

District II1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 748-9720District III1000 Rio Brazos Rd., Aztec, NM 87410
Phone:(505) 334-6178 Fax:(505) 334-6170District IV1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462**State of New Mexico**

Energy, Minerals and Natural Resources

**Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505**

WELL API NUMBER

30-025-37489

5. Indicate Type of Lease

S

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

R E COLE

8. Well Number

004

9. OGRID Number

147179

10. Pool name or Wildcat

See Area 13

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: O

2. Name of Operator

CHESAPEAKE OPERATING, INC.

3. Address of Operator

P. O. BOX 18496, OKLAHOMA CITY, OK 731540496

4. Well Location

Unit Letter N : 460 feet from the S line and 2310 feet from the W line
Section 16 Township 22S Range 37E NMPM Lea County

11. Elevation (Show whether DR, KB, BT, GR, etc.)

3375 GR.

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

Other:

SUBSEQUENT REPORT OF:REMEDIAL WORK ☐ ALTER CASING ☐COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐CASING/CEMENT JOB ☐Other: **Perforations/Tubing**☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

1-05-06 RIH w/3 1/8" guns loaded 2 spf perf San Andres 4000'-4100', 200 holes, perf Grayburg 3656-3662', 12 holes perf San andres 3956'-3962' 12 holes. RU Cudd, Acidize 3956-3962 w/10 bbls KCL + 5,000 gals 15% NeFe HCL + 300 BS. Swab.

1-11-06 MIRU Gray WL. Set CIBP @ 3930'+20' cmt. Tst'd to 2000#-OK. Perf. Grayburg 3648 - 3803 (78') 2 spf 156 holes. RD

1-12-06 MIRU Crain Acid. Spot 210 gals 15% NeFe acid @ 3803'. Acidize Graybury w/5000 gals 15% NeFe acid+240 BS RDMO Crain. Swab.

01-25-06 RIH w/1 1/2" x 8' GA, 2 1/2" x 1 1/2" x 20' RHBC pump. Began testing well.

Perforations**Pool: PENROSE SKELLY;GRAYBURG, 50350 Location: N -16-22S-37E 460 S 2310 W**

TOP	BOT	Open Hole	Shots/ft	Shot Size	Material	Stimulation	Amount
3648	3803	N	2		Sand	Acid	5000

Tubing**PENROSE SKELLY;GRAYBURG, 50350**

Tubing Size	Type	Depth Set	Packer Set
2.875	J55	3627	

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.SIGNATURE Electronically Signed TITLE Regulatory Analyst DATE 2/1/2006Type or print name Brenda Coffman E-mail address bcoffman@chkenergy.com Telephone No. 432-685-4310**For State Use Only:**APPROVED BY: Paul Kautz TITLE Geologist DATE 2/2/2006 11:05:06 AM