

District I  
1625 N. French Dr., Hobbs, NM 88240  
Phone:(505) 393-6161 Fax:(505) 393-0720  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
Phone:(505) 748-1283 Fax:(505) 748-9720  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
Phone:(505) 334-6178 Fax:(505) 334-6170  
District IV  
1220 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

Form C-103  
Permit 49412

|                                                                                                                                                                                                                                     |  |                                                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------------------------------------------|
| SUNDRY NOTICES AND REPORTS ON WELLS<br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)                               |  | WELL API NUMBER<br>30-025-38236                        |
| 1. Type of Well:G                                                                                                                                                                                                                   |  | 5. Indicate Type of Lease<br>P                         |
| 2. Name of Operator<br>CHESAPEAKE OPERATING, INC.                                                                                                                                                                                   |  | 6. State Oil & Gas Lease No.                           |
| 3. Address of Operator<br>P. O. BOX 18496 , OKLAHOMA CITY , OK 731540496                                                                                                                                                            |  | 7. Lease Name or Unit Agreement Name<br>LOU WORTHAM 11 |
| 4. Well Location<br>Unit Letter B : 815 feet from the N line and 1547 feet from the E line<br>Section 11 Township 22S Range 37E NMPM Lea County                                                                                     |  | 8. Well Number<br>003                                  |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3346 GR.                                                                                                                                                                       |  | 9. OGRID Number<br>147179                              |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>                                                                                                                                    |  | 10. Pool name or Wildcat                               |
| Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>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: **Drilling/Cement** ☒

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.  
3/16/07. Ran 104 jts 5 1/2 15.5# J-55 LTC csg set @ 4350. Cmt'd w/400 sx 50:50 + additives, tail in w/240 sx 50:50 Poz. WOC 18 hrs.  
Circ 91 sx to surf. Tested csg to 4275 for 30 mins-OK. Release United Drilling rig #29 @ 1:00 pm. 3/7/2007 Spudded well.

Casing and Cement Program

| Date     | String | Fluid Type | Hole Size | Csg Size | Weight lb/ft | Grade | Est TOC | Dpth Set | Sacks | Yield | Class | 1" Dpth | Pres Held | Pres Drop | Open Hole |
|----------|--------|------------|-----------|----------|--------------|-------|---------|----------|-------|-------|-------|---------|-----------|-----------|-----------|
| 03/09/07 | Surf   | FreshWater | 11        | 8.625    | 24           | J-55  | 0       | 1124     | 400   | 1.75  | C     |         | 3000      | 0         | Y         |
| 03/16/07 | Prod   | FreshWater | 7.875     | 5.5      | 15.5         | J-55  | 0       | 4350     | 640   | 2.45  | C     |         | 4275      | 0         | Y         |

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 3/21/2007  
Type or print name Brenda Coffman E-mail address bcoffman@chkenergy.com Telephone No. 432-687-2992

For State Use Only:

APPROVED BY: Chris Williams TITLE District Supervisor DATE 3/22/2007 9:23:48 AM