

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD Hobbs

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

RECEIVED
JAN 07 2011 **SUNDRY NOTICES AND REPORTS ON WELLS**
HOBBSSOCD
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. NMNM16835
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 14 T20S R35E SWNE 1980FNL 1650FEL		8. Well Name and No. NEUHAUS 14 FEDERAL 4
		9. API Well No. 30-025-36353
		10. Field and Pool, or Exploratory FEATHERSTONE Bone Spring
		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 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 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
	<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 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.)

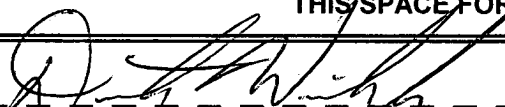
ADD PAY

CHESAPEAKE, RESPECTFULLY, REQUESTS PERMISSION TO WORKOVER THIS WELL PER THE FOLLOWING PROCEDURE:

1. MIRU wireline. ND WH. NU BOP. RIH to verify PBTD @ 10,180'. POOH.

2. RIH w/3-3/8", 22.7 gram, 0.42" hole guns loaded w/4 SPF @ 60 degree phasing. Correlate and shoot additional Bone Spring perforations. POOH. RDMO wireline.

Formation: Bone Spring (Carbonate)
Depth: 9986' - 10,008'
Total Pay: 22'**SEE ATTACHED FOR
CONDITIONS OF APPROVAL**

14. I hereby certify that the foregoing is true and correct. Electronic Submission #98648 verified by the BLM Well Information System For CHESAPEAKE OPERATING, INC., sent to the Hobbs		PETROLEUM ENGINEER JAN 11 2011	
Name (Printed/Typed) LINDA GOOD	Title SR. REGULATORY COMPLIANCE SPEC	Date 12/07/2010	
Signature (Electronic Submission)		Date 12/07/2010	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE			
Approved By 		Title /s/ Dustin Winkler	
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.		Date JAN 5 2011	
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowing and with intent to make any statement or representation to any officer, employee, or agent of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		BUREAU OF LAND MANAGEMENT CARLSBAD FIELD OFFICE	

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

Additional data for EC transaction #98648 that would not fit on the form

32. Additional remarks, continued

Perforations: 9986' - 10,008'

Interval: 22'

SPF: 4

Total Shots: 88

3. MIRU PU & hydrotesters. PU 2-7/8" production tbg and 5.5" 17# completion packer. TIH to 10,010' while hydrotesting to 5,000 psi. RDMO hydrotesters.

4. MIRU acid crew. Spot 15% NEFE HCL from 9,986' ? 10,008'. Set packer @ 9,975'.

5. Establish rate w/2% KCL. Treat Bone Spring (Carbonate) perforations w/5,000 gal of 15% NEFE HCL @ 5-6 BPM staging 125 7/8" balls evenly across the job. Overflush with a tbg volume. RD acid crew. Swab back to test for hydrocarbons.

6. Release packer. TOH. LD packer. Stand back 2-7/8" production tbg.

7. Contact engineer for artificial lift design. TIH with production equipment.

8. ND BOP. NU WH. RDMO PU.

(CHK PN 890895)

Neuhaus 14 Fed 4
Sec. 14-T20S-R35E, 1980 FNL & 1650 FEL
Lea County, NM
API #3002536353
CHK Prop #890895
AFE #305561
12/6/2010



Add Bone Spring Perforations

Well Data

Casing: 5.5" 17# N-80 @ 10,288'
 TD: 10,288'
 PBTD: 10,180'
 Elevation: 3,686' KB 3,671' GL
 WI / NRI (%): 59.31/ 44.66

Open Perforations:
 Bone Spring 9,788' – 9,818' @ 4 SPF (120 Shots)

Proposed Perforations:
 Bone Spring 9,986' – 10,008'

Tubular Specifications

SIZE	WEIGHT	GRADE	BURST	COLLAPSE	YIELD	DRIFT (ID/OD)	CAPACITY (FT./GAL)	CAPACITY (FT./BBL)
2-7/8"	6.5#	N-80	10,570 psi	11,160 psi	145K	2.347" / 3.668"	4.1135	172.76
5.5"	17#	N-80	7,740 psi	6,280 psi	348K	4.767" / 6.050"	1.02417	43.01

Procedure

- MIRU wireline. ND WH. NU BOP. RIH to verify PBTD @ 10,180'. POOH.
- RIH w/ 3-3/8", 22.7 gram, 0.42" hole guns loaded w/ 4 SPF @ 60° phasing. Correlate and shoot additional Bone Spring perforations. POOH. RDMO wireline.

Formation	Depth	Total Pay	Perforations	Interval	SP F	Total Shots
Bone Spring (Carbonate)	9,986' – 10,008'	22'	9,986' – 10,008'	22'	4	88

- MIRU PU & hydrotesters. PU 2-7/8" production tbg and 5.5" 17# completion packer. TIH to 10,010' while hydrotesting to 5,000 psi. RDMO hydrotesters.
- MIRU acid crew. Spot 15% NEFE HCL from 9,986' – 10,008'. Set packer @ 9,975'.
- Establish rate w/ 2% KCL. Treat Bone Spring (Carbonate) perforations w/ 5,000 gal of 15% NEFE HCL @ 5-6 BPM staging 125 7/8" balls evenly across the job. Overflush with a tbg volume. RD acid crew. Swab back to test for hydrocarbons.
- Release packer. TOH. LD packer. Stand back 2-7/8" production tbg.
- Contact engineer for artificial lift design. TIH with production equipment.
- ND BOP. NU WH. RDMO PU.

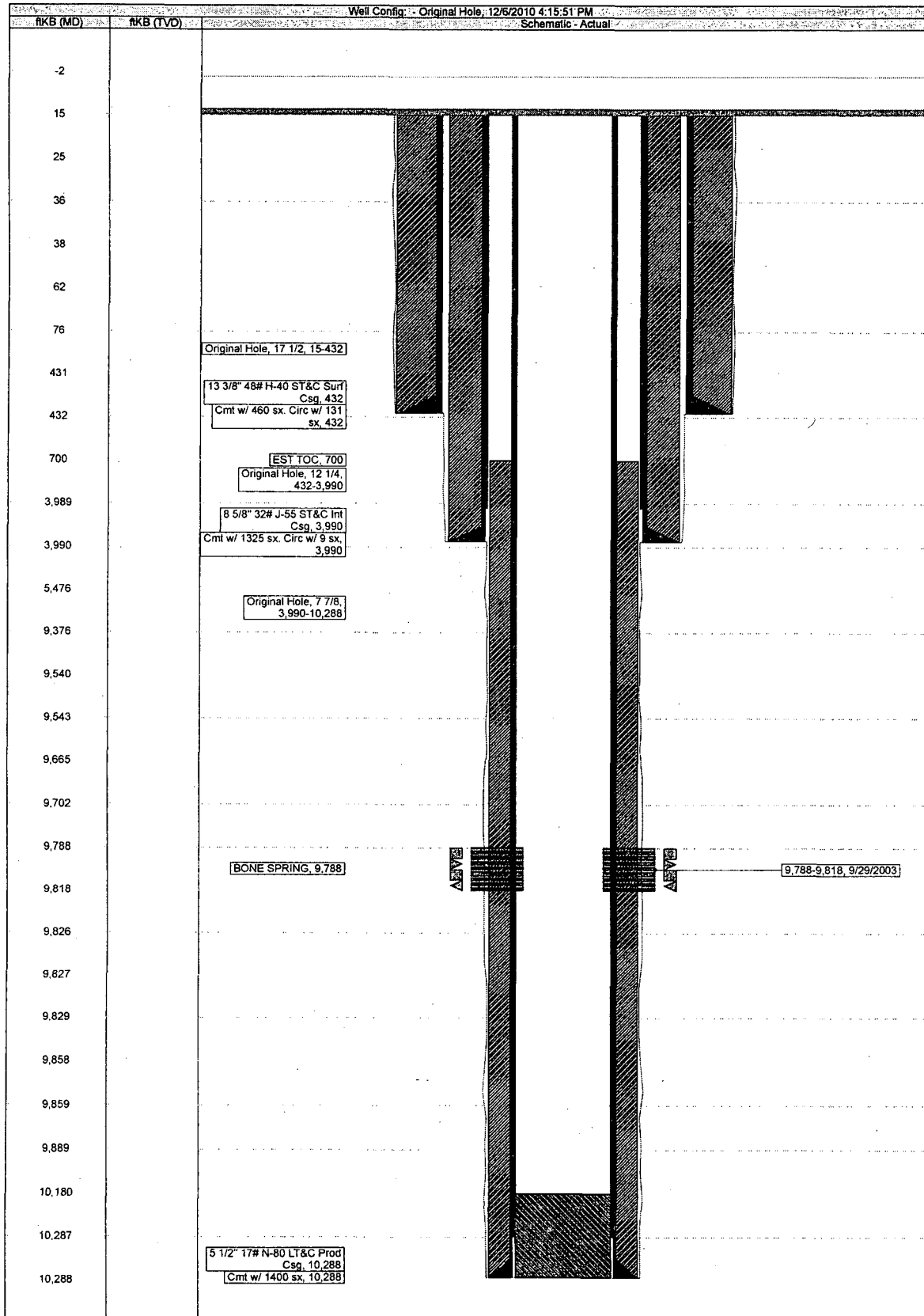


BLM Schematic
NEUHAUS 14 FEDERAL 4

CONFIDENTIAL

Field: FEATHERSTONE B, SPRING EAST
County: LEA
State: NEW MEXICO
Location: SEC 14, 20S-35E, 1980 FNL & 1650 FEL
Elevation: GL 3,671.0 KB 3,686.0
KB Height: 15.0

Spud Date: 8/24/2003
Initial Compl. Date:
API #: 3002536353
CHK Property #: 890895
1st Prod Date: 4/3/2005
PBTD: Original Hole - 10180.0
TD: 10,288.0



Chesapeake Operating, Inc.
NM-16835: Neuhaus 14 Federal #4
API: 30-025-36353
Eddy County, New Mexico

RE: Recompletion – Conditions of Approval

There is to be no surface disturbance beyond the originally approved pad. A closed loop system is to be used. H2S monitoring and protection equipment is to be on site.

3000 (3M) BOP to be used. All blowout preventer (BOP) and related equipment (BOPE) shall comply with reasonable well control requirements. A two ram system with a blind ram and a pipe ram designed for the size of the work string shall be adequate. Tapered work strings will require an additional pipe ram. The manifold shall comply with Onshore Oil and Gas Order #2 Attachment I (2M Diagrams of Choke Manifold Equipment). The accumulator system shall have an immediately available power source to close the rams and retain 200 psi above pre-charge. The pre-charge test shall follow requirements in Onshore Order #2.

Timing Limitation Stipulation / Condition of Approval for lesser prairie-chicken:
Oil and gas activities including 3-D geophysical exploration, and drilling will not be allowed in lesser prairie-chicken habitat during the period from March 1st through June 15th annually. During that period, other activities that produce noise or involve human activity, such as the maintenance of oil and gas facilities, pipeline, road, and well pad construction, will be allowed except between 3:00 am and 9:00 am. The 3:00 am to 9:00 am restriction will not apply to normal, around-the-clock operations, such as venting, flaring, or pumping, which do not require a human presence during this period. Additionally, no new drilling will be allowed within up to 200 meters of leks known at the time of permitting. Normal vehicle use on existing roads will not be restricted. Exhaust noise from pump jack engines must be muffled or otherwise controlled so as not to exceed 75 db measured at 30 feet from the source of the noise.

Submit subsequent report with well test once work is completed.

DHW 010511