

C-103 Received 7-20-2006

PNRM0619955691

DHC No. Assigned 7-24-2006

Order Number		API Number		Operator		County				
HOB-0151		30-025-37015		Chesapeake Operating Inc.		Lea				
Order Date		Well Name			Number	Location				
		Bourdon 18			005	H	18	20S	39E	
						UL	Sec	T (+Dir)	R (+Dir)	
Pool 1	06660	Blinebry Oil & Gas			70%	70%				
Pool 2	87085	Warren Tubb, East			30%	30%				
Pool 3										
Pool 4										
Comments: Work completed effective _____ Work cancelled effective _____ Supplement _____										

Posted to
RBDMD
7-24-2006

DOWNHOLE COMMINGLE CALCULATIONS:

30-025-37015

OPERATOR: Chesapeake Operating Inc.

HOB-0151

PROPERTY NAME: Bourdon 18

WNULSTR: S-Hi, 18-20-39

SECTION I:

06660

POOL NO. 1 B Linebry Oil + Gas (Oil)

ALLOWABLE AMOUNT

107 ~~128~~ MCF 4000

87085

POOL NO. 2 Warren Tubb, East

142 852 MCF 6000

POOL NO. 3 _____

MCF

POOL NO. 4 _____

MCF

POOL TOTALS 249

1280

SECTION II:

POOL NO. 1 B Linebry Oil + Gas (Oil)

Oil

Gas

70%

70%

POOL NO. 2 Warren Tubb, East

30%

30%

POOL NO. 3 _____

POOL NO. 4 _____

OIL

GAS

SECTION III:

107 + 70% = 152.857 (153)

SECTION IV:

153 X 70% = 107.10 (107)

153 X 30% = 45.90 (46)

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. First Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Ave., Artesia, NM 88210
 District III
 1000 R. Brazo Rd., Aztec, NM 87410
 District IV
 1230 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 May 27, 2001

OIL CONSERVATION DIVISION
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

WELL API NO 30-025 37015

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
 Bourdon 18

8. Well Number 005

9. OGRID Number 147179

10. Pool name or Wildcat
 Blinebry Oil & Gas

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

2. Name of Operator: Chesapeake Operating, Inc

3. Address of Operator: P O Box 11050
 Midland, TX 79702-8050

4. Well Location
 Unit letter H 1980 feet from the North line and 660 feet from the East line
 Section 18 Township 20S Range 39E NMPM County Lea
 11. Elevation (Show whether DR, RKB, RT, GR, etc.)
 3547' 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:		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"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: Down Hole Co-Mingle <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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

Chesapeake, respectfully, request permission to down hole co-mingle this well per co-mingle order #R11363. This lease is on private land and all working and royalty interest are the same for each zone. Co-mingling will not reduce the value of the production. The allocation method is from well test at inception of each zone

The percent of production for the oil and gas for each zone is as follows:

Warren/Tubb, East 30% Pool Code: 87085 Perfs: 6701 - 6878
 Blinebry Oil and Gas 70% Pool Code: 06660 Perfs: 6044 - 6068

DHC Order No. HOB-0151

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 Brenda Coffman TITLE Regulatory Analyst DATE 07/19/2006

Type or print name Brenda Coffman E-mail address bcoffman@chkenergy.com Telephone No. (432)687-2992
 For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUL 24 2006
 Conditions of Approval (if any):

District I
1625 N French Dr , Hobbs, NM 88240
District II
1301 W Grand Avenue, Artesia, NM 88210
District III
Rio Brazos Rd , Aztec, NM 87410
District IV
1220 S St Francis Dr , Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised June 10, 2003
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-37015		Pool Code 06660		Pool Name Blinebry Oil & Gas	
Property Code 300218	Property Name Bourdon 18			Well Number 5	
OGRID No 147179	Operator Name Chesapeake Operating Inc.			Elevation 3547 GR	

¹⁰Surface Location

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
H	18	20S	39E		1980	North	660	East	Lea

¹¹Bottom 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 40	Joint or Infill	Consolidation Code	Order No
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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

16				<p>17 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Brenda Coffman</i> Signature</p> <p>Brenda Coffman Printed Name Regulatory Analyst bcoffman@chkenergy.com Title and E-mail Address</p> <p>12/01/2005 Date</p>
				<p>18 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.</p>
				<p>Date of Survey Signature and Seal of Professional Surveyor</p>
				<p>Certificate Number</p>

District I
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WELL LOCATION AND ACREAGE DEDICATION PLAT

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Property Code 300218	Property Name Bourdon 18		Well Number 5
OGRID No. 147179	Operator Name Chesapeake Operating Inc.		Elevation 3547 GR

¹⁰Surface Location

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	<p>18 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.</p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>

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OIL CONSERVATION DIVISION 1220 South St. Francis Dr. Santa Fe, NM 87505

WELL API NO 30-025-36793
5. Indicate Type of Lease STATE [] FEE [X]
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Bourdon 18
8. Well Number 004
9. OGRID Number 147179
10. Pool name or Wildcat Blinebry Oil & Gas

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1. Type of Well: Oil Well [X] Gas Well [] Other []
2. Name of Operator Chesapeake Operating, Inc.
3. Address of Operator P. O. Box 11050 Midland, TX 79702-8050
4. Well Location Unit Letter J : 1980 feet from the South line and 1980 feet from the East line Section 18 Township 20S Range 39E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3547' 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
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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 PLANS [] PULL OR ALTER CASING [] MULTIPLE COMPL []
SUBSEQUENT REPORT OF: REMEDIAL WORK [] ALTERING CASING [] COMMENCE DRILLING OPNS. [] P AND A [] CASING/CEMENT JOB []
OTHER: Down Hole Co-Mingle [X] OTHER: []

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7-24-06
Inadvertently submitted
See 30-025-37015
5-H, 18-20-39

DHC Order No. HOB-0151

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SIGNATURE Brenda Coffman TITLE Regulatory Analyst DATE 07/17/2006

Type or print name Brenda Coffman E-mail address: bcoffman@chkenergy.com Telephone No. (432)687-2992
For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUL 18 2006

Conditions of Approval (if any):