

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

Form C-101
Permit 8165

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address CHESAPEAKE OPERATING, INC. PO Box 11050 Midland, TX 79702-8050		OGRID Number 147179
		API Number 30-025-37143
Property Code 34690	Property Name TP 11 STATE	Well No. 002

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
M	11	11S	33E	M	660	S	810	W	Lea

Proposed Pools

BAGLEY,PERMO PENN, NORTH 3820

Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type State	Ground Level Elevation 4239
Multiple N	Proposed Depth 10300	Formation Pennsylvanian	Contractor	Spud Date 03/28/2005

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	425	480	0
Int1	11	8.625	24	3800	820	0
Prod	7.875	5.5	17	10300	795	3000

Casing/Cement Program: Additional Comments

13 3/8 Lead 275 sx Cl. C + additives Tail 205 sx Cl. C + additives. 8 5/8 Lead 710 sx 50:50 Poz Cl. C + additives, Tail 110 sx Cl C + additives. TOC surface. 5 1/2 Lead 690 sx Poz Cl. C + additives Tail 105 sx Poz Cl C + additives. Est. TOC 3000.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	
Double Ram	5000	5000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Electronically Signed By: Brenda Coffman

Title: Regulatory Analyst

Date: 03/16/2005

Phone: 432-685-4310

OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 03/17/2005

Expiration Date: 03/17/2006

Conditions of Approval:

There are conditions. See Attached.