

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 84438

SUNDRY NOTICES AND REPORTS ON WELLS (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.) 1. Type of Well: ☐ 2. Name of Operator CHESAPEAKE OPERATING, INC. 3. Address of Operator P. O. BOX 18496, OKLAHOMA CITY, OK 731540496 4. Well Location Unit Letter <u>D</u> : <u>330</u> feet from the <u>N</u> line and <u>330</u> feet from the <u>W</u> line Section <u>16</u> Township <u>21S</u> Range <u>32E</u> NMPM Lea County		WELL API NUMBER 30-025-38907
		5. Indicate Type of Lease S
		6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name LOST TANK 16 STATE		
8. Well Number 004		
9. OGRID Number 147179		
10. Pool name or Wildcat		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3652 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: **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.

10/29/08 thru 10/30/08:

RUN 13 3/8" 54.50# J-55 STC. CASING AS FOLLOWS: TPGS = .75', 2 JT'S CSG. = 83.72', FLOAT COLLAR = 1.40', 30 JTS. CASING = 1254.91'. TOTAL IN HOLE = 1340.78' CEMENT CASING AS FOLLOWS: 20 BBL'S H2O SPACER, 655 SKS. LEAD ECONOCHEM @ 12.40 PPG. & 2.03 YIELD + 1% CACL2 + 0.25 lbm/sk. PHENO SEAL. 340 SKS. TAIL @ 14.80 PPG. & 1.34 YIELD HALCEM + 1% CACL2 + .025 lbm/sk. PHENO SEAL. DISPLACED W/ 194 BBL'S. FW. PLUG DOWN W/ 940 PSI. 500 OVER. @ 10:15 AM. FLOAT HELD. CIRCULATED 254 SKS. (92 BBL'S) TO SURFACE. WOC TEST BOPE 250 LOW, 3000 HIGH. TEST CASING TO 1200 P.S.I. PRESSURE HELD 10/27/2008 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
10/29/08	Surf	FreshWater	17.5	13.375	54.5	J-55	0	1335	995	2.03	ECONOCHEM		1200		0

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 Sr. Regulatory Comp. Spec. DATE 10/31/2008
Type or print name Brenda Coffman E-mail address bcoffman@chkenergy.com Telephone No. 817-556-5825

For State Use Only:

APPROVED BY: Paul Kautz TITLE Geologist DATE 10/31/2008 10:42:48 AM