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|-------------------------|----------|---------------|---------------------------|-----------------|---------------------------|
| DATE IN <u>11.15.10</u> | SUSPENSE | ENG <u>TW</u> | LOGGED IN <u>11.15.10</u> | TYPE <u>WFX</u> | APP NO. <u>1031956559</u> |
|-------------------------|----------|---------------|---------------------------|-----------------|---------------------------|

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Engineering Bureau - WFX-878
 1220 South St. Francis Drive, Santa Fe, NM 87505



Chesapeake
147179

Trinity Burrus ABOL #2

ADMINISTRATIVE APPLICATION CHECKLIST 30-025-35985

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

- [NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
 [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
 [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
 [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
 [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
 [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

- [1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]
 [A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD
 Check One Only for [B] or [C]
 [B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM
 [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☒ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR
 [D] Other: Specify _____
- [2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply
 [A] ☐ Working, Royalty or Overriding Royalty Interest Owners
 [B] ☐ Offset Operators, Leaseholders or Surface Owner
 [C] ☐ Application is One Which Requires Published Legal Notice
 [D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
 [E] ☒ For all of the above, Proof of Notification or Publication is Attached, and/or,
 [F] ☐ Waivers are Attached
- [3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Christian Combs

Print or Type Name

Signature

Manager-Regulatory, S. Division

Title

11/18/10
 Date

For API# 30-025-35985

Christian.Combs@chk.com
 e-mail Address

RECEIVED OGD
 NOV 15 AM 11:20

R-10496

9036'-94'
x2
1807 PS I

lea



Regulatory Department

VIA UPS

November 12, 2010

Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505

RE: Trinity Burrus Abo Unit # 26
API# 30-025-35985
330' FNL & 2000' FEL
Unit Letter B, Section 27, T-12-S R-38-E
Lea Co., NM

Mr. Will Jones or To Whom It May Concern:

Enclosed for your review is NMOCD's form C-108 and attachments to convert the referenced well to injection. This application is made pursuant to Division Rule 19.15.26.8 (C) for administrative approval for injection purposes. Chesapeake proposes to re-enter the above captioned well and convert to injection in the lower Abo formation. Publication of the application of Chesapeake's intent to utilize the subject well for injection has been made to the Hobbs News Sun, and notice of application has been provided as required per NMOCD's Rule 19.15.26.8 (B) (2) within one-half mile of the well location.

Respectfully Yours,

Bryan Arrant
Chesapeake Operating, Inc.
Senior Regulatory Compliance Specialist

Enclosures (s): NMOCD's C-108 application
CC: NMOCD's District I Office, Hobbs, NM

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; Location by Section, Township, and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

- (1) The name, address, phone number, and contact party for the applicant;
- (2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;
- (3) The formation name and depth with expected maximum injection rates and pressures; and
- (4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

INJECTION WELL DATA SHEET

OPERATOR: Chesapeake Operating, Inc.WELL NAME & NUMBER: 330' FNL & 2000' FEL (API# 30-025-35985)WELL LOCATION: 330' FNL & 2000' FELUNIT LETTER B SECTION 27 TOWNSHIP 12 South RANGE 38 East

FOOTAGE LOCATION

WELLBORE SCHEMATICWELL CONSTRUCTION DATASurface CasingHole Size: 17 1/2" Casing Size: 13 3/8"Cemented with: 441 sxs sx. or ft³Top of Cement: 0' Method Determined: CirculatedIntermediate CasingHole Size: 11" Casing Size: 8 5/8"Cemented with: 273 sxs sx. or ft³Top of Cement: 0' Method Determined: CirculatedProduction CasingHole Size: 7 7/8" Casing Size: 5 1/2"Cemented with: 860 sxs sx. or ft³Top of Cement: 3920' Method Determined: CBLTotal Depth: 9260'Injection Interval9036' feet to 9094' (Peforated)

(Peforated or Open Hole; indicated which)

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8" Lining Material: Plastic

Type of Packer: Baker Lock Set Injection Packer

Packer Setting Depth: 8986'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is This a new well drilled for injection? _____ Yes X No

If no, for what purpose was the well originally drilled? Oil & gas well completion

2. Name of the Injected Formation: Lower Abo

3. Name of Field or Pool (if applicable): Trinity; Wolfcamp

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used. No

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injected zone in this area: None

**Application for Authorization to Inject
Chesapeake Operating, Inc.
Lea County, New Mexico**

Trinity Burrus Abo Unit # 26
API # 30-025-35985
330' FNL & 2000' FEL
Unit Letter B, Section 27, T-12-S, R-38-E
Lea Co., NM



Chesapeake Operating, Inc. proposes to re-enter the above captioned well in order to convert to injection.

This is an expansion of an existing project, Division Order: R-12496, (A).
Please find the following application for authorization to inject
(NMOCD's form C-108) along with attachments and item information:

REQUIREMENTS PER NMOCD's C-108 APPLICATION

Item I

The purpose of this application is for secondary recovery.

Item II

Chesapeake Operating, Inc. (OGRID # 147179)
P.O. Box 18496
Oklahoma City, OK 73154-0496
Bryan Arrant, Phone: (405) 935-3782



Item III

See Data Sheets attached.

Item IV

This is an expansion of an existing project and is covered under
Division Order: R-12496, (A).



Item V

See attached map showing all wells within ½ mile and 2 mile radius.

Item VI

Within the area of review (AOR) which penetrates each proposed disposal zone, there are no plugged wells within a ½ mile radius.

Item VII

1. Daily average injection rate is expected to be 300 BWPD. Maximum daily injection rate will be approximately 1000 BWPD.
2. The system will be closed.
3. The proposed average injection pressure is expected to be 1800 psig and the maximum pressure is expected to be 1800 psig.
4. The source of water to be injected is produced water from the unit area, and Devonian. A water analysis is attached. Item VII (5).
5. Injection is not for disposal.

Item VIII

The Trinity; Wolfcamp oil pool is located in southeastern Lea County, New Mexico. The Abo/Wolfcamp lithology in the proposed injection zone is composed of dolostones which are light brown to opaque in color, sucrosic in texture, and very fine to finely crystalline grained. Show samples have light brown staining with a light yellow green fluorescence.

The geological tops of the Abo & Wolfcamp formations are indicated below. The base of the Wolfcamp in this area occurs at a depth of @ 9718' (bgs). Fresh water in this area is from the Ogallala formation. Depth of fresh ground water ranges from near surface (18') to a maximum depth at around 120'. (Please find attached information).

Trinity Burrus Abo Unit # 26

Top of Abo: 7838'

Top of Wolfcamp: 9210'

Base of Wolfcamp: NDE

Item IX

Acidize injection interval with 5000 gals 15% HCl acid.

The procedure to convert this well to injection is attached.

Item X

The electric logs are available on the Oil Conservation Division's web site.

Item XI

A water analysis from a fresh water well is available within one mile of the proposed Trinity Burrus Abo Unit # 26 injection well and is attached.

Item XII

This application is not for a salt water disposal and is for injection into the Abo dolomite formation. There is no evidence of open faults or any other hydrological connection between the disposal zone and any underground sources of drinking water.

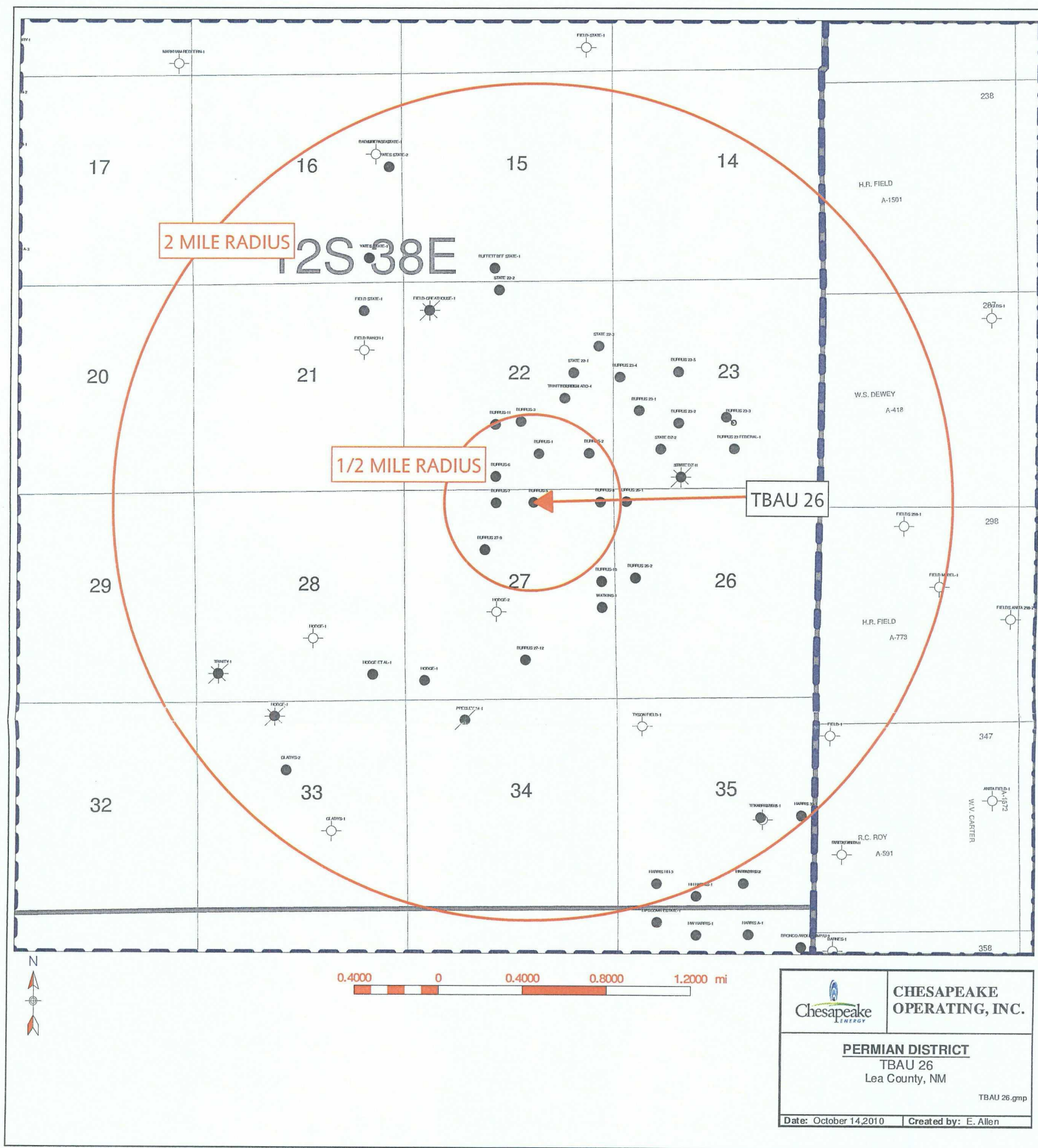
Item XIII

Proof of Notice

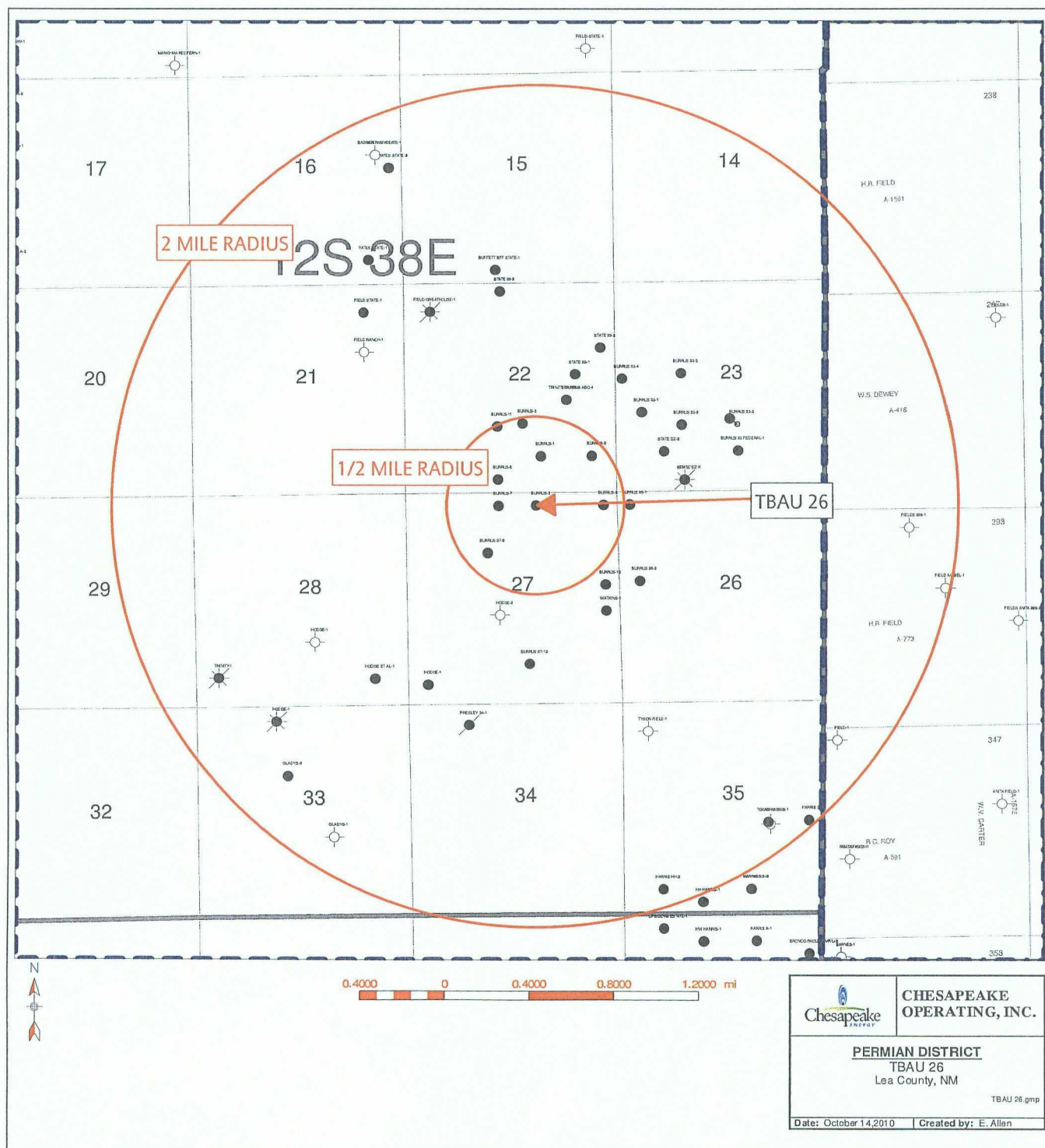
1. A copy of the application has been furnished by certified mail. A list is provided.
2. A copy of the legal advertisement in the county in which the well is located is attached.

Additional Information:

- Procedure to convert to injector.
- Actual & proposed well bore diagram.
- Geological formation tops.
- New Mexico Office of the State Engineer's list of water wells in the general area.



Trinity Burrus Abo Unit # 26
API # 30-025-35985



Trinity Burrus Abo Unit # 26
API # 30-025-35985



Catalyst Oilfield Services
11999 E Hwy 158
Gardendale, TX 79758
(432) 563-0727
Fax: (432) 224-1038

Water Analysis Report

Customer: Chesapeake Operating Sample #: 16145
Area: New Mexico - Bronco Analysis ID #: 2799
Lease: Trinity Burris Unit
Location: Water Injection Plant SE/4SW4 of Sec. 22, T-12-S R-38-E
Sample Point: IPD

Produced waters from Trinity Burrus Abo Unit area
& Devonian water

| | | mg/l | | meq/l | mg/l | | meq/l |
|---------------------|------------|-----------------------------------|---------|---------|-------------------------------|---------|--------|
| Sampling Date: | 11/24/2009 | Anions | | | Cations | | |
| Analysis Date: | 12/1/2009 | Chloride: | 35539.1 | 1002.43 | Sodium: | 19867.6 | 864.19 |
| Analyst: | Mitchell | Bicarbonate: | 439.9 | 7.21 | Magnesium: | 395.3 | 32.52 |
| TDS (mg/l or g/m3): | 60489.5 | Carbonate: | | | Calcium: | 2846.2 | 142.02 |
| Density (g/cm3): | 1.042 | Sulfate: | 1400.0 | 29.15 | Strontium: | | |
| Hydrogen Sulfide: | 25.00 | | | | Barium: | | |
| Carbon Dioxide: | | | | | Iron: | 1.1 | 0.04 |
| Comments: | | | | | Manganese: | 0.290 | 0.01 |
| | | pH at time of sampling: | | 6.06 | | | |
| | | pH at time of analysis: | | | | | |
| | | pH used in Calculation: | | 6.06 | | | |
| | | Temperature @ lab conditions (F): | | 70 | Conductivity (micro-ohms/cm): | | 99000 |
| | | | | | Resistivity (ohm meter): | | 1010 |

| | Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl | | | | | | | | | | |
|------|---|--------|--|--------|--------------------------------|--------|--------------------------------|--------|-----------------------------|--------|--|
| Temp | Calcite CaCO ₃ | | Gypsum CaSO ₄ ·2H ₂ O | | Anhydrite CaSO ₄ | | Celestite SrSO ₄ | | Barite BaSO ₄ | | |
| °F | Index | Amount | Index | Amount | Index | Amount | Index | Amount | Index | Amount | |
| 80 | -0.17 | 0.00 | -0.22 | 0.00 | -0.27 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 100 | -0.06 | 0.00 | -0.26 | 0.00 | -0.24 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 120 | 0.06 | 5.94 | -0.28 | 0.00 | -0.18 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 140 | 0.18 | 18.16 | -0.30 | 0.00 | -0.10 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 160 | 0.31 | 30.04 | -0.31 | 0.00 | -0.01 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 180 | 0.44 | 41.60 | -0.31 | 0.00 | 0.10 | 127.77 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 200 | 0.58 | 52.50 | -0.30 | 0.00 | 0.23 | 249.93 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 220 | 0.72 | 62.40 | -0.30 | 0.00 | 0.36 | 352.61 | 0.00 | 0.00 | 0.00 | 0.00 | |

Item VII(5)



Catalyst Oilfield Services
11999 E Hwy 158
Gardendale, TX 79758
(432) 563-0727
Fax: (432) 224-1038

Water Analysis Report

Customer: Chesapeake Operating Sample #: 16144
Area: New Mexico - Bronco Analysis ID #: 2798
Lease: Trinity Burris Unit
Location: Fresh Water Ogallala formation
Sample Point: Other SE/4SE/4 of Sec. 22, T-12-S R 38-E

| | | | | | | | |
|---------------------|------------|-----------------------------------|-------|-------|-------------------------------|-------|---------|
| Sampling Date: | 11/24/2009 | Anions | mg/l | meq/l | Cations | mg/l | meq/l |
| Analysis Date: | 12/1/2009 | Chloride: | 65.1 | 1.84 | Sodium: | 40.1 | 1.74 |
| Analyst: | Mitchell | Bicarbonate: | 220.0 | 3.6 | Magnesium: | 18.5 | 1.52 |
| TDS (mg/l or g/m3): | 507.8 | Carbonate: | | | Calcium: | 79.0 | 3.94 |
| Density (g/cm3): | 1 | Sulfate: | 85.0 | 1.77 | Strontium: | | |
| Hydrogen Sulfide: | .00 | | | | Barium: | | |
| Carbon Dioxide: | | | | | Iron: | 0.1 | 0. |
| Comments: | | | | | Manganese: | 0.020 | 0. |
| | | pH at time of sampling: | | 6.85 | | | |
| | | pH at time of analysis: | | | | | |
| | | pH used in Calculation: | | 6.85 | | | |
| | | Temperature @ lab conditions (F): | | 70 | Conductivity (micro-ohms/cm): | | 884 |
| | | | | | Resistivity (ohm meter): | | 11.3122 |

| Values Calculated at the Given Conditions - Amounts of Scale in lb/1000 bbl | | | | | | | | | | | |
|---|------------------------------|--------|--|--------|--------------------------------|--------|--------------------------------|--------|-----------------------------|--------|--|
| Temp | Calcite CaCO ₃ | | Gypsum CaSO ₄ *2H ₂ O | | Anhydrite CaSO ₄ | | Celestite SrSO ₄ | | Barite BaSO ₄ | | |
| °F | Index | Amount | Index | Amount | Index | Amount | Index | Amount | Index | Amount | |
| 80 | -0.42 | 0.00 | -1.64 | 0.00 | -1.71 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 100 | -0.28 | 0.00 | -1.63 | 0.00 | -1.64 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 120 | -0.13 | 0.00 | -1.62 | 0.00 | -1.54 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 140 | 0.03 | 1.05 | -1.59 | 0.00 | -1.43 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 160 | 0.20 | 6.66 | -1.56 | 0.00 | -1.29 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 180 | 0.37 | 12.61 | -1.53 | 0.00 | -1.14 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 200 | 0.56 | 18.22 | -1.49 | 0.00 | -0.98 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |
| 220 | 0.75 | 23.82 | -1.44 | 0.00 | -0.81 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | |

Item XI

**07 Ranch Land & Minerals Limited Partnerships
P. O. Box 1090
Plains, TX 79355**

**State of New Mexico of Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM 87504-1148**

**Yates Petroleum Corporation
105 South 4th Street
Artesia, NM 88210**

C-108 Application has also been submitted to:

**New Mexico Oil Conservation Division
District I office
1625 N. French Drive
Hobbs, NM 88240**

**Item XIII (1)
Proof of Notice**

LEGAL NOTICE

Chesapeake Operating, Inc. intends to convert the following well to water injection service: Trinity Burrus Abo Unit # 26, which is located in Unit B of Section 27, Township 12 South, Range 38 East, 330' FNL & 2000' FEL, Lea County, NM. This well is located approximately 13.5 miles east of Tatum, NM. The formation to be injected is into the lower Abo formation through perforations 9036'-9094'. The average disposal rate is expected to be 300 BWPD with a maximum disposal range of 1000 BWPD. The injection pressure is expected to be 1800 psig with a maximum pressure to be 1800 psig. This formation is productive of oil and gas. The proposed injection is for the purpose of increasing the recovery of oil and gas from this formation as this well is part of the Trinity Burrus Abo Unit. Questions or objections can be addressed to Chesapeake Operating, Inc. 6100 N. Western Ave., Oklahoma City, OK 73118 or call Shannon Glancy at: 405-935-8109. Any interested party that have objections or request a hearing must be filed within 15 days of this notice to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505.

OCT 21 + 15
NOV 5, 2010 ✓

Item XIII (2)

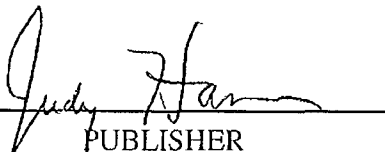
Affidavit of Publication

State of New Mexico,
County of Lea.

I, JUDY HANNA
PUBLISHER

of the Hobbs News-Sun, a
newspaper published at Hobbs, New
Mexico, do solemnly swear that the
clipping attached hereto was
published in the regular and entire
issue of said newspaper, and not a
supplement thereof for a period

of 1 issue(s).
Beginning with the issue dated
October 21, 2010
and ending with the issue dated
October 21, 2010


PUBLISHER

Sworn and subscribed to before me
this 8th day of
November, 2010


Notary Public

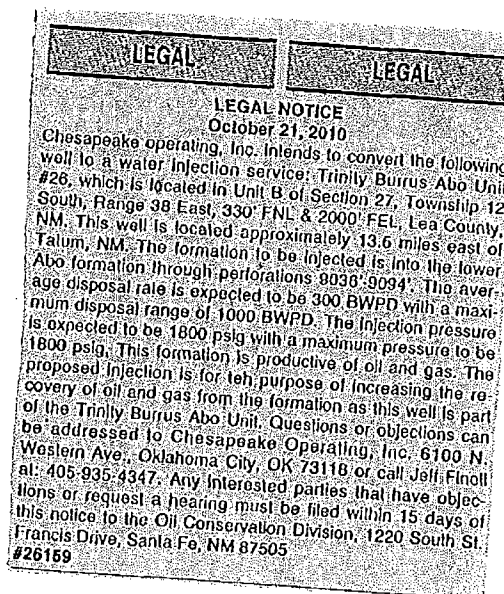
My commission expires

February 09, 2013

(Seal)



This newspaper is duly qualified to
publish legal notices or
advertisements within the meaning of
Section 3, Chapter 167, Laws of
1937 and payment of fees for said
publication has been made.



02108820

00061591

BRYANT ARRANT
CHESAPEAKE-LEGAL NOTICE
P.O. BOX 18496
OKLAHOMA CITY, OK 73154

7010 1060 0000 0256 8077



7010 1060 0000 0256 8084



7010 1060 0000 0256 8107



7010 1060 0000 0256 8077

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| Sent To <u>Gates Petroleum Corporation</u> | |
| Street, Apt. No., or PO Box No. <u>105 South 4th St.</u> | |
| City, State, ZIP+4 <u>Artesia, Nm 88210</u> | |
| PS Form 3800, August 2005 See Reverse for Instructions | |

7010 1060 0000 0256 8084

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| Street, Apt. No., or PO Box No. <u>310 Old Santa Fe Trail</u> | |
| City, State, ZIP+4 <u>Santa Fe, Nm 87504-1148</u> | |
| PS Form 3800, August 2005 See Reverse for Instructions | |

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| Return Receipt Fee (Endorsement Required) | |
| Restricted Delivery Fee (Endorsement Required) | |
| Total Postage & Fees | \$ |
| Postmark Here | |
| Sent To <u>Oil Ranch Land & Minerals Limited Partnerships</u> | |
| Street, Apt. No., or PO Box No. <u>P.O. Box 1090</u> | |
| City, State, ZIP+4 <u>Plains, TX 79355</u> | |
| PS Form 3800, August 2005 See Reverse for Instructions | |



Regulatory Department

November 8, 2010

VIA CERTIFIED MAIL 7010 1060 0000 0256 8084

State of New Mexico Commissioner of Public Lands
310 Old Santa Fe Trail
Santa Fe, NM 87504-1148

Re: Application to convert to injection
Trinity Burrus Abo Unit # 26
330' FNL & 2000' FEL
Section 27, T-12-S R-38-E
Lea County, New Mexico
API # 30-025-35985

Attention Mr. Pete Martinez or To Whom It May Concern:

Chesapeake Operating, Inc. intends to convert the following well to an injection well: Trinity Burrus Abo Unit # 26 which is located 330' FNL & 2000' FEL of Section 27, Township 12 South Range 38 East, Lea County, New Mexico. The formation to be injected is for disposal purposes into the Lower Abo formation. The daily average injection rate is expected to be 300 BWPD and a maximum injection rate of 1000 BWPD. The proposed average injection pressure is expected to be 1800 psig. The maximum pressure is expected to be 1800 psig. The perforated interval is to be 9036'-9094'. Please find the enclosed: NMOCD's C-108 application. Questions or objections can be addressed to Chesapeake Operating, Inc. 6100 N. Western Ave., Oklahoma City, OK 73118 or call Shannon Glancy at: 405-935-8109. Objections or requests for hearing must be filed within 15 days of this notice to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505.

Respectfully Yours,

Bryan Arrant
Senior Regulatory Compliance Specialist

Enclosures: NMOCD's C-108 Application



Regulatory Department

November 8, 2010

VIA CERTIFIED MAIL 7010 1060 0000 0256 8077

Yates Petroleum Corporation
105 South 4th Street
Artesia, NM 88201

Re: Application to convert to injection
Trinity Burrus Abo Unit # 26
330' FNL & 2000' FEL
Section 27, T-12-S R-38-E
Lea County, New Mexico
API # 30-025-35985

Dear Sirs/Madams:

Chesapeake Operating, Inc. intends to convert the following well to an injection well: Trinity Burrus Abo Unit # 26 which is located 330' FNL & 2000' FEL of Section 27, Township 12 South Range 38 East, Lea County, New Mexico. The formation to be injected is for disposal purposes into the Lower Abo formation. The daily average injection rate is expected to be 300 BWPD and a maximum injection rate of 1000 BWPD. The proposed average injection pressure is expected to be 1800 psig. The maximum pressure is expected to be 1800 psig. The perforated interval is to be 9036'-9094'. Please find the enclosed: NMOCD's C-108 application. Questions or objections can be addressed to Chesapeake Operating, Inc. 6100 N. Western Ave., Oklahoma City, OK 73118 or call Shannon Glancy at: 405-935-8109. Objections or requests for hearing must be filed within 15 days of this notice to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505.

Respectfully Yours,

Bryan Arrant
Senior Regulatory Compliance Specialist

Enclosures: NMOCD's C-108 Application



Regulatory Department

November 8, 2010

VIA CERTIFIED MAIL 7010 1060 0000 0256 8107

07 Ranch Land & Minerals Limited Partnerships
P.O. Box 1090
Plains, TX 79355

Re: Application to convert to injection
Trinity Burrus Abo Unit # 26
330' FNL & 2000' FEL
Section 27, T-12-S R-38-E
Lea County, New Mexico
API # 30-025-35985

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Respectfully Yours,

A handwritten signature in black ink, appearing to read "Bryan Afrant".

Bryan Afrant
Senior Regulatory Compliance Specialist

Enclosures: NMOCD's C-108 Application

Additional Information

- **Procedure to convert to injector.**
- **Actual & proposed well bore diagram.**
- **Geological formation tops.**
- **New Mexico Office of the State Engineers' list of water wells in general area.**

TBAU #26
Sec. 27-T12S-R38E, 330 FNL & 2000 FEL
Lea County, NM
API #3002535985
CHK Prop #890680
AFE #305472
10/05/2010



Convert to Injector

Well Data

Tubing: 2-7/8" 6.5# N-80 @ 9,125'
 Casing: 5.5" 17# N-80 & J-55 @ 9,260'
 TD: 9,260'
 Elevation: 3,815' KB 3,797' GL
 WI / NRI (%): 65.59/ 50.70

Tools: 2-7/8" X 5.5" TAC @ 8,836'

Open Perforations:
 Wolfcamp 9,036' – 94'

Tubular Specifications

| SIZE | WEIGHT | GRADE | BURST | COLLAPSE | YIELD | DRIFT (ID/OD) | CAPACITY (FT./GAL) | CAPACITY (FT./BBL) |
|--------|--------|-------------|-----------|-----------|-------|------------------|-----------------------|-----------------------|
| 2-7/8" | 6.5# | N-80 | 10570 psi | 11160 psi | 145K | 2.347" / 3.094" | 4.1135 | 172.76 |
| 5.5" | 17# | N-80 / J-55 | 5320 psi | 4910 psi | 247K | 4.767" / 6.050" | 1.0242 | 43.01 |

Procedure

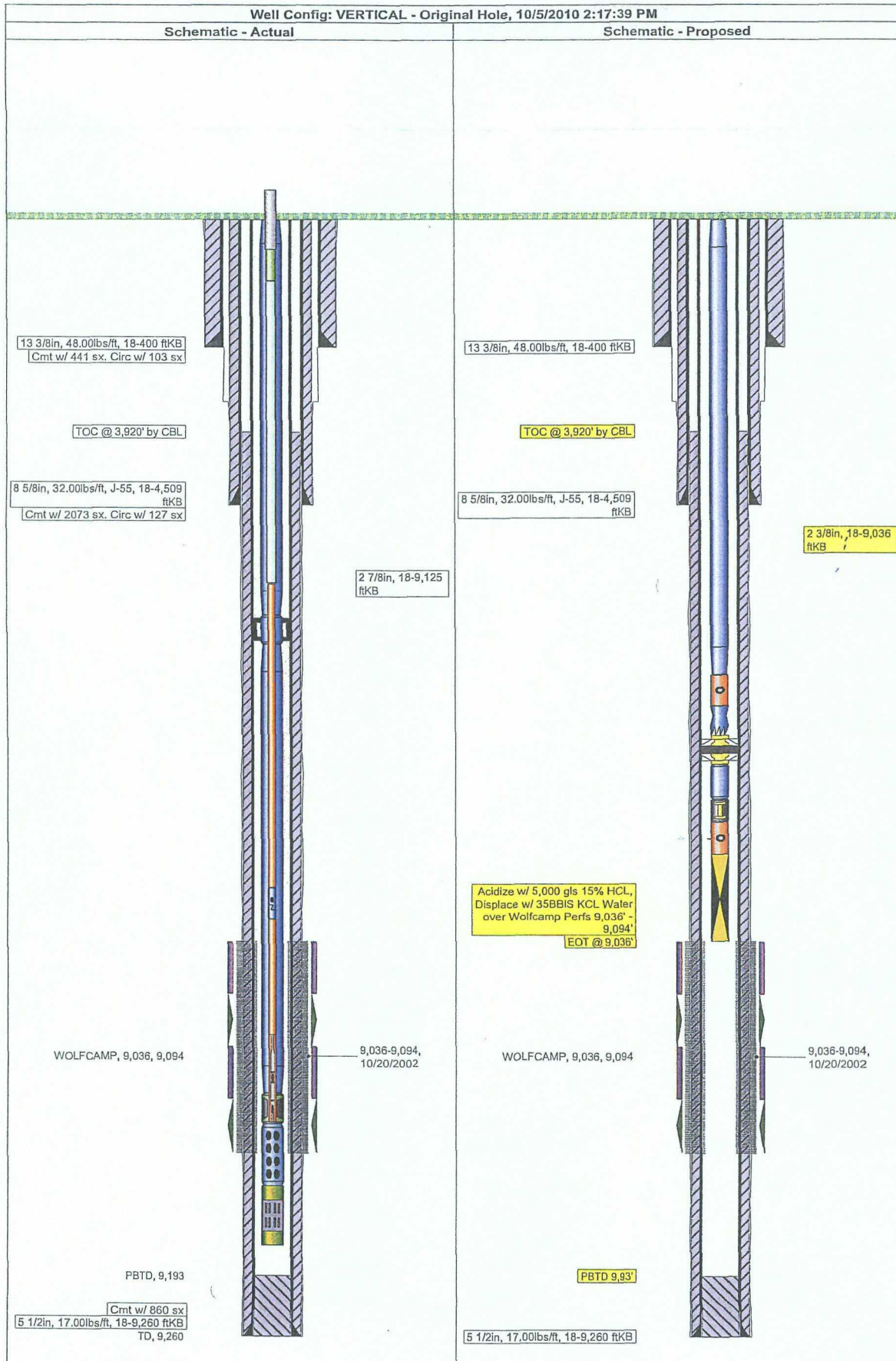
1. Prepare location. Test anchors and clean area for workover.
2. MIRU PU. TOH & LD rod string and pump. ND WH. NU BOP.
3. Release TAC set @ 8,836'. TOH & LD 2-7/8" production tubing. (Run bit & scraper if deemed necessary)
4. RU hydrotesters. PU 2-3/8" pump out plug, 1.43" SS F-nipple w/ 1.385" No-Go, 2-3/8" N-80 IPC sub, 2-3/8" X 5-1/2" lock-set injection packer, on/off tool w/ 1.5" SS F-nipple & 2-3/8" N-80 IPC tbg. TIH while hydrotesting & set injection packer 50' from the top perforation @ 9,036'. RD hydrotesters.
5. Release on/off tool. Load hole w/ packer fluid. (Approx. 200 bbl). Latch on/off tool. Pressure up on casing to ensure integrity for OCD. Pressure up on tubing to pump out plug.
6. RU acid crew. Pump 5000 gal 15% HCL job on Wolfcamp perforations from 9,036' – 94'. Displace acid w/ tubing volume of KCL water (Approx. 35 bbl).
7. ND BOP. NU WH. RDMO PU. Clean location & begin injection.

Contacts

Completions Superintendent: Mark Mabe (432) 556-6067
 Production Foreman: Steve Serna (575) 390-9053
 Production Engineer: Shannon Glancy (405) 935-8109



Proposal Schematic
Trinity Burrus Abo Unit # 26
API # 30-025-35985



**Trinity Burrus Abo Unit # 26
Unit B, Sec. 27, T-12-S R-38-E
Lea Co., NM
API# 30-025-35985**

Geological Formation Tops

| | |
|----------------|-------|
| • Yates | 3080' |
| • Seven Rivers | 3305' |
| • Queen | 3840' |
| • San Andres | 4460' |
| • Glorieta | 5925' |
| • Tubb | 7162' |
| • Abo | 7838' |
| • Wolfcamp | 9120' |



New Mexico Office of the State Engineer

Water Column/Average Depth to Water

(quarters are 1=NW 2=NE 3=SW 4=SE)

(quarters are smallest to largest) (NAD83 UTM in meters)

(In feet)

| POD Number | Sub basin | Use | County | Q Q Q | | | | | | X | Depth Depth Water | | | |
|-------------------------|--------------|-----|--------|-------|----|---|-----|-----|-----|--------|-------------------|----------|--------|-----|
| | | | | 64 | 16 | 4 | Sec | Tws | Rng | | Y | Well | Column | |
| L 00568 S 16 | | IRR | LE | 4 | 4 | 2 | 23 | 12S | 38E | 680696 | 3682353* | 240 | 120 | 120 |
| L 01462 APPRO | | DOM | LE | 3 | 3 | 2 | 33 | 12S | 38E | 676937 | 3679065* | 80 | 32 | 48 |
| L 02461 | | PRO | LE | | 1 | 1 | 35 | 12S | 38E | 679446 | 3679617* | 125 | 27 | 98 |
| L 02461 APPRO | | PRO | LE | | 1 | 1 | 35 | 12S | 38E | 679446 | 3679617* | 125 | 27 | 98 |
| L 02851 APPRO | | DOM | LE | 4 | 2 | 4 | 23 | 12S | 38E | 680705 | 3681951* | 61 | 30 | 31 |
| L 03355 | | PRO | LE | | 1 | 4 | 35 | 12S | 38E | 680265 | 3678828* | 110 | 110 | 0 |
| L 03355 APPRO | | PRO | LE | | 1 | 4 | 35 | 12S | 38E | 680265 | 3678828* | 110 | 110 | 0 |
| L 03531 | | PRO | LE | 2 | 2 | 4 | 27 | 12S | 38E | 679128 | 3680513* | 96 | 42 | 54 |
| L 03531 APPRO | | PRO | LE | 2 | 4 | 4 | 27 | 12S | 38E | 679135 | 3680111* | 96 | 42 | 54 |
| L 06873 | | DOM | LE | | | | 34 | 12S | 38E | 678461 | 3678981* | 70 | 42 | 28 |
| L 06873 CLW | | DOM | LE | 2 | 4 | 3 | 34 | 12S | 38E | 678360 | 3678485* | 70 | | |
| L 07417 | | STK | LE | | 4 | 3 | 28 | 12S | 38E | 676622 | 3679963* | 40 | 18 | 22 |
| L 08521 | | DOM | LE | | 3 | 4 | 34 | 12S | 38E | 678663 | 3678394* | 75 | | |
| L 09341 | | DOM | LE | | 1 | 4 | 23 | 12S | 38E | 680204 | 3682045* | 120 | 25 | 95 |
| L 10370 | | DOM | LE | 1 | 4 | 4 | 33 | 12S | 38E | 677354 | 3678469* | 65 | 36 | 29 |
| L 10374 | | DOM | LE | | 1 | 4 | 23 | 12S | 38E | 680204 | 3682045* | 65 | | |
| L 10540 | | DOM | LE | 1 | 4 | 4 | 33 | 12S | 38E | 677354 | 3678469* | 80 | 40 | 40 |
| L 10704 | | PRO | LE | 3 | 3 | 3 | 27 | 12S | 38E | 677727 | 3679886* | 200 | | |
| L 10830 | | DOM | LE | | | 3 | 34 | 12S | 38E | 678059 | 3678579* | 80 | 45 | 35 |
| Average Depth to Water: | | | | | | | | | | | | 49 feet | | |
| Minimum Depth: | | | | | | | | | | | | 18 feet | | |
| Maximum Depth: | | | | | | | | | | | | 120 feet | | |

Record Count: 19**Basin/County Search:****Basin:** Lea County**PLSS Search:**

Section(s): 22, 23, 24, 26,
27, 28, 33, 34,
35

Township: 12S **Range:** 38E

*UTM location was derived from PLSS - see Help

The data is furnished by the NMOSE/ISC and is accepted by the recipient with the expressed understanding that the OSE/ISC make no warranties, expressed or implied, concerning the accuracy, completeness, reliability, usability, or suitability for any particular purpose of the data.

10/13/10 10:23 AM

WATER COLUMN/ AVERAGE
DEPTH TO WATER