

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesa, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 PO Box 2088
 Santa Fe, NM 87504-2088

Form C-101
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 State Lease - 6 Copies
 Fee Lease - 5 Copies

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address. Chesapeake Operating, Inc. P. O. Box 18496 Oklahoma City, OK 73154-0496		' OGRID Number 147179
		' API Number 30-025-34421
' Property Code 23389	' Property Name WAREHOUSE 10	' Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	10	16S	36E		1172	North	2445	East	LEA

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	10	16S	36E		1438	North	1856	West	LEA

' Proposed Pool 1 N.E. Shoe Bar Strawn Lovington Penn					' Proposed Pool 2				
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' Work Type Code N	' Well Type Code O	' Cable/Rotary R	' Lease Type Code P	' Ground Level Elevation 3,909'
' Multiple No	' Proposed Depth MD: 12,141' TVD: 11,976'	' Formation Strawn	' Contractor Patterson 45	' Spud Date 07-15-98

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	48#	450'	500	Surface
12-1/4"	9-5/8"	40#	4,500'	2000	Surface
7-7/8"	5-1/2"	17#	12,150'	1500	± 4,000'

¹² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Chesapeake Operating, Inc. proposes to drill to 12,141 in the Strawn formation with Patterson as the drilling contractor.

Patterson's BOP stack consists of 11" 5M# x Blind & pipe rams with 11" 5M# annular.

Permit Expires 1 Year From Approval
 Date Unless Drilling Underway

¹³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Barbara J. Bale*
 Printed name: Barbara J. Bale
 Title: Regulatory Analyst
 Date: 05/29/98
 Phone: (405)848-8000

OIL CONSERVATION DIVISION

Approved by: ORIGINAL SIGNED BY CHRIS WILLIAMS
 Title: DISTRICT SUPERVISOR
 Approval Date: JUN 17 1998
 Expiration Date:
 Conditions of Approval:
 Attached

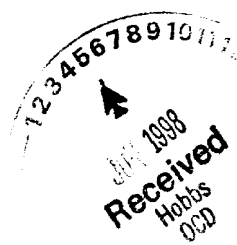
555

C-101 Instructions

Measurements and dimensions are to be in feet/inches. Well locations will refer to the New Mexico Principal Meridian.

IF THIS IS AN AMENDED REPORT CHECK THE BOX LABLED "AMENDED REPORT" AT THE TOP OF THIS DOCUMENT.

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| <p>1 Operator's OGRID number. If you do not have one it will be assigned and filled in by the District office.</p> <p>2 Operator's name and address</p> <p>3 API number of this well. If this is a new drill the OCD will assign the number and fill this in.</p> <p>4 Property code. If this is a new property the OCD will assign the number and fill it in.</p> <p>5 Property name that used to be called 'well name'</p> <p>6 The number of this well on the property.</p> <p>7 The surveyed location of this well New Mexico Principal Meridian NOTE: If the United States government survey designates a Lot Number for this location use that number in the 'UL or lot no.' box. Otherwise use the OCD Unit Letter.</p> <p>8 The proposed bottom hole location of this well at TD</p> <p>9 and 10 The proposed pool(s) to which this well is being drilled.</p> <p>11 Work type code from the following table:
 N New well
 E Re-entry
 D Drill deeper
 P Plugback
 A Add a zone</p> <p>12 Well type code from the following table:
 O Single oil completion
 G Single gas completion
 M Multiple completion
 I Injection well
 S SWD well
 W Water supply well
 C Carbon dioxide well</p> <p>13 Cable or rotary drilling code
 C Propose to cable tool drill
 R Propose to rotary drill</p> <p>14 Lease type code from the following table:
 F Federal
 S State
 P Private
 N Navajo
 J Jicarilla
 U Ute
 I Other Indian tribe</p> <p>15 Ground level elevation above sea level</p> <p>16 Intend to multiple complete? Yes or No</p> <p>17 Proposed total depth of this well</p> | <p>18 Geologic formation at TD</p> <p>19 Name of the intended drilling company if known.</p> <p>20 Anticipated spud date.</p> <p>21 Proposed hole size ID inches, proposed casing OD inches, casing weight in pounds per foot, setting depth of the casing or depth and top of liner, proposed cementing volume, and estimated top of cement</p> <p>22 Brief description of the proposed drilling program and SOP program. Attach additional sheets if necessary.</p> <p>23 The signature, printed name, and title of the person authorized to make this report. The date this report was signed and the telephone number to call for questions about this report.</p> |
|--|--|



DISTRICT I
P.O. Box 1988, Hobbs, NM 88241-1988

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION

DISTRICT III
1000 Rio Brazos Rd., Artec, NM 87410

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT IV
P.O. Box 2088, Santa Fe, NM 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34421	Pool Code 40760	Pool Name N.E. Shoe Bar-Strawn Lovington Penn
Property Code 23389	Property Name WAREHOUSE "10"	Well Number 1
OGRID No. 147179	Operator Name CHESAPEAKE OPERATING, INC.	Elevation 3909

Surface Location

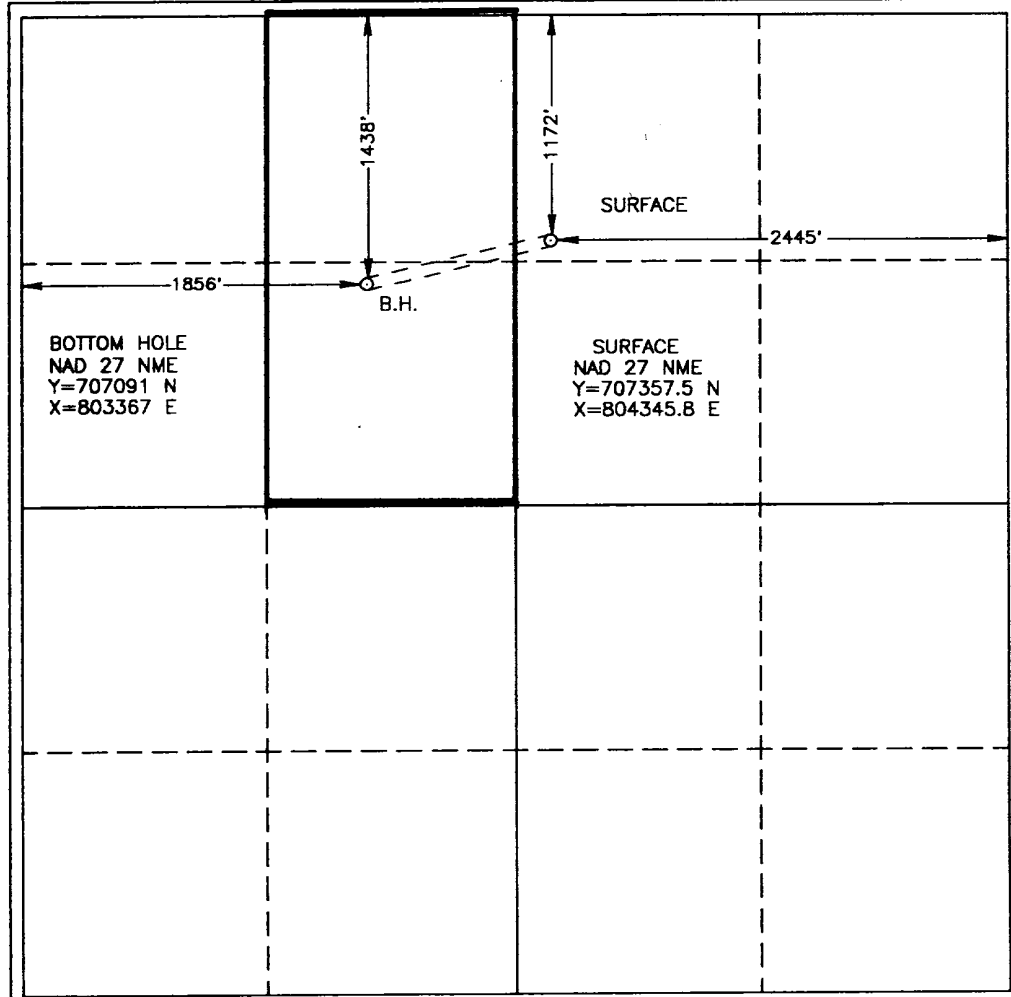
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
B	10	16 S	36 E		1172	NORTH	2445	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
F	10	16 S	36 E		1438	NORTH	1856	WEST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
80			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.

Barbara J. Bale
Signature
Barbara J. Bale
Printed Name
Regulatory Analyst
Title
05/27/98
Date

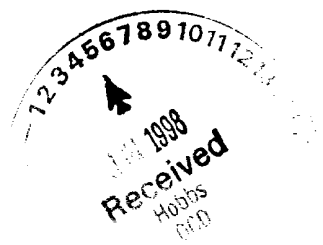
SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

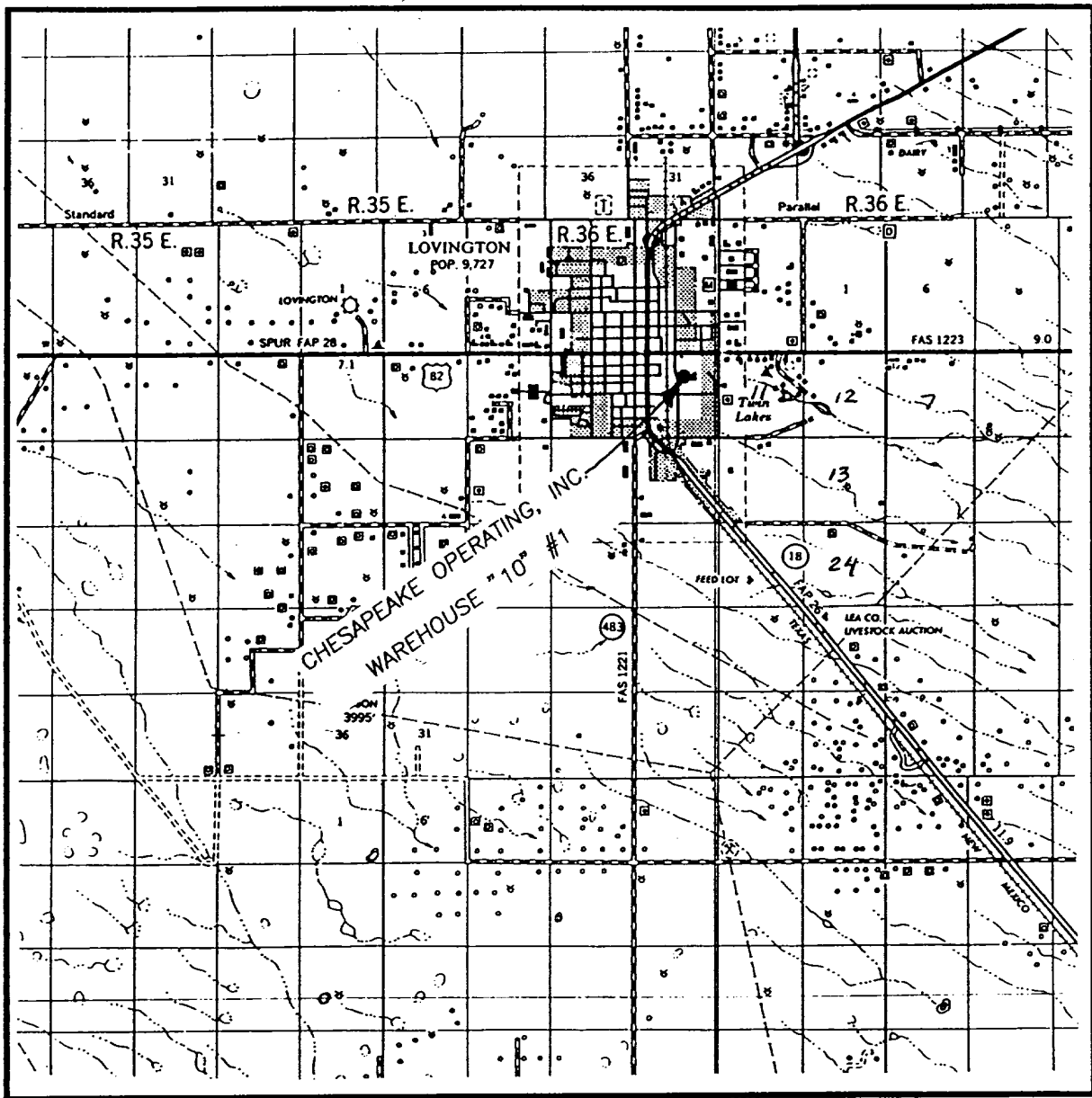
MAY 13, 1998
Date Surveyed JLP

Ronald S. Edson
Signature & Seal of Professional Surveyor
RONALD S. EDSON
W.O. Num. 98-1120743

Certificate No. RONALD S. EDSON, 3239
GARY G. EDSON, 12641
RONALD S. EDSON, 12185



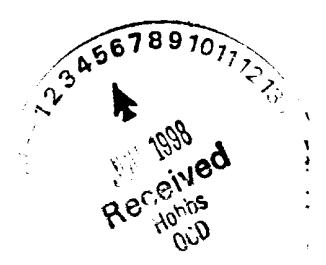
VICINITY MAP



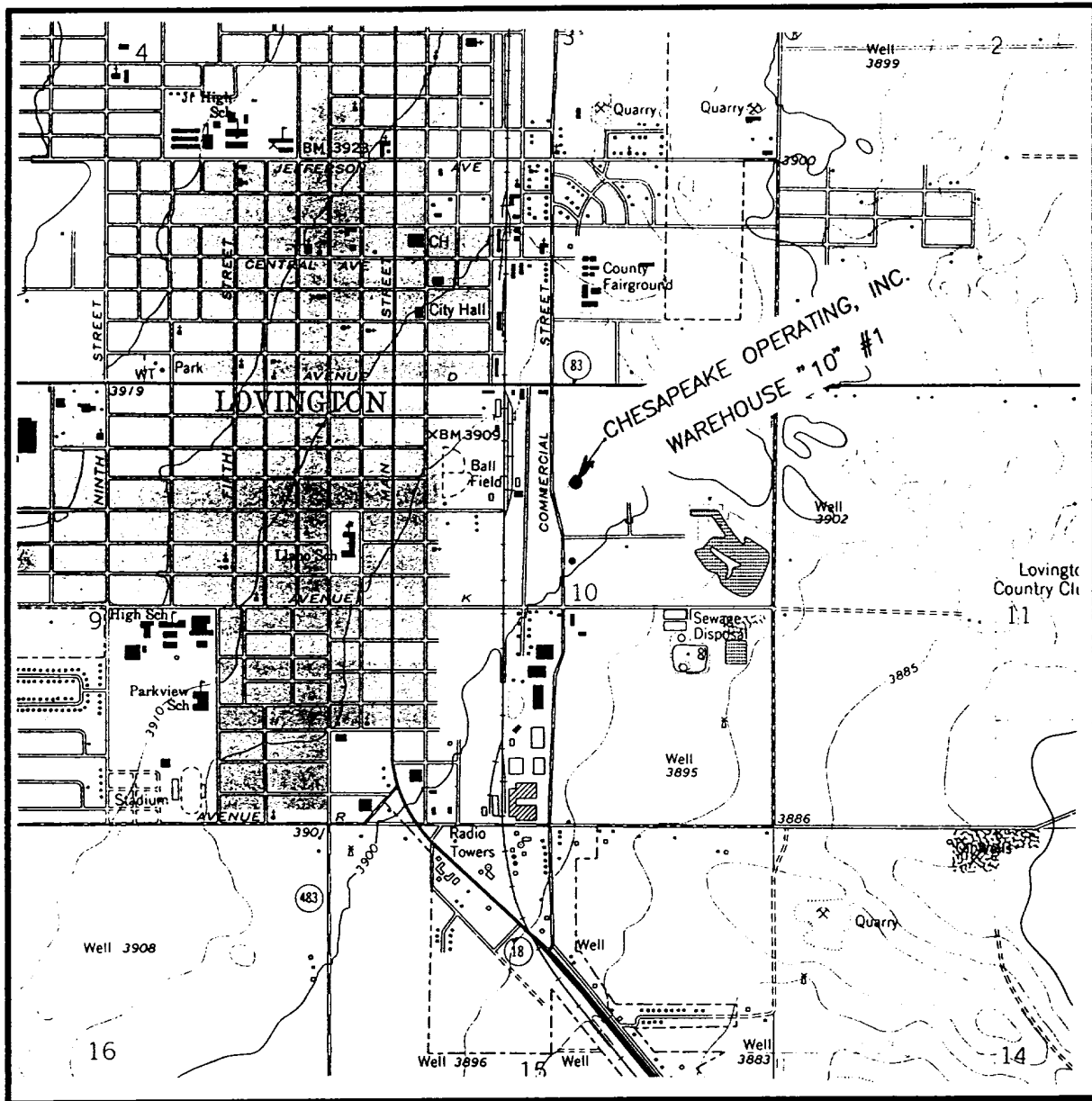
SCALE: 1" = 2 MILES

SEC. 10 TWP. 16-S RGE. 36-E
 SURVEY N.M.P.M.
 COUNTY LEA
 DESCRIPTION 1172' FNL & 2445' FEL
 ELEVATION 3901'
 OPERATOR CHESAPEAKE OPERATING, INC.
 LEASE WAREHOUSE "10"

JOHN WEST ENGINEERING
HOBBS, NEW MEXICO
(505) 393-3117



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL - 5'

SEC. 10 TWP. 16-S RGE. 36-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1172' FNL & 2445' FEL

ELEVATION 3901'

OPERATOR CHESAPEAKE OPERATING, INC.

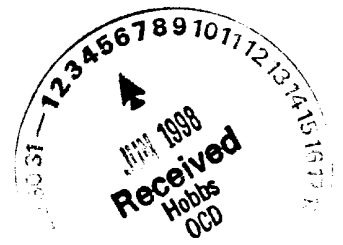
LEASE WAREHOUSE "10"

U.S.G.S. TOPOGRAPHIC MAP

LOVINGTON, N.M.

**JOHN WEST ENGINEERING
HOBBS, NEW MEXICO**

(505) 393-3117



R35E

36

32

33

R36E

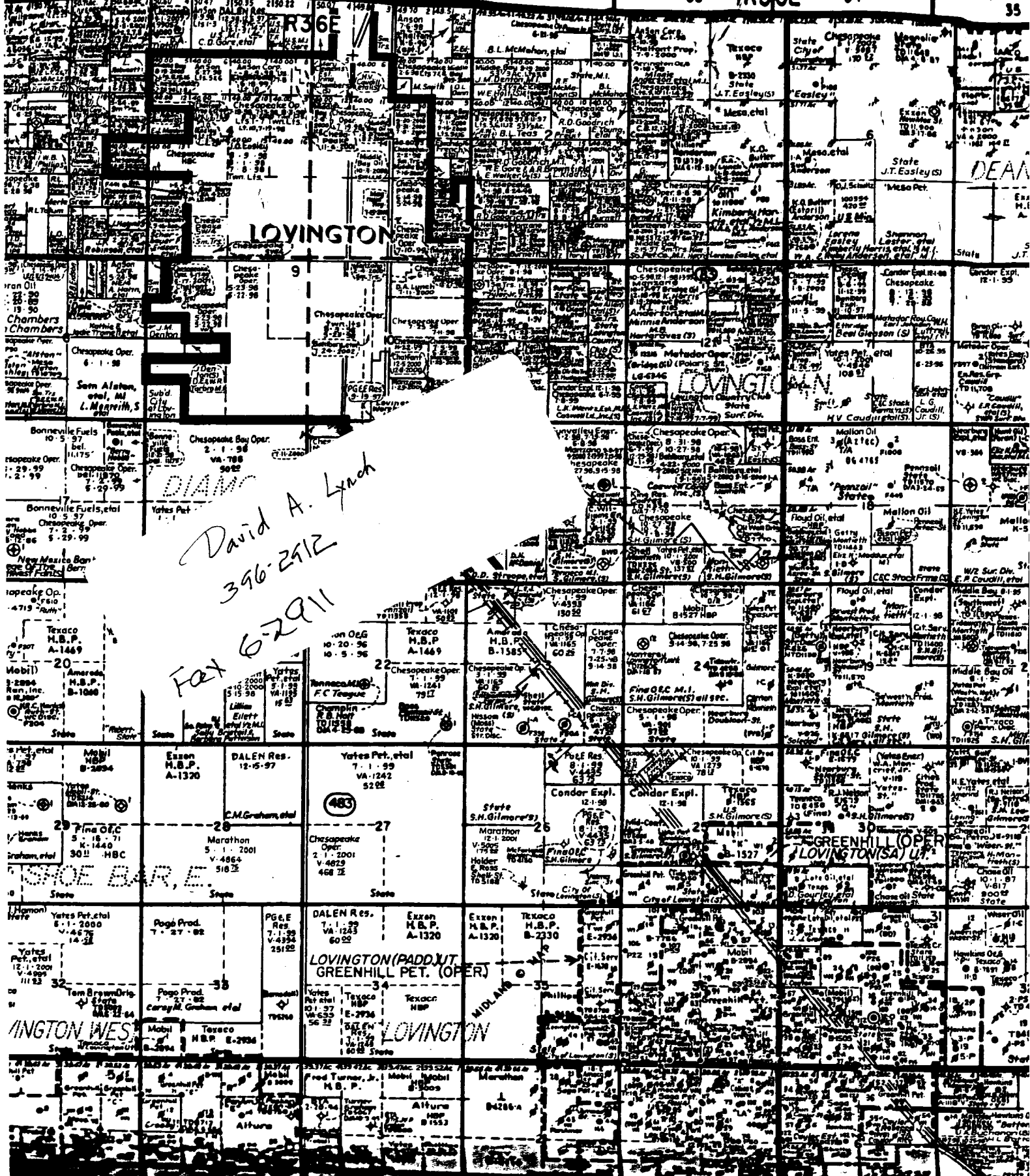
34

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LOVINGTON

LOVINGTON

DIAMOND
David A. Lynch
396-2912
Fax 672911



LOVINGTON WES

LOVINGTON (PADD) UT GREENHILL PET. (OPER)

GREENHILL OPER (LOVINGTON) U.P.

MIDLAND

LOVINGTON