

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 132037

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.)		WELL API NUMBER 30-015-37375
1. Type of Well: O		5. Indicate Type of Lease S
2. Name of Operator CHESAPEAKE OPERATING, INC.		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 18496, Oklahoma City, OK 73154		7. Lease Name or Unit Agreement Name PLU PIERCE CANYON 16 STATE
4. Well Location Unit Letter <u>P</u> : <u>330</u> feet from the <u>S</u> line and <u>330</u> feet from the <u>E</u> line Section <u>16</u> Township <u>25S</u> Range <u>30E</u> NMPM <u>Eddy</u> County		8. Well Number 001H
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3289 GR.		9. OGRID Number 147179
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 _____		10. Pool name or Wildcat

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 ☒
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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.
 5/16/11: Drilled 8 3/4" hole w/fresh water and cut brine to 12992' & ran 292 jts 5 1/2" 20#, L-80 csg. Cemented production string w/POZ H cmt w/additives.
 1st Stage: Lead 360 sxs, 2.09 yield & Tail 1450 sxs, 1.25 yield.
 2nd Stage: Lead 200 sxs, 2.19 yield & Tail 100 sxs, 1.33 yield.
 Calc TOC on production string is 3381'.
 Released rig on 5/18/11. 4/22/2011 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
04/23/11	Surf	FreshWater	17.5	13.375	48	H-40	0	1072	343	1.73	C		1200
04/27/11	Int1	CutBrine	12.25	8.625	32	J-55	0	3881	1300	1.8			1500
05/17/11	Prod	CutBrine	8.75	5.5	20	L-80	3381	12892	2110		POZ H		
													Open Hole

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 Compliance Specialist DATE 5/20/2011
 Type or print name Bryan Arrant E-mail address bryan.arrant@chk.com Telephone No. 405-935-3782

For State Use Only:
 APPROVED BY: Randy Dade TITLE District Supervisor DATE 5/24/2011 8:33:21 AM