

March 12, 1998

NSL 3/30/98

CHESAPEAKE OPERATING, INC.

P.O. BOX 18496
OKLAHOMA CITY, OKLAHOMA 73154-0496
405/848-8000, Ext. 416
405/879-9560 Fax

LAND DEPARTMENT

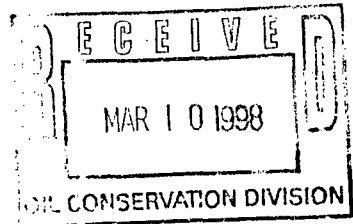
MIKE HAZLIP, CPL
LANDMAN

March 9, 1998

VIA FEDERAL EXPRESS

Mr. Chris Williams
New Mexico OCD
1000 West Broadway
Hobbs, New Mexico 88240

Mr. Michael Stogner
New Mexico OCD
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: Watson 1-6 well - Unorthodox Location - Approval to Transport
2,857' FSL & 1,417' FWL Section 6-T16S-R36E
Lea County, New Mexico

Dear Chris:

Pursuant to our previous discussion regarding the captioned well, enclosed is Chesapeake's amended C-102 and C-104, prepared as a result of a dry hole in the Strawn formation and subsequent plugging back to produce from the Wolfcamp formation of the Townsend Permo Upper Penn pool, requiring a 40 acre proration unit.

The OCD granted Chesapeake an unorthodox location for the Strawn formation in order to obtain the best opportunity for geologic success in an area where few alternatives were available due to proximity to commercial development. Replacing the 80 acre unit anticipated for the Strawn well with the new 40 acre unit, places the Watson 1-6 well approximately 217' FSL of the proration unit boundary and 207' FWL of said proration unit boundary. Chesapeake is the Operator of the proration unit directly to the south (Little 1-6 well) and directly to the west, (Lot 13), upon which we are encroaching. Additionally, Charles B. Gillespie is Operator of Lot 17, which lies southwest of the Watson 1-6 well. Chesapeake granted Gillespie a farmout of our interest in Lot 18 in order for Gillespie to form an 80 acre proration unit consisting of Lots 17 and 18. Enclosed is a land plat which was submitted to the OCD before drilling the Watson 1-6.

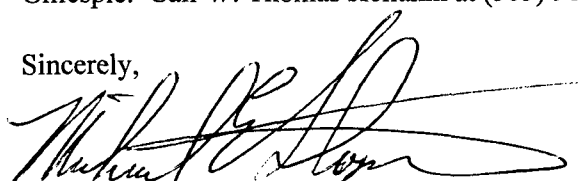
Chesapeake would appreciate your extension of the administrative approval for the unorthodox Strawn location to apply to the Wolfcamp formation and grant Authorization to Transport production from the Wolfcamp formation. Thank you for your assistance.

Most sincerely,


Mike Hazlip

Ya, well, gee Mike, regardless of this, notification is still required [see Rule 104.F(4)]. I'll begin processing this application once you submit a copy of the notification to Charles B. Gillespie. Call W. Thomas Kellahin at (505) 982-4285 if you have any questions.

Sincerely,


Michael E. Stogner
Chief Hearing Officer/Engineer

cc: Mr. Chris Williams - NMOCD, Hobbs
W. Thomas Kellahin - Santa Fe

CHESAPEAKE OPERATING, INC.

P.O. BOX 18496
OKLAHOMA CITY, OKLAHOMA 73154-0496
405/848-8000, Ext.416
405/879-9560 Fax

LAND DEPARTMENT

MIKE HAZLIP, CPL
LANDMAN

March 18, 1998

VIA FACSIMILE (915) 683-1491 AND CERTIFIED MAIL

Charles B. Gillespie, Jr.
P.O. Box 8
Midland, Texas 79702

Re: Request for Waiver
Chesapeake's Watson 1-6
2,857' FSL & 1,417' FWL
Section 6-T16S-R36E
Lea County, New Mexico

Dear Mr. Gillespie:

Chesapeake's Watson 1-6 well was unproductive from our Strawn objective but will produce from the Wolfcamp formation. We are therefore seeking the New Mexico Oil Conservation Division's approval of our request for an unorthodox location be applied to the Wolfcamp formation, so as to allow us to produce the well. This letter is your notice of said request and our request for your company's waiver of protest to Chesapeake's application for the unorthodox location. The location encroaches more upon Chesapeake's Lot 13 acreage than it does Gillespie's acreage. Chesapeake views any production from its Watson 1-6 location as having no detrimental effect on Gillespie's acreage.

Chesapeake would appreciate Gillespie's waiver to protest Chesapeake's application by signing in the space provided below and returning to us via facsimile to (405) 879-9562.

Most sincerely,


Mike Hazlip

AGREE TO WAIVER OF PROTEST this ____ day of March, 1998.

CHARLES B. GILLESPIE, JR.

FAX

Date

3/19/98

Number of pages including cover sheet

2

TO:

MR. MICHAEL STOGNER

FROM:

Mike Hazlip

CHESAPEAKE
OPERATING, INC.

P.O. BOX 18496

OKLAHOMA CITY, OK
73154-0496

Phone

Fax Phone (505) 827-1389

OUR FILE REF.

Phone

(405) 848-8000 EXT. 416

Fax Phone

(405) 879-9562

CC:

REMARKS:

☒ Urgent☐ For your review☐ Reply ASAP☐ Please Comment

Michael - One of these days I'm
going to surprise the hell out of you
by getting it right the first time.

CONFIDENTIALITY NOTICE

THIS FACSIMILE TRANSMISSION (AND THE ACCOMPANYING DOCUMENTS) MAY CONTAIN CONFIDENTIAL INFORMATION BELONGING TO THE SENDER. THE INFORMATION IS INTENDED FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHOM THIS TRANSMISSION IS ADDRESSED. IF YOU ARE NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISCLOSURE, COPYING, DISTRIBUTION, OR THE TAKING OF ANY ACTION IN RELIANCE ON THE CONTENTS OF THIS INFORMATION IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TRANSMISSION IN ERROR, PLEASE IMMEDIATELY NOTIFY THE SENDER BY TELEPHONE TO ARRANGE FOR THE RETURN OF THE DOCUMENTS. THANK YOU.

CHESAPEAKE OPERATING, INC.

P.O. BOX 18496
OKLAHOMA CITY, OKLAHOMA 73154-0496
405/848-8000, Ext.416
405/879-9560 Fax

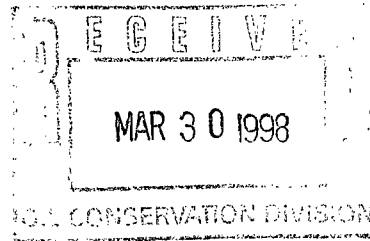
LAND DEPARTMENT

MIKE HAZLIP, CPL
LANDMAN

March 23, 1998

VIA FACSIMILE (505) 827-1389

Mr. Michael Stogner
New Mexico OCD
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: Watson 1-6 well - Unorthodox Location - Approval to Transport
2,857' FSL & 1,417' FWL Section 6-T16S-R36E
Lea County, New Mexico

Dear Mr. Stogner:

Pursuant to our request for approval of an Unorthodox Location for the captioned well, enclosed is waiver signed by Charles B. Gillespie, the Operator of Lot 17, the acreage offsetting Chesapeake's Watson 1-6 well. Please place this waiver letter with the other information you are reviewing for our unorthodox location application.

Thank you for your consideration of this matter.

Most sincerely,


Mike Hazlip

CHESAPEAKE OPERATING, INC.

P.O. BOX 18496
OKLAHOMA CITY, OKLAHOMA 73154-0496
405/848-8000, Ext. 416
405/879-9560 Fax

LAND DEPARTMENT

MIKE HAZLIP, CPL
LANDMAN

March 18, 1998

VIA FACSIMILE (915) 683-1491 AND CERTIFIED MAIL

Charles B. Gillespie, Jr.
P.O. Box 8
Midland, Texas 79702

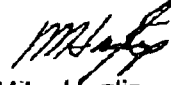
Re: Request for Waiver
Chesapeake's Watson 1-6
2,857' FSL & 1,417' FWL
Section 6-T16S-R36E
Lea County, New Mexico

Dear Mr. Gillespie:

Chesapeake's Watson 1-6 well was unproductive from our Strawn objective but will produce from the Wolfcamp formation. We are therefore seeking the New Mexico Oil Conservation Division's approval of our request for an unorthodox location be applied to the Wolfcamp formation, so as to allow us to produce the well. This letter is your notice of said request and our request for your company's waiver of protest to Chesapeake's application for the unorthodox location. The location encroaches more upon Chesapeake's Lot 13 acreage than it does Gillespie's acreage. Chesapeake views any production from its Watson 1-6 location as having no detrimental effect on Gillespie's acreage.

Chesapeake would appreciate Gillespie's waiver to protest Chesapeake's application by signing in the space provided below and returning to us via facsimile to (405) 879-9562.

Most sincerely,


Mike Hazlip

AGREE TO WAIVER OF PROTEST this 20th day of March, 1998.

CHARLES B. GILLESPIE, JR.



FAX

Date March 23, 1998

Number of pages including cover sheet 3

TO: Mr. Michael Stogner
New Mexico OCD
2040 South Pacheco
Santa Fe, NM 87505

Phone

Fax Phone

FROM: Mike Hazlip
**CHESAPEAKE
OPERATING, INC.**
P.O. BOX 18496
OKLAHOMA CITY, OK
73154-0496

PROSPECT:

Phone (405) 848-8000 Ext 416

Fax Phone (405) 879-9562

CC:

REMARKS: ☐ Urgent ☒ For your review ☐ Reply ASAP ☐ Please Comment

RE: Watson 1-6

CONFIDENTIALITY NOTICE

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CHESAPEAKE LAND 6118 1ST

8405 879 9562

*** TX REPORT ***

TRANSMISSION OK

TX/RX NO	1495
CONNECTION TEL	915058271389
CONNECTION ID	
START TIME	03/23(MO)13:34
USAGE TIME	01'47"
PGS.	3
RESULT	OK

FAX**Date** *March 23, 1998***Number of pages including cover sheet** *3*

TO: *Mr. Michael Stogner*
New Mexico OCD
2040 South Pacheco
Santa, Fe, NM 87505

Phone**Fax Phone**

FROM: *Mike Hazlip*
CHESAPEAKE
OPERATING, INC.
P.O. BOX 18496
OKLAHOMA CITY, OK
73154-0496

PROSPECT:**Phone** *(405) 848-8000 Ext 416***Fax Phone** *(405) 879-9562***CC:**

REMARKS: ☐ *Urgent* ☒ *For your review* ☐ *Reply ASAP* ☐ *Please Comment*

RE: *Watson 1-6*



NEW MEXICO ENERGY, MINERALS
& NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION
2040 South Pacheco Street
Santa Fe, New Mexico 87500
(505) 827-7131

November 17, 1997

Chesapeake Operating, Inc.
P. O. Box 18496
Oklahoma City, Oklahoma 73154-0496
Attention: Mike Hazlip

Administrative Order NSL-3900

Dear Mr. Hazlip:

Reference is made to your application dated October 17, 1997, as amended by telecopier transmission dated October 26, 1997, for an exception to the "*Special Rules and Regulations for the Northeast Shoe Bar-Strawn Pool*," as promulgated by Division Order No. R-10848, dated July 31, 1997, requesting authorization to drill your proposed Watson "6" Well No. 1 to be drilled at an unorthodox oil well location 2857 feet from the South line and 1417 feet from the West line (Lot 14/Unit N) of irregular Section 6, Township 16 South, Range 36 East, NMPM, Undesignated Northeast Shoe Bar-Strawn Pool, Lea County, New Mexico.

Lots 13 and 14 of said Section 6 being a standard 76.65-acre oil spacing and proration unit for said pool is to be dedicated to said well.

The geologic interpretation submitted with this application indicates that a well drilled at the proposed unorthodox oil well location will be at a more favorable geologic position within the Strawn formation than a well drilled at a location considered to be standard.

The application has been duly filed under the provisions of Rule 104.F of the General Rules and Regulations of the New Mexico Oil Conservation Division ("Division").

By the authority granted me under the provisions of Rule 3 of said special pool rules and Division General Rule 104.F(2), the above-described unorthodox oil well location is hereby approved.

Sincerely,

William J. LeMay
Director

WJL/MES/kv

cc: New Mexico Oil Conservation Division - Hobbs

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

WELL API NO. 30-025-34197
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER	7. Lease Name or Unit Agreement Name WATSON "6"
2. Name of Operator Chesapeake Operating, Inc.	8. Well No. 1
3. Address of Operator P. O. Box 18496, Oklahoma City, OK 73154-0496	9. Pool name or Wildcat N.E. Shoe Bar-Strawn
4. Well Location Unit Letter <u>N</u> :2857 Feet From The <u>So.</u> Line and <u>1417</u> Feet From The <u>West</u> Line Section <u>6</u> Township <u>16S</u> Range <u>36E</u> NMPM LEA County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GR: 3957'	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: Perforations <input checked="" type="checkbox"/>	

12. 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.

01-06-98

Load tbg w/ 30 BBLS 2% KCL, release pkr, ND wellhead, NU BOPs, TOOH w/ 363 jts 2 7/8" tbg, SN and pkr, MIRU wireline, TIH, set 5 1/2" CIBP @ 11,350', TOOH, RU Halliburton, load csg w/ 80 BBLS 2% KCL, test CIBP 2000#, OK, bleed off pressure, TIH w/ 353 jts 2 7/8" tbg and SN to 11,060', spot 6 BBLS 15% NE-FE, spot w/ 61 BBLS 2% KCL, RD Halliburton, LD 5 jts tbg, std 40 jts tbg, SDFN.

Continued

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

SIGNATURE Barbara J. Bale TITLE Regulatory Analyst DATE 02-09-98
TYPE OR PRINT NAME Barbara J. Bale TELEPHONE NO. (405)848-8000

(This space for State Use)

APPROVED BY Gary W. Wink TITLE GARY W. WINK
FIELD REPRESENTATIVE II
CONDITIONS OF APPROVAL, IF ANY:

FEB 16 1998

- 01-07-98 Swab well down, 42 BW, final fluid level @ 2,000', TOO H w/ tbg, MIRU wireline, TIH, dump 1sk cement on CIBP, TOO H, TIH w/ 3 1/8" HSC gun, 16 gram charge w/ 90° phase, perforate Penn Lime 4 spf @ 11,046' - 62', SICP 0#, TOO H, RDMO wireline, PU and TIH w/ 5 1/2" Model "R" pkr, 2 1/4" SN and 349 jts tbg, reverse circulate w/ 7 BBLS 2% KCL, set pkr, ND BOPs, NU wellhead, pressure up csg 500#, monitor, tie onto tbg, break down 4850#, .5 BPM @ 4650#, pump 7 BBLS 2% KCL, SD, open bypass on pkr, spot 43 BBLS 15% HCL NE Fe and flush w/ 76 BBLS 2% KCL, avg rate .5 BPM, avg PSI 4800#, max rate .5 BPM, max PSI 5000#, SD, total 133 BBLS, ISIP 4666#, 5 min 4380#, 10 min 4266#, 15 min 4168#, SDFN.
- 01-13-98 Blow well down, MIRU wireline, TIH w/ 1 11/16" strip gun, perforate 11,032' - 038', 4 spf, 24 holes, TOO H, RDMO wireline, MIRU Halliburton, pump 13 BBLS Xylene, 76 BBLS 15% Fercheck, flush w/ 88 BBLS 2% KCL w/ 2 GPT and 19N, avg rate 4.4 BPM, avg PSI 4700#, max rate 5 BPM, max PSI 5150#, ISIP 4554#, 5 min 3314#, 10 min 2480#, 15 min 1891#, total load 177 BLWTR, SDFN, SITP 450#.
- 01-16-98 TIH w/ swab, initial fluid level @ 7,300', swab 2 hrs, 10 BO, 0 BW, final fluid level @ 8,800' scattered, RU pump truck, load tbg w/ 40 BBLS 2% KCL, release pkr, ND wellhead, NU BOPs, TOO H w/ pkr and tbg, PU and TIH w/ BP and 344 jts tbg, set RBP @ 11,785', load hole w/ 127 BBLS 2% KCL, test RBP 100#, OK, pull tbg to 10,689', spot 36 BBLS 15% NE-Fe HCL w/ 57 BBLS 2% KCL, RDMO pump truck, total 246 jts tbg, total 260 BLWTR, SDFN.
- 01-17-98 Swab well to 2,000', 42 BW, finish TOO H, 335 total jts, MIRU wireline, TIH, perforate Townsend 10,632' - 650' to 10,653' - 656', 10,666' - 674' and 10,680' - 690' w/ 3 1/8" HSC, 4 spf, 16 gram 90° phase, RDMO wireline, PU and TIH w/ RBP, pkr, SN and 271 jts tbg, SDFN.
- 01-18-98 Blow well down, finish TIH w/ RBP, pkr, SN and 338 jts 2 7/8" tbg, ND BOPs, ND wellhead, set pkr @ 10,535', open bypass, pump 55 BBLS 2% KCL, attempt to circulate hole without success, spot acid, close bypass on pkr, NU wellhead, load csg w/ 90 BBLS 2% KCL, pressure up to 1200#, held OK, pump 72 BBLS 15% NE-Fe HCL acid total, flush w/ 64 BBLS 2% KCL, avg rate 5.5 BPM, avg PSI 1150#, max rate 6 BPM, max PSI 1670#, total 281 BLWTR, ISIP 0#, RDMO Halliburton, RU swab, initial fluid level @ 9,000' pulling from SN @ 10,553', 0 BO, 20 BW, final fluid level @ 9,500' scattered pulling from SN, SITP 0#.

C103 Continued
Watson "G"-1, Lea Co., NM

- 01-20-98 Load tbg w/ 40 BBLS 2% KCL, release pkr, TIH, latch RBP and release, pull up hole, reseal RBP @ 10,483', pull up hole, set pkr, load tbg w/ 48 BBLS 2% KCL, test plug to 1000#, OK, load csg w/ 125 BBLS 2% KCL, release pkr, pull up hole to 10,350', MIRU Halliburton, spot 6 BBLS 15% Ne-Fe w/ 58 BBLS 2% KCL, TOO H w/ tbg, MIRU wireline, TIH w/ 3 1/8" HSC, 16 gram, 90° phase, perforate 10,340' - 354', TOO H, PU and TIH w/ pkr, 2 1/4" SN and 323 jts tbg, total 277 BLWTR, SDFN.
- 01-21-98 Finish TIH w/ 5 1/2" CST pkr, 2 1/4" SN and 327 jts 2 7/8" tbg, set pkr @ 10,281', ND BOPs, NU wellhead, open bypass on pkr, spot 36 BBLS 15% NE-Fe HCL, spot and flush w/ 62 BBLS 2% KCL, close bypass, load csg w/ 11 BBLS 2% KCL, total 119 BLWTR, avg rate 1 BPM, avg PSI 4100#, max rate 14.2 BPM, max PSI 4300#, ISIP 4005#, 5 min 2470#, 10 min 1873#, 15 min 1492#, RDMO pump truck, RU swab, initial fluid level @ surface pulling from 1,000', 135 BW w/ trace of oil and show of gas, final fluid level @ 5,200' pulling from 6,500', SITP 225#.
- 01-27-98 Blow well down, PU and TIH w/ MA, 4' x 2 7/8" perforated sub, 2 1/4" SN, 10 jts 2 7/8" L80 8RD tbg, 5 1/2" x 2 7/8" TAC and 343 jts 2 7/8" L80 6.5# 8RD tbg, ND BOPs, set TAC, NU wellhead, RDMO well service.

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

WELL API NO.

30-025-34197

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

WATSON 6

8. Well No.

1

9. Pool name or Wildcat

N.E. Shoe Bar-Strawn

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

OIL
WELL ☐

GAS
WELL ☐

OTHER New Drilling

2. Name of Operator

Chesapeake Operating, Inc.

3. Address of Operator

P. w. Box 18496, Oklahoma City, OK 73154-0496

4. Well Location

Unit Letter Lot 14 .2857 Feet From The South Line and 1417 Feet From The West Line
Section 6 Township 16S Range 36E NMPM LEA County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

GR: 3,957'

11. 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 PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: Tubing & perforations ☒

12. 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.

12/30/97 TIH w/372 jts 2-7/8" tbg @10,646', pickle tbg w/24 BBLs 15% HCL, chase w/43 BW, reverse circ hole w/275 bbls 2% KCL + additives, LD 5 jts tbg, EOT @11,489', spot 6 bbls 15% NE-FE HCL w/63 bbls 2% KCL + additives, LD 3 jts tbg, TOOH, stand 364 jts 2-7/8" tbg, SDFN

12/31/97 MIRU wireline, TIH w/GR/CCL, 3-1/8" HSC 16 gram chg, 4 spf, 90° phase, perf 11,488'-520', 130 holes, RDMO wireline, PU & TIH w/5-1/2" pkr, 2-1/4" SN & 363 jts 2-7/8" 6.5# L80 8RD tbg, ND BOPs, NU wellhead, reverse circulate, set pkr, break formation down 4500#, treat well w/12 bbls 15% NE-FE & 48 bbls gelled 15% NE-FE, displace & flush w/146 bbls 2% KCL + additives, avg rate 3 BPM, avg PSI 2500#, max rate 4.75 BPM, max PSI 5000#, ISIP 2610#, 5 min 0#, 206 BLWTR.

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

SIGNATURE

Barbara J. Bale

TITLE

Regulatory Analyst

DATE 01-06-98

TYPE OR PRINT NAME

Barbara J. Bale

TELEPHONE NO.

1 (405)848-8000

(This space for State Use)

APPROVED BY

Chris Williams

TITLE

DISTRICT 1 SUPERVISOR

DATE

JAN 20 1998

CONDITIONS OF APPROVAL, IF ANY:

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

WELL API NO.

30-025-34197

5. Indicate Type of Lease

STATE ☒

FEE ☐

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:

OIL
WELL ☐

GAS
WELL ☐

OTHER ☐ New Drilling

2. Name of Operator

Chesapeake Operating, Inc.

3. Address of Operator

P.O. Box 18496, Oklahoma City, OK 73154-0496

4. Well Location

Unit Lot 14 : 2857 Feet From The South Line and 1417 Feet From The West Line

Section 6 Township 16S Range 36E NMPM LEA County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)

GR: 3957'

11.

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 PLANS ☐

PULL OR ALTER CASING ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND CEMENT JOB ☐

OTHER: 5-1/2" Casing - Rig Release ☒

12. 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.

12-07-97 RU csg crew, run 266 jts 5-1/2" 17# N80 LTC csg, float collar @11,743', float shoe @11,834', RD csg crew, RU cement crew, circ w/200 bbls brine, 238 bbls mud flush & 10 BW, cement 1st stg w/365 sks HLP prem + additives, 12.7PPG, 1.9 yield, cont w/340 sks Super "H" Prem + additives, 13 PPG, 1.66 yield, displace w/90 BW & 183 bbls mud flush, circ DV tool, cement 2nd stg w/915 sks Prem + additives, 12.7 PPG, 1.89 yield, cont w/100 sks Prem + additives, 15.6 PPG, 1.18 yield, displace w/188 BW, jet pit, set slips. WOC: 8 hrs
12-07-97 Release Patterson Drilling rig #45 @3:00 a.m.

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

SIGNATURE Barbara J. Bale TITLE Regulatory Analyst DATE 12-31-97

TYPE OR PRINT NAME Barbara J. Bale TELEPHONE NO. (405)848-8000

(This space for State Use)

DISTRICT 1 SUPERVISOR

APPROVED BY Chris Williams TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

DEC 12 1998

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

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

OIL CONSERVATION DIVISION
310 Old Santa Fe Trail, Room 206
Santa Fe, New Mexico 87503

WELL API NO. <u>30.025-34197</u>
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name WATSON 6
8. Well No. 1
9. Pool name or Wildcat N.E. Shoe Bar-Strawn

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)	
1. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER New Drilling	
2. Name of Operator Chesapeake Operating, Inc.	
3. Address of Operator P. O. Box 18496, Oklahoma City, OK 73154-0496	
4. Well Location Lot # 14 Unit Letter : 2857 Feet From The So. Line and 1417 Feet From The W Line Section 6 Township 16S Range 36E NMPM LEA County	
10. Elevation (Show whether DF, RKB, RT, GR, etc.) GR: 3957'	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data	
NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:
PERFORM REMEDIAL WORK <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>
OTHER: <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
	CASING TEST AND CEMENT JOB <input type="checkbox"/>
	OTHER: Spud, 13-3/8" & 9-5/8" csg <input checked="" type="checkbox"/>

12. 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.

10-30-97 Spud well @ 7:30 p.m. with Patterson Drilling Rig #45

10-31-97 Run 11 jts 13-3/8" 54.5# J55 STC csg @ 469'

11-01-97 RU cement crew, cement w/495 sks 2% CaCl, 14.8 PPG, 1.32 yield, circ. 132 sks, displace w/66 BFW, WOC: 12 hours

11-07-97 Run 93 jts 9-5/8" 40# J55 LTC csg to 4205', float collar @4157, float shoe @ 4205', circulate, cement w/1100 sks HLP + additives, cont. w/200 sks Prem + additives, top out w/50 sks Neat, WOC: 17 hours

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

SIGNATURE Barbara J. Bale TITLE Regulatory Analyst DATE 11-12-97

TYPE OR PRINT NAME Barbara J. Bale TELEPHONE NO. (405)848-8000 Ext 112

(This space for State Use)

APPROVED BY Chris Williams DISTRICT 1 SUPERVISOR TITLE DATE DEC 10 1997

CONDITIONS OF APPROVAL, IF ANY:

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Artesia, 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		¹ OGRID Number 147179 ² API Number 30-02534197
³ Property Code 21706	⁴ Property Name WATSON "6"	⁵ Well No. 1

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
LOT 14	6	16S	36E	14	2857'	SOUTH	1417'	WEST	LEA

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County

⁹ Proposed Pool 1 Northeast Shoe Bar-Strawn Pool	¹⁰ Proposed Pool 2
--	-------------------------------

¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code P S	¹⁵ Ground Level Elevation 3957'
¹⁶ Multiple No	¹⁷ Proposed Depth 11,900'	¹⁸ Formation STRAWN	¹⁹ Contractor Patterson	²⁰ Spud Date 10-25-97

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"	54.5#	450'	495	Surface
11"	8-5/8"	32#	4200'	1390	Surface
7-7/8"	5 1/2"	17# & 20#	11900'	980	±3700'

²² 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 11900' T.D. in the Strawn 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

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: Sonya Baker

Printed name: Sonya Baker

Title: Engineering Technician

Date: 10-2-97

Phone: 405/848-8000, X-630

OIL CONSERVATION DIVISION

Approved by:

Title: Geologist

Approval Date: NOV 18 1997

Expiration Date:

Conditions of Approval:

Attached ☐

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 I
1980, Hobbs, NM 88241-1980
DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

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

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-34197	Pool Code 96649	Pool Name NORTHEAST SHOE BAR STRAWN
Property Code 21706	Property Name WATSON 6	Well Number 1
OGRID No. 147179	Operator Name CHESAPEAKE OPERATING, INC.	Elevation 3957

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
LOT 14	6	16 S	36 E		2857	SOUTH	1417	WEST	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

Dedicated Acres 76.65	Joint or Infill	Consolidation Code	Order No.
---------------------------------	-----------------	--------------------	-----------

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

4	3	2	1
46.85 AC.	50.85 AC.	50.83 AC.	50.81 AC.
5	6	7	8
36.77 AC.	40.00 AC.	40.00 AC.	40.00 AC.
12	11	10	9
36.71 AC.	40.00 AC.	40.00 AC.	40.00 AC.
13	14	15	16
36.65 AC.			
1417'	40.00 AC.	40.00 AC.	40.00 AC.
17			
36.59 AC.			
18			
	X = 787093		
	Y = 711166		
36.53 AC.			

OPERATOR CERTIFICATION

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

Sonya Baker
Signature

Sonya Baker

Printed Name

Engineering Technician

Title

10-2-97

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.

SEPTEMBER 18, 1997

Date Surveyed DMCC

Signature & Seal of Professional Surveyor

Ronald J. Edson 9-25-97
07-11-1444

Certificate No. RONALD J. EDSON 3239
GARY EDSON 12641

48.85 ac

Lot 3-50.85 ac

Lot 2-50.83 ac

Lot 1-50.81 ac

GILLESPIE '96
SNYDER 'EC' COM

11800
ATOK

Lot 5-36.77 ac

Lot 6-40.00 ac

Lot 7-40.00 ac

Lot 8-40.00 ac

Lot 12-36.71 ac
Chesapeake

Lot 11-40.00 ac
Chesapeake

Lot 10-40.00 ac

Lot 9-40.00 ac

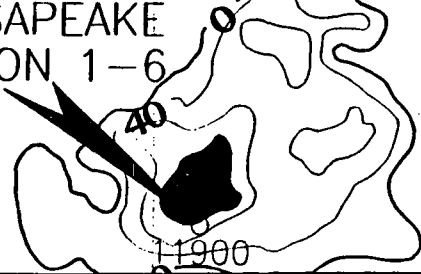
6

Lot 15-40.00 ac
Chesapeake

Lot 16-40.00 ac
Chesapeake

Lot 13-36.65 ac
CHESAPEAKE
WATSON 1-6

Lot 14-40.00 ac



11900
ATOK

Lot 17-36.59 ac
Gillespie

CHESAPEAKE '97
LITTLE 1-6

11854
ATOK

Chesapeake

Lot 18-36.53 ac
Chesapeake

COUNTY Lea

POOL

POOL Townsend - Permian Upper Pennsylvanian

TOWNSHIP

TOWNSHIP 16 South

RANG

RANGE 36 East

NMPPM

A 36x36 grid with numbers 1-36 placed in specific cells, representing a 36x36 grid with a 6x6 sub-grid highlighted. The numbers are placed in the following cells (row, column):

Row	Column	Number
1	6	6
1	25	5
1	31	4
1	36	3
1	41	2
1	46	1
7	6	7
7	25	8
7	31	9
7	36	10
7	41	11
7	46	12
13	6	18
13	25	17
13	31	16
13	36	15
13	41	14
13	46	13
19	6	19
19	25	20
19	31	21
19	36	22
19	41	23
19	46	24
25	6	30
25	25	29
25	31	28
25	36	27
25	41	26
25	46	25
31	6	31
31	25	32
31	31	33
31	36	34
31	41	35
31	46	36

Ext. $\frac{W}{2} \frac{SW}{4}$ Sec. 6 (R-1023, 7-30-57) - Lots 12, 13, Sec. 6 (R-1089, 11-27-57)
 - Lots 9, 10, 11, 14, 15 & 16 Sec. 6 (R-1143, 3-25-58) - Lots 1, 2, 7, & 8 Sec. 6 (R-1179, 5-26-58)
 - Lots 3 & 4 Sec. 5; Lots 3, 4, 5 & 6 Sec. 6 (R-1248, 10-1-58)

Extend vertical limits to include Upper Pennsylvanian Formation
and redesignate as Townsend-Permo Upper Pennsylvanian Pool (R-7222 2-25-83)

Ext: Lots 5, 6, 11, 12, 13, and 14 Sec 5 (R-7912, 5-13-85)

PETROLEUM INFORMATION/DWIGHTS MIDLAND REGION REPORT

SECTION III - 03/09/98

PAGE 45

NEW MEXICO DRILLING PROGRESS LEA COUNTY CONTINUED

BANKS ENERGY
ANDERSON RANCH UNIT
API 30-025-00383-0002

11-16S-32E
1980 FNL 1980 FEL SEC
IC 30025703997

WILDCAT; 12100 ATOKA, (FR 06/19/97MD) (ST APPD PMT: 06/17/97) **OPER** **WDX**
ADD: 10 DESTA DR, STE 300-E, MIDLAND, TX, 79705 PHONE (915) 682-1044;
EL: 4302 GR; **LOCATION DATA**: 6 MI N MALJAMAR, NM .25 MI S/9675
(WFMP) **OIL PROD IN ANDERSON RANCH FLD**; OLD RECORDS SHOW
ELEV 4315 GR; (VERTICAL) **OWWO**: OLD INFO: FORMERLY CONOCO INC 1
ANDERSON RANCH. ELEV 4315 GR. SPUD 6/24/94. 13 3/8 @ 379 W/350 SX, 9
5/8 @ 4189 W/2925 SX, 7 @ 12250 W/1000 SX, 5 LNR 12202-13541 W/100 SX,
4 1/2 LNR 10134-12355 W/430 SX. LOG TOPS: GLORIETA 5696, ABO 7595.
OTD 13775. COMP 8/30/94. IPCAOF 1500 MCFGPD. PROD ZONE: MORROW
12168-12194;

CONTR: NOT RPTD; **SPUD**: 06/24/97, **PROD TEST(S)**: **PERF** (MORROW), 12168-12194, BRPG 11415 **PERF** (WOLFCAMP), 9683-9684, 9692-9718,
9740-9760, 9792-9810, ACID (9683-9810) W/ 800 GALS, SQZ & DOC SQZD 9683-9810 W/140 SX **PERF** (WOLFCAMP), 9795-9797, 9806-9808, ACID
(9795-9808) W/ 500 GALS, ... 13775 TD, PB 11415, TSTG (LDIR 10/02/97)

TEXACO EXPL & PROD
201 ANDERSON RANCH UNIT
API 30-025-34272

14-16S-32E
SW NW
1488 FNL 1310 FWL SEC
IC 300257006798

ANDERSON RANCH; 13760 DEVONIAN, (FR 02/09/98MD) **OPER** **ADD**: BOX **D**
3109, MIDLAND, TX, 79702 PHONE (915) 688-4100; **EL**: 4296 GR; **LOCATION**
DATA: 17 MI NW BUCKEYE, NM; (VERTICAL)

CONTR: NABORS DRLG USA, **RIG** #722; **SPUD**: 02/22/98, ... DRLG AHEAD (LDIR 02/24/98)

MATADOR OPERATING
1 KEMNITZ STATE '17'
API 30-025-34185

17-16S-34E
SE SW
660 FSL 2175 FWL SEC
IC 300257060997

KEMNITZ SOUTH; 13500 ATOKA, (FR 11/07/97MD) (ST APPD PMT: 11/03/97) **D**
OPER **ADD**: 415 W WALL STE 1101, MIDLAND, TX, 79701 PHONE (915) **D&A**
687-5955; **EL**: 4132 GR; **LOCATION DATA**: 12 MI NE MALJAMAR, NM;
PROJ FORM - ATOKA-MORROW; (VERTICAL)

CONTR: PATTERSON DRLG, **RIG** #46; **SPUD**: 11/27/97, **CSG**: 13 3/8 @ 395 W/425 SX, 8 5/8 @ 4418, CMT CO: DOWELL SCHLUMBERGER; 12950 TD,
RIG REL: 01/05/98; 12950 TD, COMP 1/5/98, **D&A** HOLDING FOR DATA ... (LDIR 01/15/98)

UMC PET
4 TOWNSEND STATE
API 30-025-34150

2-16S-35E
330 FSL 1650 FEL SEC
IC 300257056397

BIG DOG SOUTH; 11900 STRAWN, (FR 10/02/97MD) **OPER** **ADD**: 410 17TH **D**
ST STE 1400, DENVER, CO, 80202 PHONE (303) 573-4721; **EL**: 3982 GR;
LOCATION DATA: IRREG SEC, 12 MI NE BUCKEYE, NM; (VERTICAL)
WELL ID CHANGES: FTG CHGD FROM 400 FSL 1500 FEL OF SEC

CONTR: NABORS DRLG USA, **RIG** #973; **SPUD**: 10/22/97, **CSG**: 13 3/8 @ 400 W/415 SX, 8 5/8 @ 4755 W/2200 SX, 5 1/2 @ 11308 W/200 SX, CUT OFF &
PLD 10200 FT 5 1/2 CSG; **DRLG COMMENTS**: NO OIL OR GAS PRODUCED DRLG PROBLEMS HAD PROBLEMS W/ORIGINAL WELLBORE, MAY SDTK
LATER (TD REACHED: 12/ 12/97); ... 11340 TD, **D&A**, HOLDING FOR DATA (LDIR 02/13/98)

YATES PET
3 FIELD 'APK' STATE COM
API 30-025-34252

2-16S-35E
3300 FSL 760 FWL SEC
IC 300257072197

WILDCAT; 12600 MORROW, (FR 12/29/97MD) **OPER** **ADD**: 105 S 4TH ST, **WD**
ARTESIA, NM, 88210 PHONE (505) 748-1471; **EL**: 3995 GR; **LOCATION**
DATA: IRREG SEC, 12 MI N BUCKEYE, NM .25 MI S/10269 (WFMP) **OIL**
PROD IN TOWNSEND FIEL; (VERTICAL)

LOC;

UMC PET
1 CARLISLE STATE COM
API 30-025-34279

10-16S-35E
NE SW
1650 FSL 1980 FWL SEC
IC 300257003798

TOWNSEND; 12600 MORROW, (FR 01/29/98MD) **OPER** **ADD**: 410 17TH ST **D**
STE 1400, DENVER, CO, 80202 PHONE (303) 573-4721; **EL**: 3998 GR;
LOCATION DATA: 10 MI N BUCKEYE, NM; (VERTICAL)

CONTR: NABORS DRLG USA, **RIG** #973; **SPUD**: 02/09/98, ... DRLG AHEAD (LDIR 03/03/98)

TMBR/SHARP DRLG
1 EIDSON '26'
API 30-025-34196

26-16S-35E
NE NW
990 FNL 1650 FWL SEC
IC 300257063097

SHOE BAR; 12800 DEVONIAN, (FR 11/18/97MD) (ST APPD PMT: 11/14/97) **D**
OPER **ADD**: DRAWER 10970, MIDLAND, TX, 79702 PHONE (915) 699-5050;
EL: 3967 GR; **LOCATION DATA**: 8 MI NE BUCKEYE, NM; (VERTICAL)

CONTR: TMBR SHARP DRLG, **RIG** #22; **SPUD**: 11/18/97, **CSG**: 13 3/8 @ 428 W/445 SX, 8 5/8 @ 4895 W/1350 SX, 5 1/2 @ 10403 W/1050 SX; **DST** # 1,
TITE DST # 2, **TITE**, **RIG REL**: 12/30/97; ... 11769 TD, SI (LDIR 02/03/98)

YATES PET
1 MEDUSA 'ASG' STATE
API 30-025-28611-0001

27-16S-35E
1980 FSL 660 FWL SEC
IC 300257000798

WILDCAT; 9750 ABO, (FR 01/08/98MD) (ST APPD PMT: 01/08/98) **OPER** **WSX**
ADD: 105 S 4TH ST, ARTESIA, NM, 88210 PHONE (505) 748-1471; **EL**: 3991
GR; **LOCATION DATA**: 7 MI NE BUCKEYE, NM .50 MI NE/12453 (MRRW)
GAS PROD IN SHOE BAR SOUTH FIELD; (VERTICAL) **OWWO**: OLD
INFO: FORMERLY DISCOVERY OPERATING 1 NEW MEXICO '27' STATE. ELEV
3991 GR. SPUD 3/17/84. 13 3/8 @ 435 W/450 SX, 8 5/8 @ 4825 W/1500 SX.
LOG TOPS: MORROW LM 12601, MORROW CLASTIC 12880, MISSISSIPPIAN
13002. OTD 13022. COMP 5/12/84. **D&A**;

CONTR: NOT RPTD; **SPUD**: 01/16/98, **CSG**: 5 1/2 @ 9302 W/330 SX; **LOG TYPES**: CBL, GR; **DRLG COMMENTS**: CO TO 9628 **PROD TEST(S)**:
ACID (9100-9155) W/ 2800 GALS, 15% NEFE HCL, BRPG 9060 ... 13022 TD, **D&A**, HOLDING FOR DATA (LDIR 02/19/98)

CHESAPEAKE OPERATING
1 LORENA '1'
API 30-025-34230

1-16S-36E
SE NE
2927 FSL 1104 FEL SEC
IC 300257068797

LOVINGTON NORTHEAST; 12050 PENNSYLVANIAN, (FR 12/12/97MD) **D**
OPER **ADD**: BOX 18496, OKLAHOMA CITY, OK, 73154-0496 PHONE (405)
848-8000 **EL**: 3867 GR; **LOCATION DATA**: 2 MI E LOVINGTON, NM;
(VERTICAL)

CONTR: PATTERSON, **RIG** #45; **SPUD**: 12/08/97, **RIG REL**: 01/14/98; ... 12050 TD, TITE (LDIR 01/15/98)

CHESAPEAKE OPERATING
1 WATSON '6'
API 30-025-34197

6-16S-36E
2857 FSL 1417 FWL SEC
IC 300257063197

SHOE BAR NORTHEAST; 11900 STRAWN, (FR 11/18/97MD) **OPER** **ADD**: **D**
BOX 18496, OKLAHOMA CITY, OK, 73154-0496 PHONE (405) 848-8000 **EL**:
3957 GR; **LOCATION DATA**: IRREG SEC, 2 MI SW LOVINGTON, NM;
(VERTICAL)

CONTR: PATTERSON DRLG, **RIG** #45; **SPUD**: 10/30/97, **RIG REL**: 12/04/97; **PROD TEST(S)**: **PERF** (STRAWN), 11488-11520, W/130 SHOTS, ACID

PETROLEUM INFORMATION/DWIGHTS MIDLAND REGION REPORT

SECTION III - 03/09/98

PAGE 4

NEW MEXICO DRILLING PROGRESS LEA COUNTY CONTINUED

(11488-11520) W/ 60 BBLs, 15% NEFE KCL (11488-11520) W/ 146 BBLs, . . . 11900 TD (APPROX), TSTG (LDIR 01/29/98)

GILLESPIE CHARLES B JR
1 SNYDER 'A' COM
API 30-025-34073

6-16S-36E
990 FSL 874 FWL SEC
IC 300257046497

LOVINGTON WEST; 11800 STRAWN, (FR 07/30/97MD) (ST APPD PMT: 07/29/97) **OPER ADD**: BOX 8, MIDLAND, TX, 79702 PHONE (915) 683-1765; **EL**: 3956 GR; **LOCATION DATA**: 2 MI SW LOVINGTON, NM ; **(VERTICAL)** REPERMITTED LOC: 12/29/97; **WELL ID CHANGES**: FTG CHGD FROM 1980 FSL, 874 FWL SEC

D

CONTR: MCVAY DRLG, **RIG #10**; **SPUD**: 01/06/98, **CSG**: 13 3/8 @ 398 W/420 SX, 8 5/8 @ 4762 W/110 SX, 5 1/2 @ 11740; **DST # 1**, TITE; **RIG REL**: 02/01/98; . . . 11740 TD, TSTG TITE (LDIR 02/26/98)

GILLESPIE CHARLES B JR
4 SNYDER 'C'
API 30-025-34282

6-16S-36E
NE NE
510 FNL 990 FEL SEC
IC 300257005798

LOVINGTON WEST; 11800 STRAWN, (FR 02/04/98MD) **OPER ADD**: BOX 8, MIDLAND, TX, 79702 PHONE (915) 683-1765; **LOCATION DATA**: 3 MI W LOVINGTON, NM ; **(VERTICAL)**

D

CONTR: MCVAY DRLG, **RIG #10**; **SPUD**: 02/07/98, **CSG**: 13 3/8 @ 402 W/440 SX, 8 5/8 @ 4757 W/975 SX, CMT CO: BJ SERVICES; . . . DRLG 11559 (LDIR 03/02/98)

MERIT ENERGY
1 CHAMBERS
API 30-025-24617-0002

7-16S-36E
555 FSL 2085 FEL SEC
IC 300257052497

WILDCAT; 11600 STRAWN, (FR 09/08/97MD) (ST APPD PMT: 09/22/97) **OPER ADD**: 12222 MERIT DR STE 1500, DALLAS, TX, 75251 PHONE (972) 701-8377; **EL**: 3950 GR; **LOCATION DATA**: 2 MI W LOVINGTON, NM .50 MI E/10308 (WFMP) **OIL PROD IN SHOE BAR NORTH FIELD ; (VERTICAL)** OWWO: OLD INFO: FORMERLY MESA PET 1 CHAMBERS. ELEV 3950 GR. **SPUD** 4/6/82. 13 3/8 @ 365 W/400 SX, 9 5/8 @ 4159 W/600 SX, 4 1/2 @ 10710 W/1200 SX. OTD 11600. PB 10700. COMP 7/22/82. IPP 93 BO, 54 BWPD. PROD ZONE: WOLFCAMP 10296-10530;

WDX

LOC;

CHESAPEAKE OPERATING
1 RUNNELS '8'
API 30-025-34264

8-16S-36E
SE SW
780 FSL 1510 FWL SEC
IC 300257002098

SHOE BAR NORTHEAST; 12011 STRAWN, (FR 01/14/98MD) **OPER ADD**: BOX 18496, OKLAHOMA CITY, OK, 73154-0496 PHONE (405) 848-8000 **EL**: 3936 GR; **LOCATION DATA**: 2 MI SW LOVINGTON, NM ; **(VERTICAL)**

D

CONTR: PATTERSON DRLG, **RIG #56**; **SPUD**: 02/01/98, . . . DRLG 11875 (LDIR 03/05/98)

MANZANO OIL
1 STATE '3'
API 30-025-34238

12-16S-36E
SW NE
2144 FNL 2087 FEL SEC
IC 300257069597

LOVINGTON NORTHEAST; 11800 PENNSYLVANIAN, (FR 12/16/97MD) **OPER ADD**: BOX 2107, ROSWELL, NM, 88202-2107 PHONE (505) 623-1996; **EL**: 3875 GR; **LOCATION DATA**: 3 MI E LOVINGTON, NM ; **(VERTICAL)**

D

CONTR: W E K DRLG, **RIG #4**; **SPUD**: 01/05/98, **CSG**: 13 3/8 @ 400 W/455 SX, 8 5/8 @ 4371 W/1000 SX, 5 1/2 @ 11700; **DST # 1** (WOLFCAMP) 10560-10617, FM WET - NO OTHER DETAILS **DST # 2** (STRAWN), NO DETAILS; (TD REACHED: 02/ 03/98), **RIG REL**: 02/04/98; . . . 11700 TD, WO TANKS (LDIR 02/26/98)

BASS ENTERPRISES PROD
1 MONTEITH 'C'
API 30-025-34284

13-16S-36E
NW NE
660 FNL 1830 FEL SEC
IC 300257005398

LOVINGTON NORTHEAST; 11650 PENNSYLVANIAN, (FR 02/03/98MD) **OPER ADD**: BOX 2760, MIDLAND, TX, 79702-2760 PHONE (915) 683-2277; **EL**: 3858 GR; **LOCATION DATA**: 3 MI SE LOVINGTON, NM ; **(VERTICAL)**

D

LOC;

CHESAPEAKE OPERATING
1 SALBAR '16'
API 30-025-34263

16-16S-36E
SW NW
2456 FNL 1023 FWL SEC
IC 300257002198

LOVINGTON WEST; 11875 PENNSYLVANIAN, (FR 01/14/98MD) **OPER ADD**: BOX 18496, OKLAHOMA CITY, OK, 73154-0496 PHONE (405) 848-8000 **EL**: 3918 GR; **LOCATION DATA**: 2 MI S LOVINGTON, NM ; **(VERTICAL)**

D

CONTR: PATTERSON DRLG, **RIG #45**; **SPUD**: 01/14/98, **CSG**: 13 3/8 @ 482 W/470 SX; **RIG REL**: 02/12/98; . . . 11925 TD, SI (LDIR 02/19/98)

YATES PET
1 BLACKMAN 'ARM' STATE
API 30-025-34001

16-16S-36E
330 FSL 30 FWL SEC
IC 300257036797

LOVINGTON WEST; 11900 PENNSYLVANIAN, (FR 06/04/97MD) **OPER ADD**: 105 S 4TH ST, ARTESIA, NM, 88210 PHONE (505) 748-4347; **EL**: 3916 GR; **LOCATION DATA**: 2 MI S LOVINGTON, NM ; **(VERTICAL)** **WELL ID CHANGES**: LSE NAME CHGD FROM BRISTOL 'ARM' STATE

D

CONTR: NORTON DRLG, **RIG #15**; **SPUD**: 01/29/98, **CSG**: 16 @ 40, 11 3/4 @ 448 W/400 SX, 8 5/8 @ 4910 W/1250 SX; **DST # 1**, TITE; **DRLG COMMENTS**: SPD 1/30/98 W/ RT . . . DRLG 11155 (MW 9.1) (LDIR 03/03/98)

CHESAPEAKE OPERATING
1 COLLEGE OF THE
SOUTHWEST '17'
API 30-025-34294

17-16S-36E
SE SW
585 FSL 1977 FWL SEC
IC 300257007498

SHOE BAR NORTHEAST; 11780 STRAWN, (FR 02/10/98MD) **OPER ADD**: BOX 18496, OKLAHOMA CITY, OK, 73154-0496 PHONE (405) 848-8000 **EL**: 3933 GR; **LOCATION DATA**: 2 MI SW LOVINGTON, NM ; **(VERTICAL)**

D

LOC;

CHESAPEAKE OPERATING
1 SUMRULD '18'
API 30-025-34136

18-16S-36E
1358 FSL 2205 FEL SEC
IC 300257054397

WILDCAT; 12400 STRAWN, (FR 09/19/97MD) **OPER ADD**: BOX 18496, OKLAHOMA CITY, OK, 73154-0496 PHONE (405) 848-8000 **EL**: 3948 GR; **LOCATION DATA**: 3 MI SW LOVINGTON, NM 1 MI NW/11480 (STRN) **OIL PROD IN LOVINGTON WEST FIELD ; PBHL**: 2221 FSL 2810 FEL SEC, 18-16S-36E; **(DEVIATED)**

WS

CONTR: NABORS DRLG USA, **RIG #398**; **SPUD**: 10/26/97, **RIG REL**: 12/03/97; . . . 12400 TD (APPROX), SI (LDIR 12/12/97)

CHESAPEAKE OPERATING
1 MAC '19'
API 30-025-34250

19-16S-36E
SW NE
2523 FNL 2370 FEL SEC
IC 300257071897

LOVINGTON WEST; 11682 PENNSYLVANIAN, (FR 12/29/97MD) **OPER ADD**: BOX 18496, OKLAHOMA CITY, OK, 73154-0496 PHONE (405) 848-8000 **EL**: 3951 GR; **LOCATION DATA**: 4 MI SW LOVINGTON, NM ; **(VERTICAL)**

D

CONTR: PATTERSON DRLG, **RIG #56**; **SPUD**: 12/26/97, **CSG**: 13 3/8 @ 499 W/471 SX, 9 5/8 @ 4274 W/1850 SX; **RIG REL**: 01/30/98; . . . 11682 TD