

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

Form C-103
Permit 24077

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

WELL API NUMBER
30-025-37621

5. Indicate Type of Lease
S

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
SIMS 13 STATE

8. Well Number
002

9. OGRID Number
147179

10. Pool name or Wildcat

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.)

1. Type of Well: O

2. Name of Operator

CHESAPEAKE OPERATING, INC.

3. Address of Operator

P. O. BOX 18496, OKLAHOMA CITY, OK 731540496

4. Well Location

Unit Letter E : 1650 feet from the N line and 330 feet from the W line
Section 13 Township 20S Range 35E NMPM Lea County

11. Elevation (Show whether DR, KB, BT, GR, etc.)

3655 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.

2/10/06 In 17 1/2" surface hole ran 11 jts. 13 3/8" 43# H-40 STC csg. set @ 473'. Cmt'd w/302 sx Cl. C + additives, 1.74 yield, tail in w/100 sx Cl. C + additives 1.34 yield. Circ. 49 bbls cmt to pit. WOC 24 hrs.

2/11/06 Tested to 1200# for 30 mins. - OK

2/19/06 In 11" hole, ran 88 jts. 8 5/8" 32# J55 LTC csg. set @ 4000'. Cmt'd w/1300 sx 50:50 Poz C + additives 2.45 yield, tail in w/200 sx Cl. C + additives 1.34 yield. Circ 280 sx cmt to pit.

2/20/06 Tested csg to 2700# for 30 mins. - OK 2/9/2006 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
02/10/06	Surf	FreshWater	17.5	13.375	48	H40	0	473	402	1.74	C		1200	0	
02/19/06	Int1	CutBrine	11	8.625	32	J55	0	4000	1500	2.45	Poz C		2700	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 Regulatory Analyst

DATE 2/22/2006

Type or print name Brenda Coffman

E-mail address bcoffman@chkenergy.com Telephone No. 432-685-4310

For State Use Only:

APPROVED BY: Paul Kautz

TITLE Geologist

DATE 2/22/2006 11:44:25 AM