

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) 476-3462State of New Mexico
Energy, Minerals and Natural ResourcesOil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505WELL API NUMBER
30-015-369985. Indicate Type of Lease
S

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
PLU PIERCE CANYON 5
STATE8. Well Number
001H9. 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 P : 350 feet from the S line and 350 feet from the E line
Section 5 Township 25S Range 30E NMPM Eddy County11. Elevation (Show whether DR, KB, BT, GR, etc.)
3243 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.

MIRU Latshaw drilling rig #6. Spudded well 1/2/2010 @ 12:30 P.M. Drilled to @695' and set 13 3/8", 48#, H-40 casing. Cement w/900 sacks of Class "C" + additives. Circulated cement to surface. Displace w/97 bbls, pump plug, floats held. RD cmt crew. WOC.

Contacted OCD for BOP test, talked to Darold Gray. NU BOP. Test well head to 550#. Good Test. Test BOPs & equip 250/5000#.

Replaced seals on hydril. Test hydril 250/3500#, good test. Test csg to 1200 psi, good test.

On 1/5/2010 @18:00 hrs, Drill out shoe and start drlg formation. 1/2/2010 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
01/03/10	Surf	FreshWater	17.5	13.375	48	H-40	0	695	900	1.34	C		1200	0	N

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 1/6/2010

Type or print name Bryant ArrantE-mail address bryan.arrant@chk.comTelephone No. 405-935-3782

For State Use Only:

APPROVED BY: Jacqueta ReevesTITLE District GeologistDATE 1/11/2010 1:45:53 PM