

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 110536

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 30-015-36998
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 731540496		7. Lease Name or Unit Agreement Name PLU PIERCE CANYON 5 STATE
4. Well Location Unit Letter <u>P</u> : <u>350</u> feet from the <u>S</u> line and <u>350</u> feet from the <u>E</u> line Section <u>5</u> Township <u>25S</u> Range <u>30E</u> NMPM <u>Eddy</u> County		8. Well Number 001H
		9. OGRID Number 147179
		10. Pool name or Wildcat See Area 13
11. 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: **Perforations/Tubing** ☒

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.
 2/8/2010 thru 2/19/10: Complete Bone Spring interval: 7900'-12,327'. Perf 5 jspf w/350 holes(OA).
 Frac with 30,000 gals 15% NeFe Acid; 41,740 bbls water and 2,263,000 #s sand.
 2/22/10 thru 3/4/10: Test well.
 3/5/10: RDMO PU.
 3/6/10-3/17/10: Flow back load water.

Perforations

Pool: PIERCE CROSSING; BONE SPRING, EAST, 96473 Location: A -5-25S-30E 350 N 350 E

TOP	BOT	Open Hole	Shots/ft	Shot Size	Material	Stimulation	Amount
7900	12327	N	5		Sand/Water	Frac	

Tubing

PIERCE CROSSING; BONE SPRING, EAST, 96473

Tubing Size	Type	Depth Set	Packer Set
2.875	L-80	7419	

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 3/19/2010

Type or print name Bryan Arrant E-mail address bryan.arrant@chk.com Telephone No. 405-935-3782

For State Use Only:

APPROVED BY: Jacqueta Reeves TITLE District Geologist DATE 3/19/2010 4:35:17 PM