/FREE PT TOOLS. TAG CEMENT IN TBG @ 3305'. FREE PT SHOWED 100% STUCK @ 3282' AND 100% FREE @ 3277'. CHEMICAL CUT TBG @ 3270'. TOOH W/W/L AND RIG DOWN. TOOH W/100 JTS 2 7/8" TBG AND 21' PIECE. SPOKE TO BLM REP DUSTY WINKLER AND INFORMED HIM OF FINDINGS. GOT BLM APPROVAL TO SPOT CMT AND BRING UP TO 3170' OR SHALLOWER. TIH W/100 JTS TBG TO 3251'. RIG UP RISING STAR CEMENTERS. MIX AND SPOT 50 SX CLASS "C" W/ 2% CACL2 11.75 BBLs. SLURRY @ 2 BPM @ 50 PSI. DISPLACE W/16 BBL FRESH WATER @ 2 BPM @ 50 PSI. RIG DOWN CEMENTERS, PLUG WAS BALANCED, TOOH W/TBG. STANDING BACK 94 JTS AND LAYING DOWN 6 JTS.

10/8/2009 T/H W/TBG AND TAG CMT @ 3155' LAY DOWN 2 JTS TO 3089', DISPLACE WELL W/195 BBLs SALT GEL PLUG MUD. LAY DOWN 9 JTS W/EOT @ 2829'. RIG UP RISING STAR CEMENTERS, TIE ONTO TBG AND MIX AND SPOT 400 SX CLASS "C" CEMENT W/2% SATURATED SALT MIXED @ 14.8 PPG W/1 34 YIELD IN A 95 BBL SLURRY @ 3 EPM @ 300 PSI. DISPLACE CMT W/7 BBL PLUG MUD @ 3 BPM @ 100 PSI. RIG DOWN CEMENTERS, PLUG WAS BALANCED. TOOH STANDING BACK 46 JTS 2 7/8" TBG AND LAID DOWN 41 JTS.

10/9/2009 T/H W/OPEN ENDED TBG TAG CMT @ 1304'. LAY DOWN 33 JTS 2 7/8" TBG EOT @ 423'. SPOKE TO BLM REP ANDY CORTEZ, INFORMED HIM OF TAG DEPTH. ANDY STATED THAT IT WOULD BE OK TO CMT FROM 423' TO SURFACE. PREP TO CMT.

10/10/2009 RIG UP RISING STAR CEMENTERS. MIX AND CIRCULATE A TOTAL OF 150 SX CLASS "C" NEAT CEMENT MIXED @ 14.8 PPG W/1 32 YIELD @ 1.5 BPM @ 100 PSI. CIRCULATE CMT TO SURF, LAY DOWN 13 JTS 2 7/8" TBG AND ND BOP AND FLANGE. TOP CSG OFF W/CMT AND WASH UP. RIG DOWN CEMENTERS AND RD P/U. RELEASE AND LOAD OUT W/S.

10/13/2009 DUG OUT CELLAR FOR WELDER ACCESS AND DUG OUT AROUND GUY LINE ANCHORS. CUT OFF WELL HEAD AND INSTALL DRY HOLE MARKER. CUT OFF GUY LINE ANCHORS, BACK FILL CELLAR AND GUY LINE ANCHOR HOLES. CLEAN LOC. AND MOVE OUT. TURN OVER TO PRODUCTION. FINAL REPORT.