DATE IN 6-3-10	SUSPENSE	ENGINEER WJ	LOGGED IN 6-3-10	TYPE SWD 1242	APP NO. pTGW 1015453403

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

1220 South St. Francis Drive, Santa Fe, NM 87505

Chesapeake
Pogo State 36 #2
30-015-27399

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

RECEIVED OCD
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[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☑ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☐ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☑ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Christian Combs		Manager Regulatory, S. Division	5-18-10
Print or Type Name	Signature	Title	Date

Christian.Combs@chk.com
e-mail Address

STATE OF NEW MEXICO
ENERGY, MINERALS and NATURAL
RESOURCES DEPARTMENT

Oil Conservation Division
1220 South St. Francis Dr.
SANTA FE, NEW MEXICO 87505

Form C-108
Revised June 10, 2003

APPLICATION FOR AUTHORIZATION TO INJECT

I. PURPOSE: _____ Secondary Recovery _____ Pressure Maintenance __X__ Disposal _____ Storage
Application qualifies for administrative approval? __X__ Yes _____ No

II. OPERATOR: Chesapeake Operating, Inc.

ADDRESS: P.O. Box 18496 Oklahoma City, OK 74154-0496

CONTACT PARTY: Bryan Arrant PHONE: (405)935-3782

III. WELL DATA: Complete the data required on the reverse side of this form for each well processed for injection. Additional sheets may be attached if necessary.

IV. Is this an expansion of an existing project? _____ Yes __X__ No
If yes, give the Division order number authorizing the project _____

V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.

VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.

VII. Attach data on the proposed operation, including:

1. Proposed average and maximum daily rate and volume of fluids to be injected;
2. Whether the system is open or closed;
3. Proposed average and maximum injection pressure;
4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).

*VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness. and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing waters with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such sources known to be immediately underlying the injection interval.

IX. Describe the proposed stimulation program, if any.

*X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division, they need not be resubmitted.)

*XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.

XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.

XIII. Applicants must complete the 'Proof of Notice' section on the reverse side of this form.

XIV. Certification: I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.

NAME: Bryan Arrant TITLE: Senior Regulatory Compl. Sp.

SIGNATURE: Bryan Arrant DATE: 5-18-10

E-MAIL ADDRESS: bryan.arrant@chk.com

* If the information required under Sections VI, VHI, X, and XI above has been previously submitted, it need not be resubmitted. Please show the date and circumstance of the earlier submittal: _____

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate District Office

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

(1) Lease name; Well No.; Location by Section, Township, and Range; and footage location within the section.

(2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.

(3) A description of the tubing to be used including its size, lining material, and setting depth.

(4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District Offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet' rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

(1) The name of the injection formation and, if applicable, the field or pool name.

(2) The injection interval and whether it is perforated or open-hole.

(3) State if the well was drilled for injection or, if not, the original purpose of the well.

(4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.

(5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

(1) The name, address, phone number, and contact party for the applicant;

(2) The intended purpose of the injection well; with the exact location of single wells or the Section, Township, and Range location of multiple wells;

(3) The formation name and depth with expected maximum injection rates and pressures; and

(4) A notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, 1220 South St. Francis Dr., Santa Fe, NM 87505 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

Side 1

INJECTION WELL DATA SHEET

OPERATOR: Chesapeake Operating, Inc.

WELL NAME & NUMBER: Pogo 36 State #2

WELL LOCATION: 330' FSL & 330' FWL | M | 36 | 25S | 29E

FOOTAGE LOCATION | UNIT LETTER | SECTION | TOWNSHIP | RANGE

WELLBORE SCHEMATIC

WELL CONSTRUCTION DATA

Surface Casing

Hole Size: 17 1/2" Casing Size: 13 3/8"

Cemented wtih: 600 sxs sx. *or* _____ ft^3

Top of Cement: Surface Method Determined: Circulated

Intermediate Casing

Hole Size: 11" Casing Size: 8 5/8"

Cemented with: 1350 sxs sx. *or* _____ ft^3

Top of Cement: 390' Method Detemined: Temp Survey

Production Casing

Hole Size: 7 7/8" Casing Size: 5 1/2"

Cemented with: 665 sxs sx. *or* _____ ft^3

Top of Cement: 3170' Method Determined: Calculated

Total Depth: 5900'

Injection Interval

4180' feet to 5115' (Perforated)

(Peforated or Open Hole; indicated which)

INJECTION WELL DATA SHEET

Tubing Size: 2 3/8" Lining Material: Plastic

Type of Packer: Baker Loc-Set

Packer Setting Depth: 4147'

Other Type of Tubing/Casing Seal (if applicable): _____

Additional Data

1. Is This a new well drilled for injection? _____Yes __X__No

   If no, for what purpose was the well originally drilled? Oil & Gas

2. Name of the Injected Formation: Cherry Canyon formation of the Delaware Mountian Group

3. Name of Field or Pool (if applicable): Brushy Draw;Delaware, North

4. Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail, i.e. sacks of cement or plug(s) used.

   Yes. 3262'-3284' Squeeze cement & 5680'-5710'. CIBP w/25 sxs cement 5350'.

5. Give the name and depths of any oil or gas zones underlying or overlying the proposed injected zone in this area: Lower Cherry Canyon (5293'-5365')

   Brushy Canyon (5567'-5718')

New Mexico Oil Conservation Division form (C-108) Application for Authorization to Dispose

Pogo 36 State # 2
Section 36, T-25-S R-29-E
330' FSL & 330' FWL, NMPM
API# 30-015-27399
Eddy County, New Mexico

Chesapeake Operating, Inc. proposes to re-enter the above captioned well and convert to a salt water disposal well in the Cherry formation of the Delaware Mountain Group.
Please find the following application for authorization to dispose (NMOCD's form C-108) along with attachments and item information.

Item I The purpose of this application is for disposal.

Item II Chesapeake Operating, Inc. (OGRID # 147179)
P.O. Box 18496
Oklahoma City, OK 73154-0496
Bryan G. Arrant, Contact phone # 405-935-3782

Item III See attached data sheets

Item IV This is not an existing project.

Item V See attached maps showing ½ mile and 2 mile radius.

Item VI See attached tabulation of wells of public record within the area of review which penetrate the proposed disposal zone, and well-bore schematics of all plugged wells with ½ mile of AOR.

Item VII

1) Daily average disposal rate is expected to be 2500 BWPD. Maximum daily rate would be approximately 3000 BWPD.
2) The system will be closed.
3) The proposed average disposal pressure is expected to be 836 psig and the maximum pressure is expected to be 836 psig.
4) The source of water to be disposed is produced salt water from surrounding wells which produce from the Bone Spring. A water analysis is attached, Item VII (4).
5) Disposal will be in the Cherry Canyon formation of the Delaware Mountain Group (4180'-5115'). The Delaware is productive at deeper intervals in Lower Cherry Canyon & Brushy Canyon formations (5293'-5718') within the AOR.
   A chemical analysis of the Delaware formation water (where we plan to dispose) is attached. Item VII (5).

Item VIII

The Cherry Canyon formation of the Delaware Mountain Group can be described very fine grained sandstones inter-bedded with shale sections.

The top and bottom of the Delaware is indicated below:

Well Name	Top of Delaware	Base of Delaware
Pogo 36 State #2	3216'	NDE'

There are no known underground sources of drinking water overlying the proposed injection zone as well as any such sources immediately underlying the disposal interval.

Item IX Acidize perfs w/5000 gals 15 % NeFe Acid. Frac perfs per frac recommendation.

Item X Electric logs are available for public record on NMOCD's web-site.

Item XI There are no fresh water wells within the AOR. Please see attached New Mexico Office of the State Engineer document.

This well is located @ 9 ½ miles south southwest of the secretary's potash boundary of R-111-P, and @ 26 miles east of the Capitan Reef aquifer.

Item XII There are no evidence of open faults or any other hydrological connection between the disposal zone and any underground sources of drinking water.

Item XIII Proof of Notice

- A copy of the application has been furnished by certified mail. A list is provided.
- A copy of the legal advertisement in the county in which the well is located is attached.
- A copy of the application has been sent to the NMOCD's District II office.
- A copy has been provided to the New Mexico State Land Office.

Additional information:

- Procedure to convert well to SWD.
- Actual & proposed well bore diagram of Pogo State # 2 well.
- Geological formation tops for the Pogo State # 2 well.

Pogo 36 State 2
Eddy County, New Mexico
Re-enter and Convert to SWD Procedure

Date: April 14, 2010

Location: 330' FSL & 330' FWL Sec. 36-T25S-R29E

Casing: 5 1/2" 15.5# K-55 0-5,900' ID – 4.950", Drift – 4.825", Burst – 4,810 psi

PBTD/TD: 0'/5,900'

Current Perfs: Bell Canyon 3,262-84' (below CIBP)
Brushy Canyon 5,680-5,710 (below CIBP)

Propose Perfs: Cherry Canyon 4180-5115'

Recommended Procedure:

1. Dig out casing and secure casing stub. MIRU PU. NU BOP. Unload, rack and tally 2 7/8" L-80 work string.

2. RIH w/ 4 3/4" bit and drill collars on tbg. Drill out cement plugs to CIBP @ 3,212'. Drill out CIBP's @ 3,212', and 3,450'. Continue to clean out to cement on top of CIBP @ 5,350'. Do **not** drill out CIBP @ 5,350'. POH w/ bit.

3. RIH w/ cement retainer on tubing. Set retainer at 3,200'. Shear off the retainer, and sting back into it. Establish injection into perfs 3,262-84'. Squeeze off perfs 3,262-84' per squeeze recommendation. Sting out of retainer and POH w/ tubintg.

4. RIH w/ 4 ¾" bit and drill collars on tubing. Drill out cement retainer and cement down to 5,350'. Pressure test squeeze to 500 psi. POH w/ bit.

5. RU wireline co. Perforate Cherry Canyon 5060-5115', 1 spf w/ HSC gun.

6. RIH packer on 2 7/8" tbg to 4,900'. Acidize perfs 5060-5115' w/ 5,000 gal 15% NEFE acid. Frac perfs per frac recommendation (anticipate 50,000# sand in X-linked fluid at 30 BPM). POH w/ packer.

7. RU wireline co. Set Composite BP @ 5,000'. Perforate Cherry Canyon 4590-4610', 4630-56', 4,710-80' 1 spf w/ HSC gun.

8. RIH packer on 2 7/8" tbg to 4,500'. Acidize perfs 4590-4780' w/ 5,000 gal 15% NEFE acid dropping 175 perf balls evenly throughout job. Release packer and drop down through perfs and knock off balls. Pull packer back up to 4,500'. Frac perfs per frac recommendation (anticipate 50,000# sand in X-linked fluid at 30 BPM). POH w/ packer.

9. RU wireline co. Set Composite BP @ 4,500'. Perforate Cherry Canyon 4180-4210', 4240-70', 4,310-30' 1 spf w/ HSC gun.

10. RIH packer on 2 7/8" tbg to 4,100'. Acidize perfs 4180-4330' w/ 5,000 gal 15% NEFE acid dropping 120 perf balls evenly throughout job. Release packer and drop down through perfs and knock off balls. Pull packer back up to 4,100'. Frac perfs per frac recommendation (anticipate 50,000# sand in X-linked fluid at 30 BPM). POH w/ packer.

11. RIH w/ 4 ¾" bit and drill collars on tubing. Drill BP's @ 4,500' and 5,000'. Cleanout to 5,350'. POH w/ bit.

12. RIH w/ 2 3/8" plastic lined tbg and 5 ½" Lock-set packer to 4,150'. Load back side with packer fluid. Set packer and pressure test to 500 psi.

13. ND BOP. NU WH. Rig down.

P&A WELLBORE SCHEMATIC

WELL: Pogo 36 State 2
FIELD: North Brushy Draw Delaware
COUNTY / STATE: EDDY / NEW MEXICO
LOCATION: SEC 36-25S-29E, 330 FSL & 330 FWL
ELEVATION: 3,044.00 GR 3,052.00 RKB

API: 3001527399
SPUD DATE: 8/24/1993

Well Config: - Original Hole, 4/29/2010 3:35:15 PM

ftKB (MD)	ftKB (TVD)	Schematic - Actual
8		
50		15 sx Surf plug, 50
		Original Hole, 17 1/2, 8-617
390		TOC, 390
567		
616		13 3/8" 54# & 50# Surf Csg, 617
617		Cmt w/ 400 sx, tail w/ 200 sx. Circ, 617
667		40 sx cmt plug from 567 -, 667
2,000		Original Hole, 11, 617-3,256
2,350		50 sx plug from 2000 -, 2,350
3,170		TOC, 3,170
3,177		
3,212		CIBP w/ 35' cmt, 3,212
3,214		
3,255		
3,256		8 5/8" 32# & 24# J-55 Int Csg, 3,256
3,256		Cmt w/ 1150 sx, tail w/ 200 sx, 3,256
3,262		3,262-3,284, 12/15/1995
3,284		
3,450		CIBP, 3,450
3,452		
4,147		
4,150		
4,180		
4,330		
4,590		Original Hole, 7 7/8, 3,256-5,900
4,780		
4,989		
4,992		DV Tool, 4,992
5,060		
5,115		
5,315		
5,350		CIBP w/ 25 sx cmt, 5,350
5,352		
5,680		5,680-5,710, 9/16/1993
5,710		Cmt 1st stg w/ 200 sx. Circ w/ 40 sx. Cmt 2nd stg w/ 365 sx, tail w/ 100 sx, 5,900
5,899		
5,900		5 1/2" 15.5# K-55 Prod Csg, 5,900

RAMSEY

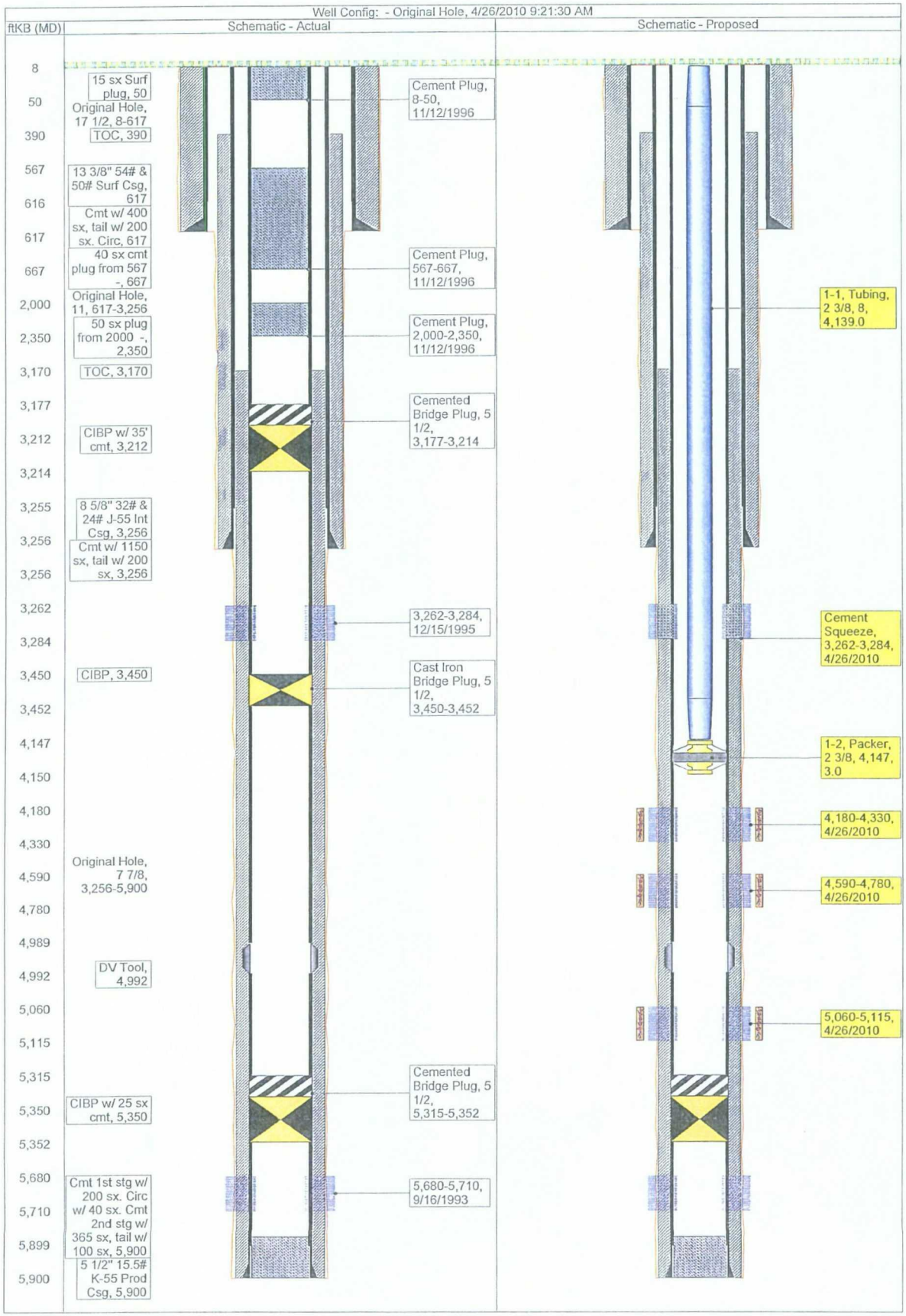
Item VI
Plugged well within AOR

Printed on: 4/29/2010

WORKOVER PROPOSAL WBD

WELL: Pogo 36 State 2
FIELD: North Brushy Draw Delaware
COUNTY / STATE: EDDY / NEW MEXICO
LOCATION: SEC 36-25S-29E, 330 FSL & 330 FWL
ELEVATION: 3,044.00 GR 3,052.00 RKB

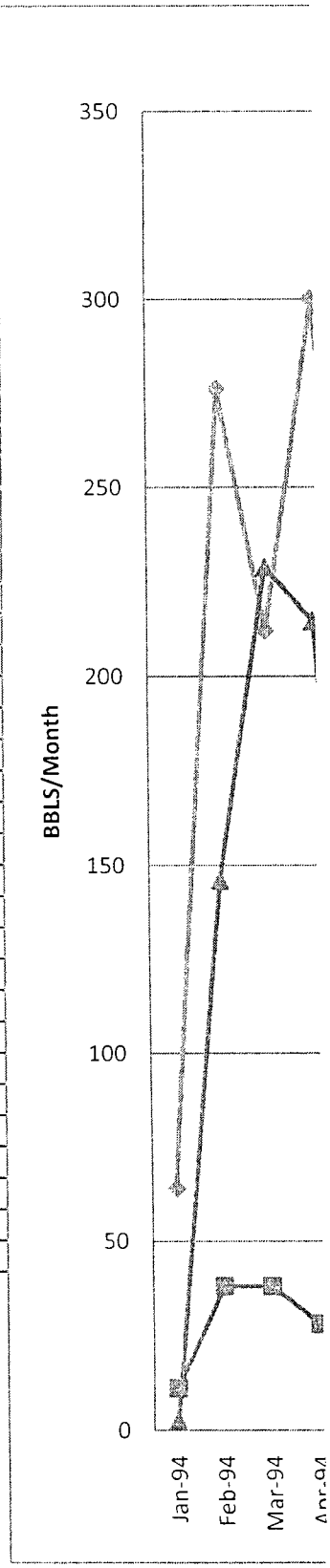
API: 3001527399
SPUD DATE: 8/24/1993

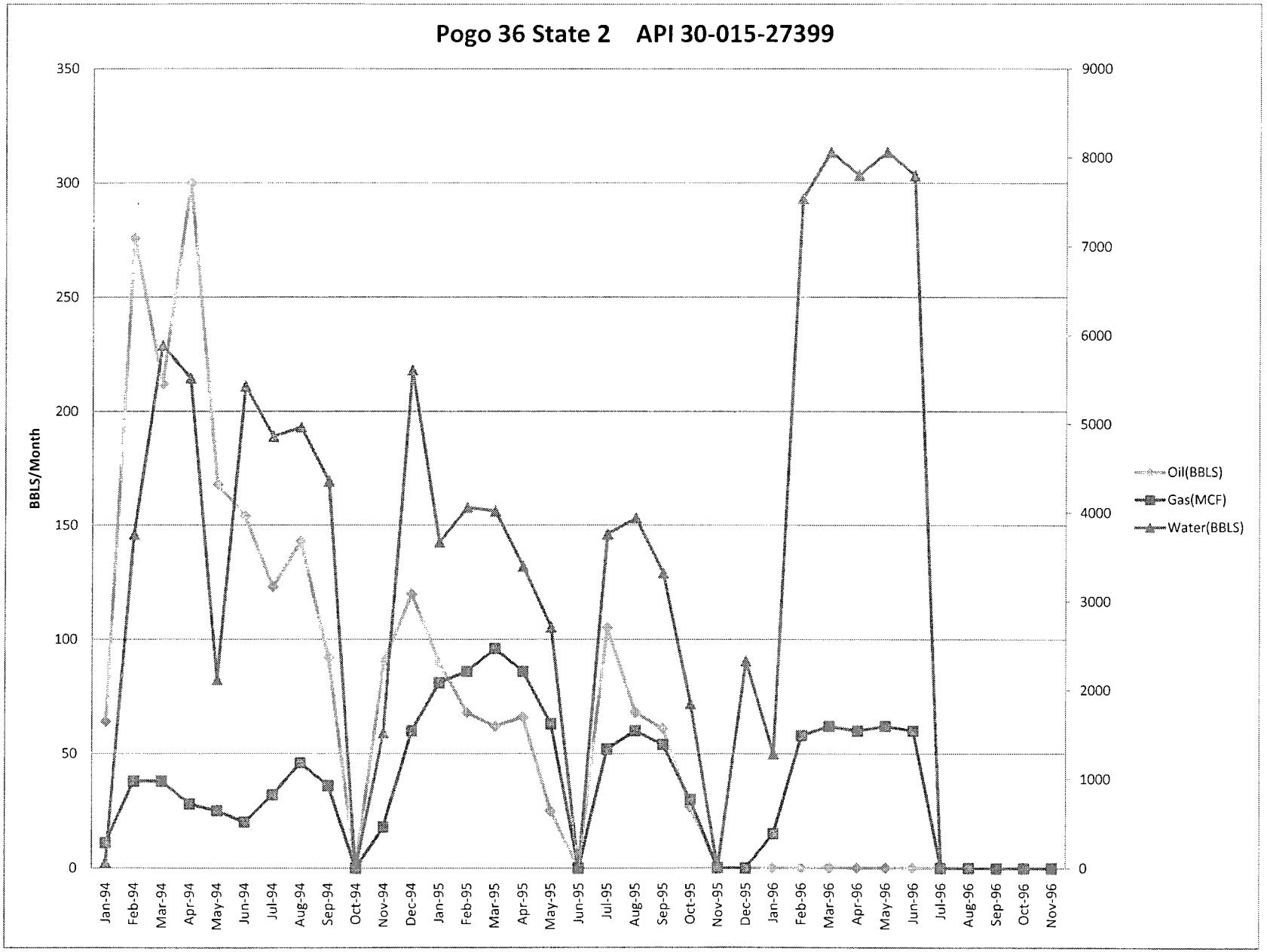


Printed on: 4/26/2010

Production Summary Report
API: 30-015-27399
[10653] POGO 36 STATE #002
Printed On: Monday, July 12 2010

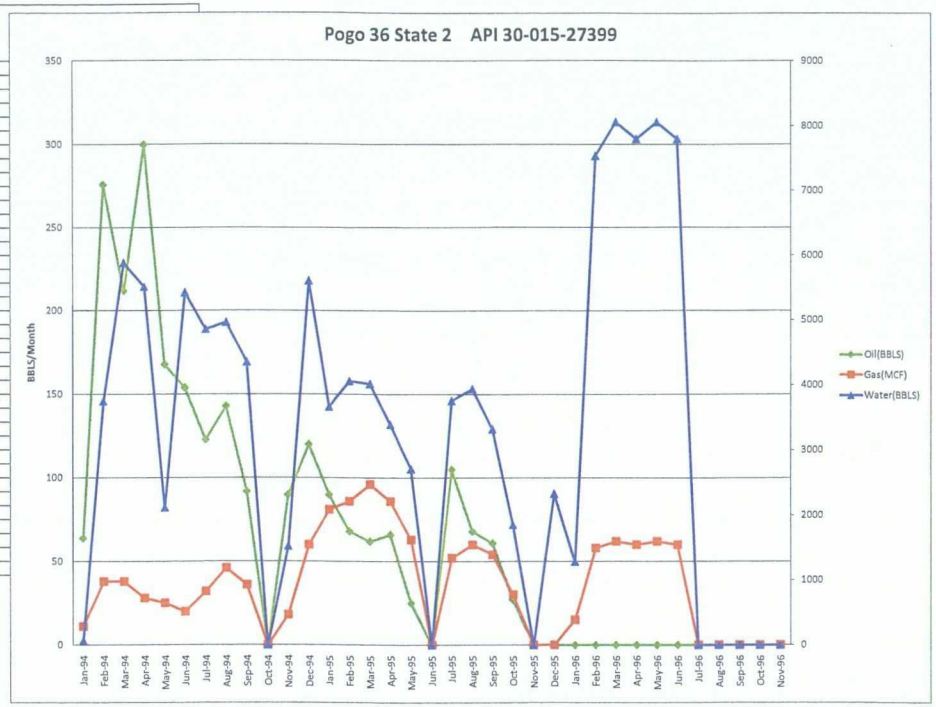
		Production					
Year	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I		
1994	Jan-94	64	11	65	5		
1994	Feb-94	276	38	3755	19		
1994	Mar-94	212	38	5890	31		
1994	Apr-94	300	28	5520	30		
1994	May-94	168	25	2119	12		
1994	Jun-94	154	20	5430	30		
1994	Jul-94	123	32	4860	27		
1994	Aug-94	143	46	4965	31		
1994	Sep-94	92	36	4358	28		
1994	Oct-94	0	0	0	0		
1994	Nov-94	90	18	1525	9		
1994	Dec-94	120	60	5612	31		
1995	Jan-95	90	81	3667	27		
1995	Feb-95	68	86	4061	28		
1995	Mar-95	62	96	4019	31		
1995	Apr-95	66	86	3395	25		
1995	May-95	25	63	2712	21		
1995	Jun-95	0	0	0	0		
1995	Jul-95	105	52	3759	26		
1995	Aug-95	68	60	3941	30		
1995	Sep-95	61	54	3321	27		
1995	Oct-95	27	30	1853	15		
1995	Nov-95	0	0	0	0		
1995	Dec-95	0	0	2331	10		
1996	Jan-96	0	15	1285	5		
1996	Feb-96	0	58	7540	29		
1996	Mar-96	0	62	8060	31		
1996	Apr-96	0	60	7800	30		
1996	May-96	0	62	8060	31		
1996	Jun-96	0	60	7800	30		
1996	Jul-96	0	0	0	0		
1996	Aug-96	0	0	0	0		
1996	Sep-96	0	0	0	0		
1996	Oct-96	0	0	0	0		
1996	Nov-96	0	0	0	0		




Pogo 36 State 2 API 30-015-27399
BBLS/Month
350
300
250
200
150
100
50
0
9000
8000
7000
6000
5000
4000
3000
2000
1000
0
Jan-94
Feb-94
Mar-94
Apr-94
May-94
Jun-94
Jul-94
Aug-94
Sep-94
Oct-94
Nov-94
Dec-94
Jan-95
Feb-95
Mar-95
Apr-95
May-95
Jun-95
Jul-95
Aug-95
Sep-95
Oct-95
Nov-95
Dec-95
Jan-96
Feb-96
Mar-96
Apr-96
May-96
Jun-96
Jul-96
Aug-96
Sep-96
Oct-96
Nov-96
Oil(BBLS)
Gas(MCF)
Water(BBLS)

Production Summary Report
API: 30-015-27399
[10653] POGO 36 STATE #002
Printed On: Monday, July 12 2010

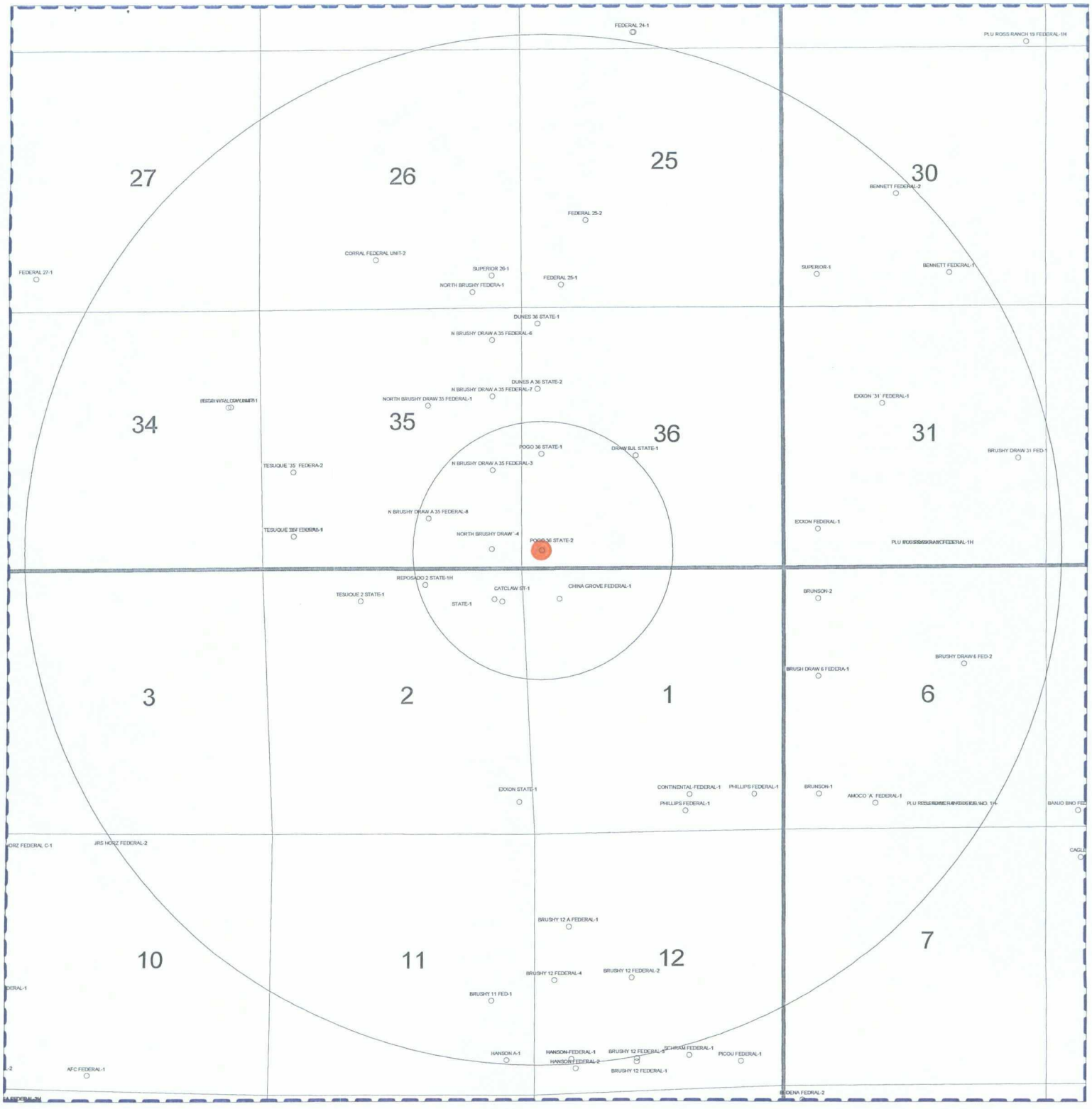
	Production					
Year	Month	Oil(BBLS)	Gas(MCF)	Water(BBLS)	Days P/I	
1994	Jan-94	64	11	65	5	
1994	Feb-94	276	38	3755	19	
1994	Mar-94	212	38	5890	31	
1994	Apr-94	300	28	5520	30	
1994	May-94	168	25	2119	12	
1994	Jun-94	154	20	5430	30	
1994	Jul-94	123	32	4860	27	
1994	Aug-94	143	46	4965	31	
1994	Sep-94	92	36	4358	28	
1994	Oct-94	0	0	0	0	
1994	Nov-94	90	18	1525	9	
1994	Dec-94	120	60	5612	31	
1995	Jan-95	90	81	3667	27	
1995	Feb-95	68	86	4061	28	
1995	Mar-95	62	96	4019	31	
1995	Apr-95	66	86	3395	25	
1995	May-95	25	63	2712	21	
1995	Jun-95	0	0	0	0	
1995	Jul-95	105	52	3759	26	
1995	Aug-95	68	60	3941	30	
1995	Sep-95	61	54	3321	27	
1995	Oct-95	27	30	1853	15	
1995	Nov-95	0	0	0	0	
1995	Dec-95	0	0	2331	10	
1996	Jan-96	0	15	1285	5	
1996	Feb-96	0	58	7540	29	
1996	Mar-96	0	62	8060	31	
1996	Apr-96	0	60	7800	30	
1996	May-96	0	62	8060	31	
1996	Jun-96	0	60	7800	30	
1996	Jul-96	0	0	0	0	
1996	Aug-96	0	0	0	0	
1996	Sep-96	0	0	0	0	
1996	Oct-96	0	0	0	0	
1996	Nov-96	0	0	0	0	



Pogo 36 State # 2
Unit M, Sec. 36, T-25-S R-29-E
Eddy Co., NM
API# 30-015-27399

Geological Formation Tops

• Rustler	638'
• Salado	887'
• Base of Salt	3015'
• Lamar Limestone	3216'
• Bell Canyon	3255'
• Cherry Canyon	4132'
• Brushy Canyon	5387'
• Base of Brushy Canyon	NDE



Item V
½ & 2 mile Area of Review

Chesapeake ENERGY	**CHESAPEAKE OPERATING, INC.**

PERMIAN DISTRICT

½ Mile and 2 Mile Radii Map

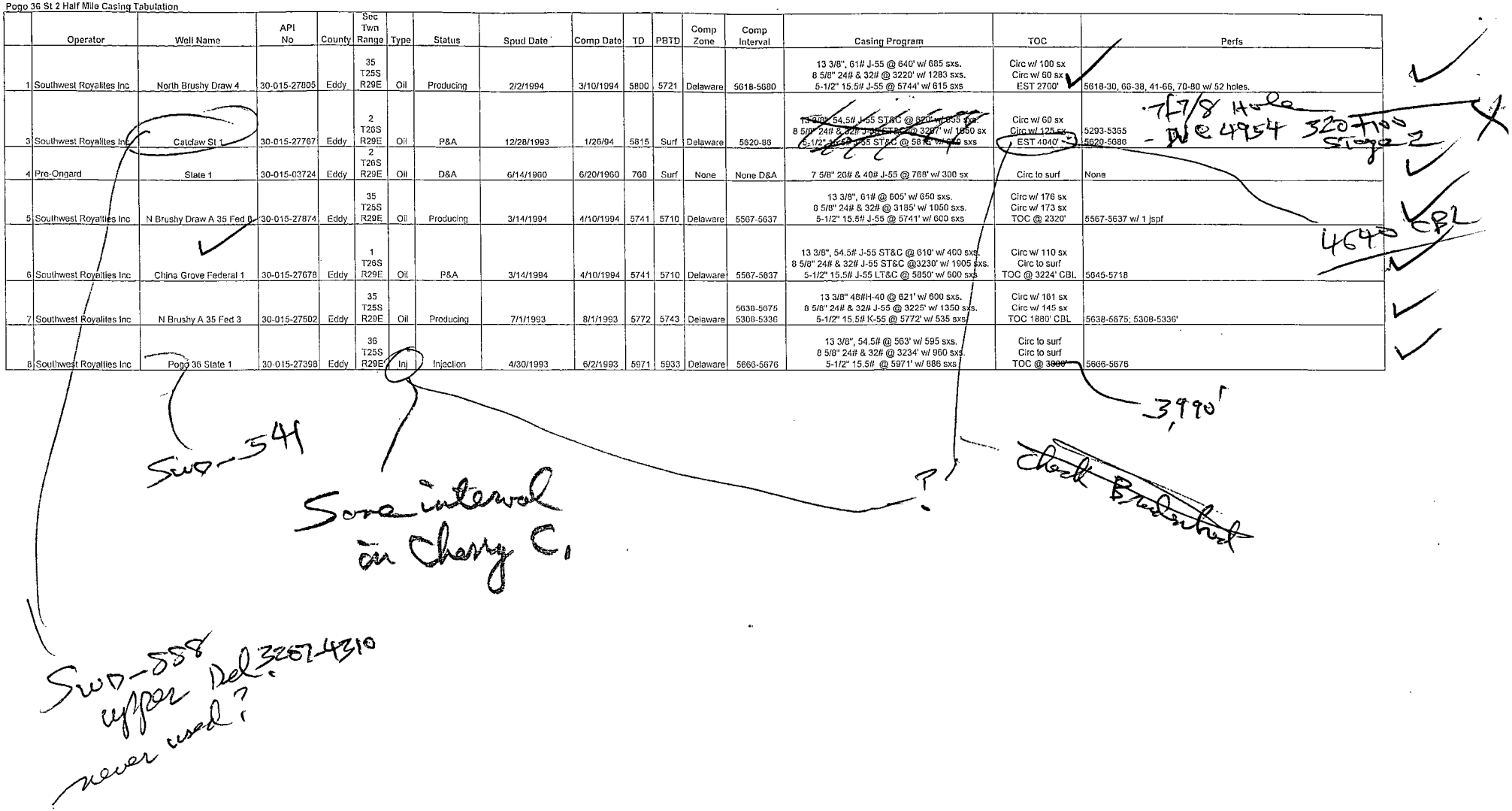
Pogo 36 St. 2

Eddy Co., NM

Date: 16 February, 2010	**Pogo St radii.gmp**

Chesapeak Energy Corporation
Pogo 36 St 2 Half Mile Casing Tabulation

	Operator	Well Name	API No	County	Sec Twn Range	Type	Status	Spud Date	Comp Date	TD	PBTD	Comp Zone	Comp Interval	Casing Program	TOC	Perfs
1	Southwest Royalites Inc	North Brushy Draw 4	30-015-27805	Eddy	35 T25S R29E	Oil	Producing	2/2/1994	3/10/1994	5800	5721	Delaware	5618-5680	13 3/8", 61# J-55 @ 640' w/ 685 sxs. 8 5/8" 24# & 32# @ 3220' w/ 1283 sxs. 5-1/2" 15.5# J-55 @ 5744' w/ 615 sxs	Circ w/ 100 sx Circ w/ 60 sx EST 2700'	5618-30, 66-38, 41-66, 70-80 w/ 52 holes.
3	Southwest Royalites Inc	Catclaw St 1	30-015-27767	Eddy	2 T26S R29E	Oil	P&A	12/28/1993	1/26/94	5815	Surf	Delaware	5620-86	13 3/8", 54.5# J-55 ST&C @ 620' w/ 635 sxs. 8 5/8" 24# & 32# J-55 ST&C @ 3287' w/ 1850 sx 5-1/2" 15.5# J-55 ST&C @ 5815' w/ 610 sxs	Circ w/ 60 sx Circ w/ 125 sx EST 4040'	5293-5355 5620-5686
4	Pre-Ongard	State 1	30-015-03724	Eddy	2 T26S R29E	Oil	D&A	6/14/1960	6/20/1960	768	Surf	None	None D&A	7 5/8" 26# & 40# J-55 @ 768' w/ 300 sx	Circ to surf	None
5	Southwest Royalties Inc	N Brushy Draw A 35 Fed 6	30-015-27874	Eddy	35 T25S R29E	Oil	Producing	3/14/1994	4/10/1994	5741	5710	Delaware	5567-5637	13 3/8", 61# @ 605' w/ 650 sxs. 8 5/8" 24# & 32# @ 3185' w/ 1050 sxs. 5-1/2" 15.5# J-55 @ 5741' w/ 600 sxs	Circ w/ 176 sx Circ w/ 173 sx TOC @ 2320'	5567-5637 w/ 1 jspf
6	Southwest Royalties Inc	China Grove Federal 1	30-015-27678	Eddy	1 T26S R29E	Oil	P&A	3/14/1994	4/10/1994	5741	5710	Delaware	5567-5637	13 3/6", 54.5# J-55 ST&C @ 610' w/ 400 sxs. 8 5/8" 24# & 32# J-55 ST&C @3230' w/ 1905 sxs. 5-1/2" 15.5# J-55 LT&C @ 5850' w/ 500 sxs	Circ w/ 110 sx Circ to surf TOC @ 3224' CBL	5645-5718
7	Southwest Royalites Inc	N Brushy A 35 Fed 3	30-015-27502	Eddy	35 T25S R29E	Oil	Producing	7/1/1993	8/1/1993	5772	5743	Delaware	5638-5675 5308-5336	13 3/8" 48#H-40 @ 621' w/ 600 sxs. 8 5/8" 24# & 32# J-55 @ 3225' w/ 1350 sxs. 5-1/2" 15.5# K-55 @ 5772' w/ 535 sxs	Circ w/ 161 sx Circ w/ 145 sx TOC 1880' CBL	5638-5675; 5308-5336'
8	Southwest Royalties Inc	Pogo 36 State 1	30-015-27398	Eddy	36 T25S R29E	Inj	Injection	4/30/1993	6/2/1993	5971	5933	Delaware	5666-5676	13 3/6", 54.5# @ 563' w/ 595 sxs. 8 5/8" 24# & 32# @ 3234' w/ 960 sxs. 5-1/2" 15.5# @ 5971' w/ 686 sxs	Circ to surf Circ to surf TOC @ 3800'	5666-5676



Item VI
Tabulation of wells within Area of Review

Submit 3 Copies to Appropriate District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

C/SF
Oper.

DISTRICT I
P.O. Box 1980, Hobbs NM 88241-1980

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

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

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

WELL API NO. 30 015 27767

5. Indicate Type of Lease STATE [X] FEE [ ]

6. State Oil & Gas Lease No. V2845

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.)

7. Lease Name or Unit Agreement Name: CATCLAW STATE

1. Type of Well: OIL WELL [X] GAS WELL [ ] OTHER

2. Name of Operator: SOUTHWEST ROYALTIES, INC.

8. Well No. 1

3. Address of Operator: P.O. BOX 11390; MIDLAND, TX 79702

9. Pool name or Wildcat: NORTH BRUSHY DRAW DELAWARE

4. Well Location
Unit Letter A : 710 Feet From The North Line and 500 Feet From The East Line

Section 2 Township 26S Range 29E NMPM Eddy County

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

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	[ ]	PLUG AND ABANDON	[ ]	REMEDIAL WORK	[ ]	ALTERING CASING	[ ]
TEMPORARILY ABANDON	[ ]	CHANGE PLANS	[ ]	COMMENCE DRILLING OPNS.	[ ]	PLUG AND ABANDONMENT	[X]
PULL OR ALTER CASING	[ ]			CASING TEST AND CEMENT JOB	[ ]		
OTHER:	[ ]			OTHER:	[ ]		

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.

Post ID-2
1-3-96
P & A

11-14-96 - PLUG #1 - SET 5-1/2" CIBP @ 5200' & CAP W/ 35' CMT ON TOP.
11-15-96 - PLUG #2 - SPOT 50 SXS CMT FORM 4450'-4310'; WOC & TAG.
11-15-96 - PLUG #3 - SPOT 60 SXS CMT FROM 3257'-3060'; WOC & TAG.
11-18-96 - PLUG #4 - SPOT 40 SXS CMT FROM 670'-520'; WOC & TAG.
11-18-96 - PLUG #5 - SPOT 20 SXS CMT FORM 50'-SURFACE.

INSTALL DRY HOLE MARKER; P&A COMPLETE 11-18-96.

DEC 18 '96

5-1/2" CSG CUT & PULLED FROM 4400'.
HOLE DISPLACED W/ MLF BETWEEN PLUGS 9.5 PPG BRINE W/ 25 PPB SALT GEL.

O. OFFICE

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

SIGNATURE Jimmy Bagley / Beverly Hatfield TITLE P&A SUPERVISOR -Sierra WS DATE 12-16-96
Regulatory Coordinator - Southwest Royalties, Inc.

TYPE OR PRINT NAME JIMMY BAGLEY Beverly Hatfield TELEPHONE NO. (915)563-0430

(This space for State Use)

APPROVED BY Mike Stubblefield TITLE Field Rep. I DATE 1-16-97

CONDITIONS OF APPROVAL, IF ANY:

Devon Energy
Well Summary

Lease:	Catclaw State	Surf Loc:	710' FNL & 500' FEL, Sec 2 T26S R29E	Engr:	James Blount
Well #:	#1	BHL:	Straight Hole	Elev	2997' GR
County/State:	Eddy, NM	Spud Date:	12/28/1993	Compl Date:	1/26/1994
Field:	North Brushy Draw, Delaware	TD Date:	1/13/1994	API #	30-015-27767

Directional	Open Hole Logging	Sands/Markers	Depth TVD	Depth MD	Current Casing Profile	Hole Size	Casing Details	Cement Used	Mud Wt. & Type
			50'	50'				Cmt Tag @50'	
			520'	520'		17 1/2"	13 3/8", 54.5# J55, ST&C	655 sx Cmt	
			620	620					
			670'	670'				Cmt Tag @520' - 670'	
		TX	1525	1525					
		BX	3020	3020					
		Delaware	3207'	3207'					
			4310'	4310'					
			4450'	4450'		TOC @ 4640'	Csg Cut off @ 4400'		
						CIBP @ 5200' w/35' cmt			
						CIBP @ 5600'			
		TD	5815	5815		7 7/8" Hole	5 1/2", J55, 17#, 15.5#, LT&C	Cm'td w/670 sx	

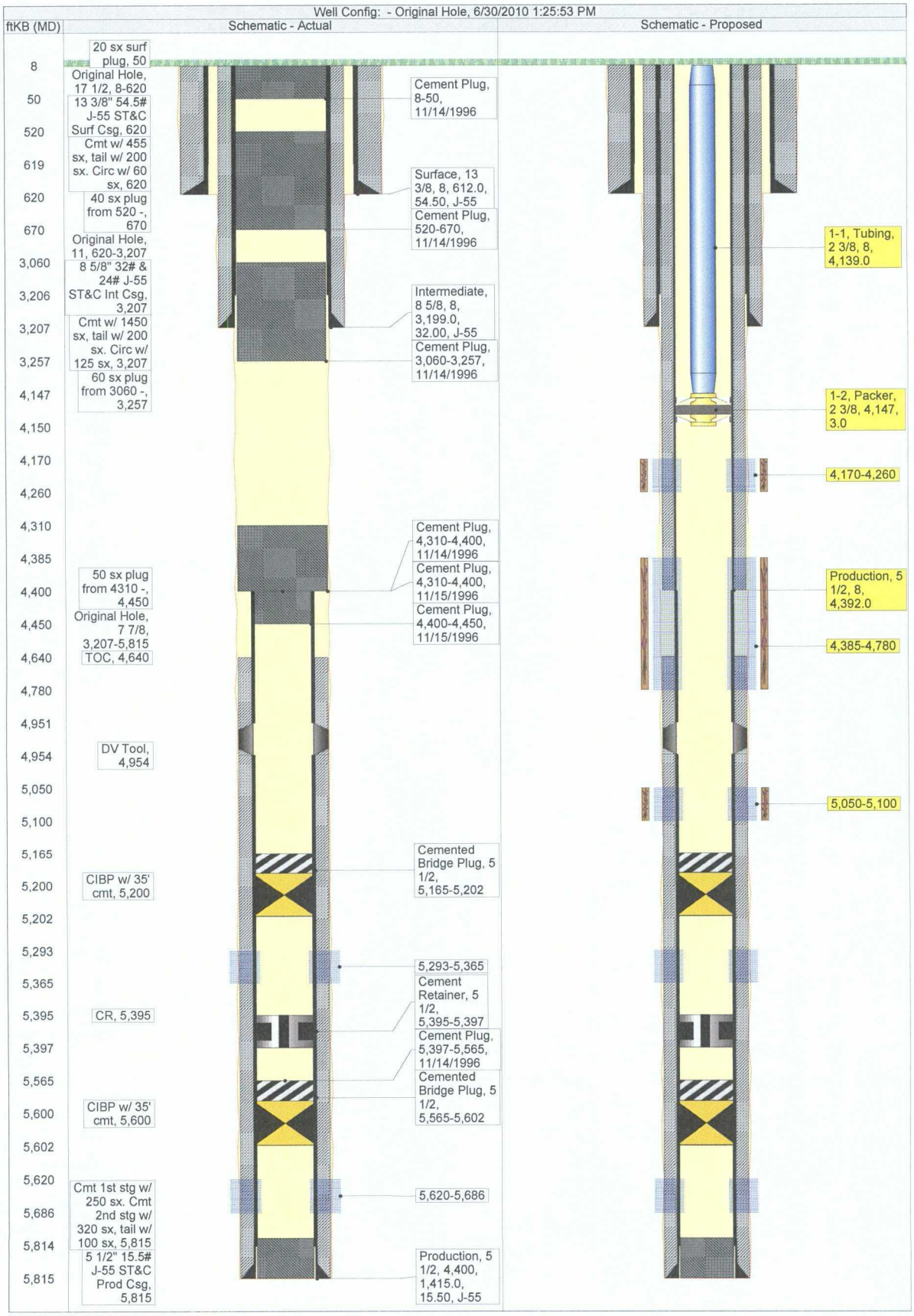
Prepared by: Karen Cottom

WellBore Schematic.xls

WORKOVER PROPOSAL WBD

WELL: Catclaw State 1
FIELD: North Brushy Draw Delaware
COUNTY / STATE: EDDY / NEW MEXICO
LOCATION: Sec 2-26S-29E, 710 FNL & 500 FEL
ELEVATION: 3,247.00 GR 3,255.00 RKB

API: 3001527767
SPUD DATE: 12/28/1993



Printed on: 6/30/2010

Catclaw State 1
Eddy County, New Mexico
Re-enter and Convert to SWD Procedure

Date: June 30, 2010

Location: 710' FNL & 500' FEL Sec. 2-T26S-R29E

Casing: 5 1/2" 15.5# J-55 0-5,815' ID – 4.950", Drift – 4.825", Burst – 4,810 psi

PBTD/TD: 0'/5,815'

Current Perfs: Brushy Canyon 5,293-5,686' (below CIBP)

Propose Perfs: Cherry Canyon 4170-5100'

Recommended Procedure:

1. Dig out casing and secure casing stub. MIRU PU. NU BOP. Unload, rack and tally 2 7/8" L-80 work string.

2. RIH w/ 7 5/8" bit and drill collars on tbg. Drill out cement plugs down to top of casing stub @ 4400'. Circulate clean. POH w/ bit.

3. RIH w/ 5 ½" J-55 15.5# casing with bell shoe and float collar on bottom. Land casing on top of casing stub. Cement casing back to surface per cement recommendation (anticipate 500 sxs class C).

4. RIH w/ 4 ¾" bit and drill collars on tbg. Cleanout to cement on top of CIBP @ 5,200'. Do **not** drill out CIBP @ 5,200'. Pressure test casing to 500 psi. POH w/ bit.

5. RU wireline co. Run CBL to determine TOC. Perforate Cherry Canyon 5050-5100', 1 spf w/ HSC gun.

6. RIH packer on 2 7/8" tbg to 4,900'. Acidize perfs 5050-5100' w/ 5,000 gal 15% NEFE acid. Frac perfs per frac recommendation (anticipate 50,000# sand in X-linked fluid at 30 BPM). POH w/ packer.

7. RU wireline co. Set Composite BP @ 5,000'. Perforate Cherry Canyon 4385-4400', 4500-20', 4,630-60', 4,735-80' 1 spf w/ HSC gun.

8. RIH packer on 2 7/8" tbg to 4,200'. Acidize perfs 4385-4780' w/ 5,000 gal 15% NEFE acid dropping 150 perf balls evenly throughout job. Release packer and drop down through perfs and knock off balls. Pull packer back up to 4,200'. Frac perfs per frac recommendation (anticipate 50,000# sand in X-linked fluid at 30 BPM). POH w/ packer.

9. RU wireline co. Set Composite BP @ 4,350'. Perforate Cherry Canyon 4170-4200', 4220-60' 1 spf w/ HSC gun.

10. RIH packer on 2 7/8" tbg to 4,100'. Acidize perfs 4170-4260' w/ 5,000 gal 15% NEFE acid dropping 100 perf balls evenly throughout job. Release packer and drop down through perfs and knock off balls. Pull packer back up to 4,100'. Frac perfs per frac recommendation (anticipate 50,000# sand in X-linked fluid at 30 BPM). POH w/ packer.

11. RIH w/ 4 ¾" bit and drill collars on tubing. Drill BP's @ 4,350' and 5,000'. Cleanout to 5,200'. POH w/ bit.

12. RIH w/ 2 3/8" plastic lined tbg and 5 ½" Lock-set packer to 4,150'. Load back side with packer fluid. Set packer and pressure test to 500 psi.

13. ND BOP. NU WH. Rig down.

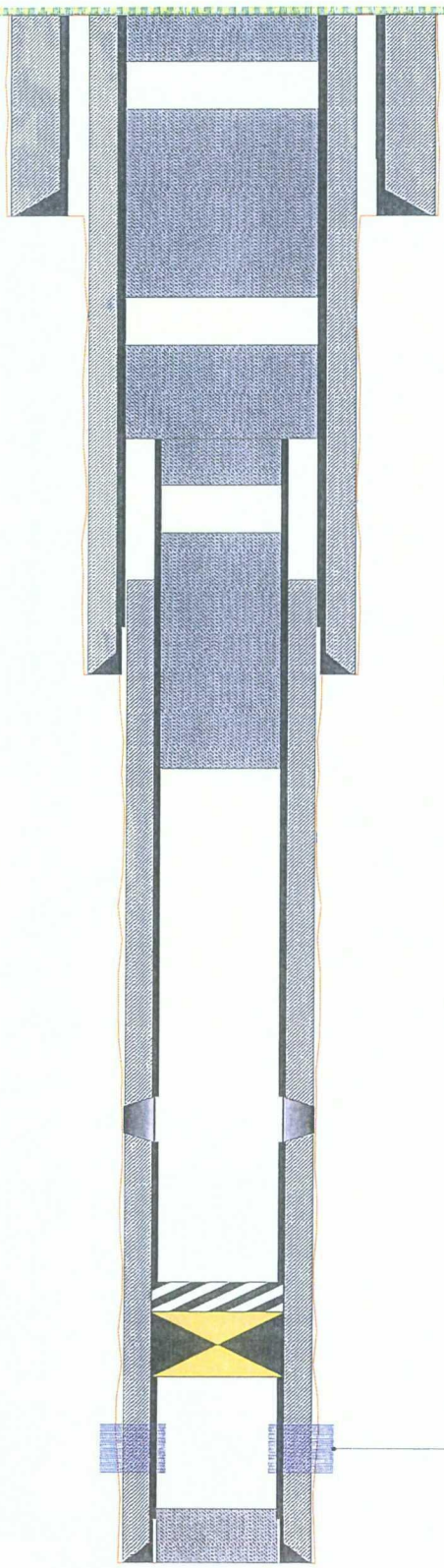
P&A WELLBORE SCHEMATIC

WELL: China Grove Federal 1
FIELD: North Brushy Draw - Delaware
COUNTY / STATE: EDDY / NEW MEXICO
LOCATION: SEC 1-26S-29E, 660 FNL & 660 FWL
ELEVATION: 3,052.00 GR 3,060.00 RKB

API: 3001527678
SPUD DATE: 9/27/1993

Well Config: - Original Hole, 4/29/2010 3:35:37 PM

ftKB (MD)	ftKB (TVD)	Schematic - Actual
8		
50		15 sx Surf plug, 50
510		Original Hole, 17 1/2, 8-610
609		
610		13 3/8" 54.5# J-55 ST&C Surf Csg, 610
610		Cmt w/ 400 sx. Circ w/ 110 sx, 610
710		50 sx plug from 510 -, 710
1,850		
1,921		Original Hole, 11, 610-3,230
1,922		Cut and Pulled Prod Csg, 1,922
1,975		35 sx plug from 1850 -, 1,975
2,875		
3,224		TOC by CBL, 3,224
3,229		8 5/8" 24# & 32# J-55 ST&C Int Csg, 3,230
3,230		Cmt w/ 1705 sx, tail w/ 200 sx. Circ, 3,230
3,280		50 sx Cmt plug from 2875 -, 3,280
3,281		
4,147		
4,150		
4,200		
4,300		
4,510		Original Hole, 7 7/8, 3,230-5,850
4,710		
4,891		
4,894		DV Tool, 4,894
5,092		
5,122		
5,577		
5,612		CIBP w/ 35' cmt, 5,612
5,614		
5,645		
5,718		5,645-5,718, 10/21/1993
5,849		Cmt 1st stg w/ 200 sx. Circ w/ 70 sx. Cmt w2nd stg w/ 300 sx, tail w/ 100 sx, 5,850
5,850		5 1/2" 15.5# J-55 LT&C Prod Csg, 5,850



Item VI
Plugged well within AOR

Printed on: 4/29/2010

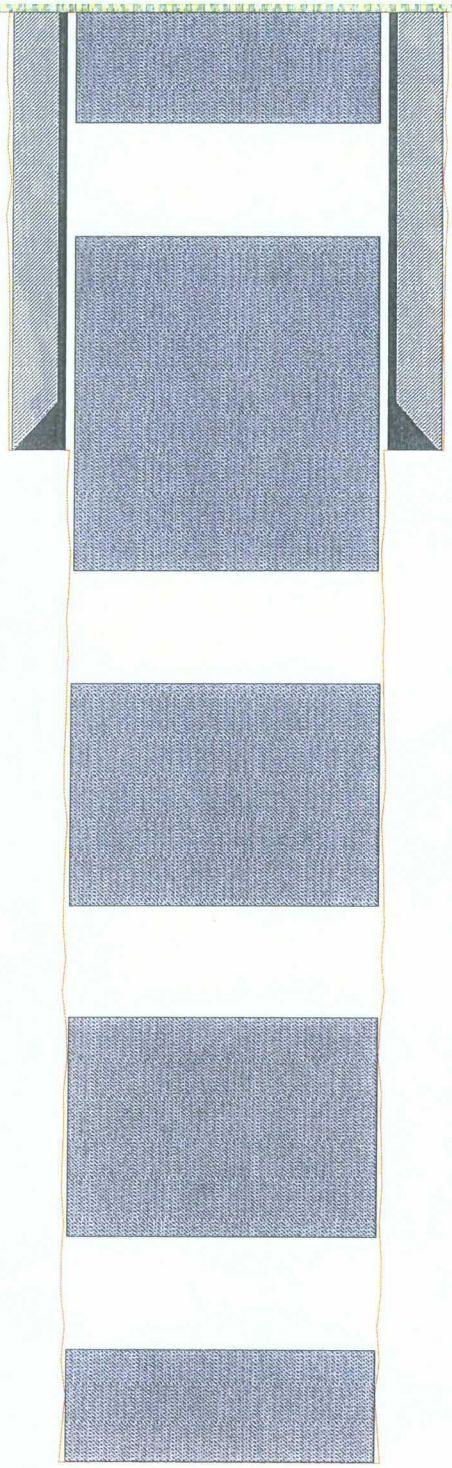
P&A WELLBORE SCHEMATIC

WELL: Continental Federal 1
FIELD: Wildcat
COUNTY / STATE: EDDY / NEW MEXICO
LOCATION: SEC 1-26S-29E, 660 FSL & 1980 FEL
ELEVATION: 3,023.00 GR 3,023.00 RKB

API: 3001503723
SPUD DATE: 12/2/1959

Well Config: - Original Hole, 3/16/2010 2:40:57 PM

ftKB (MD)	ftKB (TVD)	Schematic - Actual
0		
60		10 sx surf plug, 60
		Original Hole, 11, 0-266
216		10 sx csg shoe plug, 216
265		
266		8 5/8" Surf Csg, 266 Cmt w/ 75 sx. Circ, 266
316		
		Original Hole, 7 7/8, 266-3,303
2,500		25 sx plug, 2,500
2,550		Top of salt, 2,550
2,600		
3,020		25 sx plug, 3,020
3,070		Base of salt, 3,070
3,120		
3,203		25 sx plug to TD, 3,203
3,303		



Item VI
Plugged well within AOR

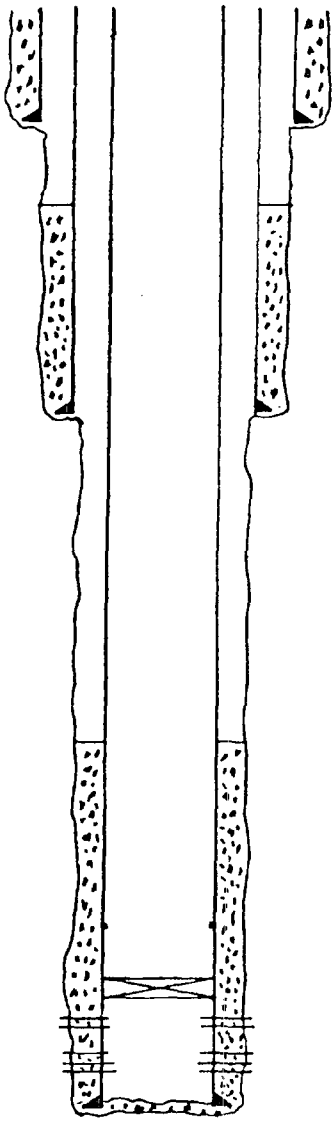
Printed on: 3/16/2010

SOUTHWEST ROYALTIES

PROJECT Pogo 36 State # 1 SWD
30-015-27398

PAGE 1 OF 2
BY RMK DATE 12-10-93

Present Condition



13 3/8", 54.5# casing in 17-1/2" hole. Cmt to surface with 595 sx.

TOC @ 1180' by temp survey.

8 5/8", 24# casing in 11" hole @ 3234'. Cmt with 960 sx.

TOC @ 3990' by CBL run 12/09/93

CIBP @ 5400'.
Perfs: 5420'-5450' & 5596'-5690'

5 1/2", 15.5# casing @ 5971'. Cmt in two stages with 886 sx.

WEDGE WIRELINE INC.

Wedge Energy Group

API # 30-015-27398

CEMENT BOND / GAMMA RAY LOG

COMPANY SW ROYALTIES
WELL POGO 36 STATE NO.1
FIELD
CNTY EDOY STATE NM

COMPANY SOUTHWEST ROYALTIES, INC.

WELL POGO 36 STATE NO. 1

FIELD WILDCAT

COUNTY EDDY STATE NM

LOCATION:
2310' FSL & 330' FWL

SEC. 36 TWP. 25S RGE. 29E

OTHER SERVICES:
BRIDGE PLUG

PERM. DATUM GROUND LEVEL ELEV. 3037.5'

LOG MEASURED FROM K.B., 8 FT. ABOVE PERMANENT DATUM

DRILLING MEASURED FROM KELLY BUSHING

ELEV.: K.B. 3045.5
D.F. 3044.5
G.L. 3037.5

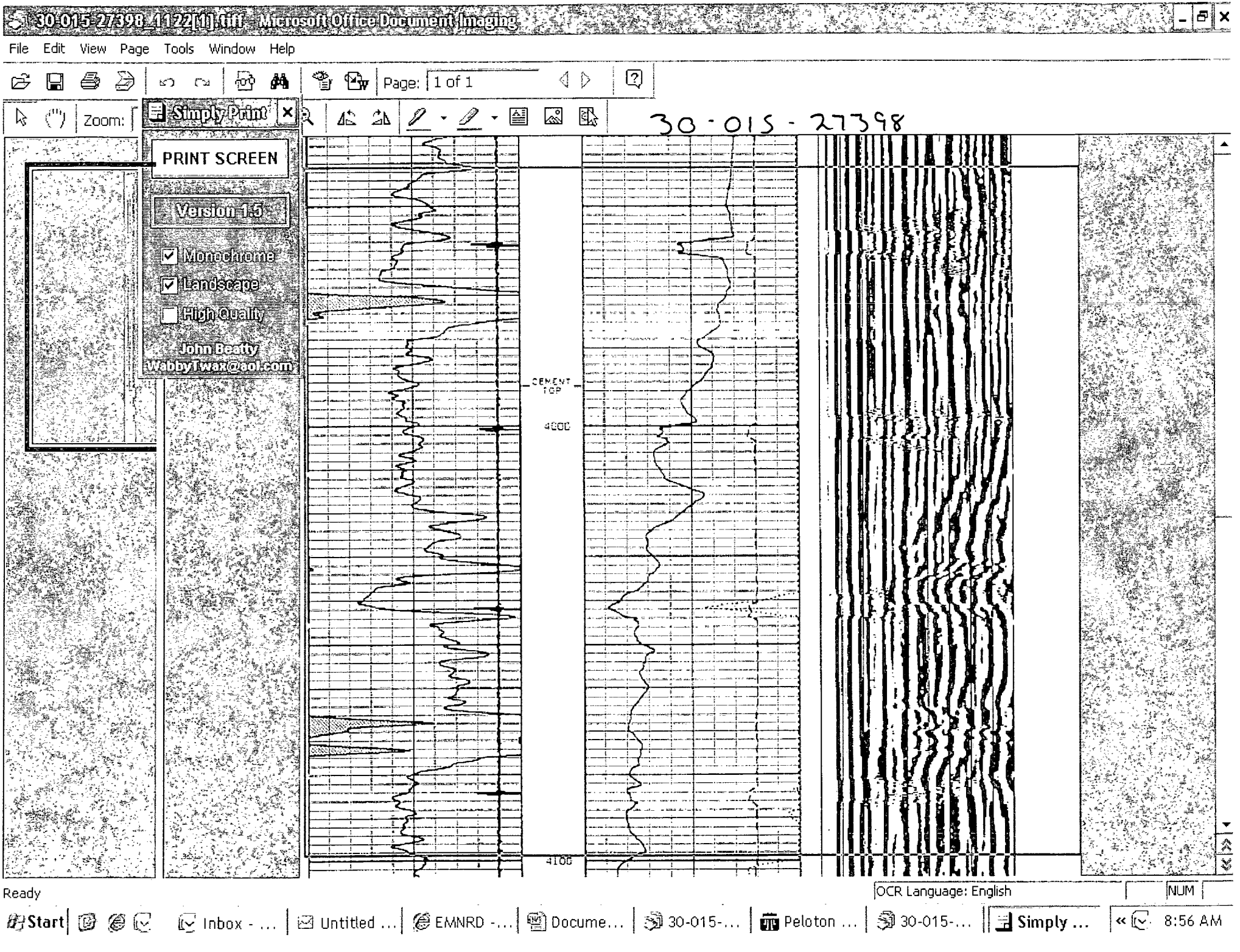
DATE	12/09/93	NOTE:
RUN NO.	ONE	LOG CORRELATED TO
TYPE LOG	CBL/GR/CCL	API CBL DATED
DEPTH-DRILLER	5400' PBTD	5/19/93
DEPTH-LOGGER	5403'	
LOGGED INTERVAL	5403' TO 1450'	TO
OPERATING RIG TIME	MAST	
TYPE FLUID IN HOLE	WATER & OIL	
SALINITY, PPM CL	N/A	
DENSITY-VISCOSITY	N/A	
LEVEL	FULL	
MAX. REC. TEMP. DEG F.	N/A	
EQUIPMENT-LOCATION	6408-5044 210	
RECORDED BY	B. CHILDERS	
WITNESSED BY	MR. PERRY	

BOREHOLE RECORD				CASING RECORD			
RUN NO.	BIT	FROM	TO	SIZE	WGT.	FROM	TO
				5 1/2"	15.5#	SURF.	T.D.

THIS HEADING CONFORMS TO API STANDARD PRACTICE RP-33

REMARKS

LOGGED WITH 500 PSI AT SURFACE.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Zoom:
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Monochrome
Landscape
High Quality
John Beatty
WabbyTwax@aol.com
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EMNRD -...
Docume...
30-015-...
Peloton ...
30-015-...
Simply ...
8:56 AM

P.O. BOX 98
MIDLAND, TX. 79702
PHONE (432) 683-4521

Martin Water Laboratories, Inc.

709 W. INDIANA
MIDLAND, TEXAS 79701
FAX (432) 682-8819

RESULT OF WATER ANALYSES

LABORATORY NO. 709-79

TO: Mr. Melvin Harper
PO Box 190, Hobbs, NM 88241

SAMPLE RECEIVED

RESULTS REPORTED 7-13-09

COMPANY Chesapeake Energy LEASE Brushy 12 Federal #1

FIELD OR POOL

SECTION ____ BLOCK ____ SURVEY ____ COUNTY Eddy STATE NM

SOURCE OF SAMPLE AND DATE TAKEN:

NO. 1 Submitted water sample - taken 7-7-09.

NO. 2

NO. 3

NO. 4

REMARKS:

CHEMICAL AND PHYSICAL PROPERTIES

	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60° F.	1.1960			
pH When Sampled				
pH When Received	4.53			
Bicarbonate as HCO_3	61			
Supersaturation as $CaCO_3$				
Undersaturation as $CaCO_3$				
Total Hardness as $CaCO_3$	101,000			
Calcium as Ca	32,400			
Magnesium as Mg	4,860			
Sodium and/or Potassium	76,997			
Sulfate as SO_4	38			
Chloride as Cl	190,280			
Iron as Fe	305			
Barium as Ba	0			
Turbidity, Electric				
Color as Pt				
Total Solids, Calculated	304,636			
Temperature °F.				
Carbon Dioxide, Calculated	1,200			
Dissolved Oxygen,				
Hydrogen Sulfide	0.0			
Resistivity, ohms/m at 77° F. - calculated	0.045			
Resistivity, ohms/m @ 77°F.- measured	0.040			
Corrosiveness	Severe			
Barium Sulfate Scaling Tendency	None			
CaCO3 S.I. @ 77° F. (Stiff-Davis)	1.34			
CaCO3 S.I. @ 122° F. (Stiff-Davis)	1.30			
Calcium Sulfate Scaling Tendency	None			

Results Reported As Milligrams Per Liter

Additional Determinations And Remarks

CaCO3 S.I. - A positive fig. signifies a scaling potential proportionate to the magnitude of the number, and a negative fig. signifies no scaling potential.

Please feel free to contact us for any details or discussions concerning these results.

Brushy 12 Federal #1
Unit N, 12-26S-29E
560' FSL & 1980'FWL
Eddy Co., NM
30-015-25416

Form No. 3

By

Item VII (5)
Delaware Water Analysis

P.O. BOX 98
MIDLAND, TX. 79702
PHONE (432) 683-4521

Martin Water Laboratories, Inc.

709 W. INDIANA
MIDLAND, TEXAS 79701
FAX (432) 682-8819

RESULT OF WATER ANALYSES

LABORATORY NO. 409-90
SAMPLE RECEIVED 4/13/09
RESULTS REPORTED 4/14/09

TO: Melvin Harper
P.O. Box 190, Hobbs NM 88241

COMPANY Chesapeake LEASE PLU Pierce Canyon 17 Fed. #1H
FIELD OR POOL Poker Lake
SECTION ____ BLOCK ____ SURVEY ____ COUNTY Eddy STATE NM

SOURCE OF SAMPLE AND DATE TAKEN:
NO. 1 Submitted water sample - taken 4/8/09 from PLU Pierce Canyon 17 Fed #1H.
NO. 2
NO. 3
NO. 4

REMARKS:

PLU Pierce Canyon 17 Federal #1H
Unit P, 17-25S-30E
350' FSL& 350' FEL
Eddy Co., NM
30-015-36635

CHEMICAL AND PHYSICAL PROPERTIES

	NO. 1	NO. 2	NO. 3	NO. 4
Specific Gravity at 60° F.	1.0920			
pH When Sampled				
pH When Received	7.16			
Bicarbonate as HCO_3	2,208			
Supersaturation as $CaCO_3$				
Undersaturation as $CaCO_3$				
Total Hardness as $CaCO_3$	3,700			
Calcium as Ca	1,120			
Magnesium as Mg	219			
Sodium and/or Potassium	52,815			
Sulfate as SO_4	748			
Chloride as Cl	93,010			
Iron as Fe	15.3			
Barium as Ba				
Turbidity, Electric				
Color as Pt				
Total Solids, Calculated	157,120			
Temperature °F.				
Carbon Dioxide, Calculated				
Dissolved Oxygen				
Hydrogen Sulfide	0.0			
Resistivity, ohms/m at 77° F	0.067			
Suspended Oil				
Filtrable Solids as mg/l				
Volume Filtered, ml				

Results Reported As Milligrams Per Liter

Additional Determinations And Remarks: The undersigned certifies the above to be true and correct to the best of his knowledge and belief.

Form No. 3

By Greg Ogden, B.S.

Item VII (4)
Bone Spring Water Analysis

New Mexico Office of the State Engineer
Water Column/Average Depth to Water

No records found.

PLSS Search:

Section(s): 1, 2 **Township:** 26S **Range:** 29E

New Mexico Office of the State Engineer
Water Column/Average Depth to Water

No records found.

PLSS Search:

Section(s): 35, 36 **Township:** 25S **Range:** 29E

5/6/10 8:58 AM

WATER COLUMN/ AVERAGE DEPTH TO WATER

Item XIII
Notice List

Name	Address	City	State	Zip
Surface:				
Byron Wayne Paschal	PO Box 992	Pecos	TX	79772
Yates Petroleum Corporation	105 South Fourth St.	Artesia	NM	88210
Yates Drilling Co.	105 South Fourth St.	Artesia	NM	88210
ABO Petroleum Corp.	105 South Fourth St.	Artesia	NM	88210
MYCO Industries, Inc.	105 South Fourth St.	Artesia	NM	88210
Southwest Royalties, Inc.	PO Box 11390	Midland	TX	79702
Espero Energy Corporation	407 N. Big Spring, Suite 300	Midland	TX	79701
TGWW, Inc.	PO Box 2196	Midland	TX	79702
Pure Partners, LP	500 West Illinois	Midland	TX	79701
Khody Land & Minerals Company	3817 NW Expressway, Suite 950	Oklahoma City	OK	73112
ExxonMobil Corporation	PO Box 4610	Houston	TX	77210-4610
OGX Resources, LLC	PO Box 2064	Midland	TX	79702
Conoco Phillips	PO Box 7500	Bartlesville	OK	74005
Chase Oil Corporation	P.O. Box 1767	Artesia	NM	88211
Chevron U.S.A. Inc.	15 Smith Rd.	Midland	TX	79705

CHK's Pogo 36 State #2 SWD
Notifications

Section 36-25S-29E

Name	Attention	Address	City	State	Zip
SW/4 - All Depths					
Yates Petroleum Corporation		105 South Fourth St.	Artesia	NM	88210
Yates Drilling Co.		105 South Fourth St.	Artesia	NM	88210
ABO Petroleum Corp.		105 South Fourth St.	Artesia	NM	88210
MYCO Industries, Inc.		105 South Fourth St.	Artesia	NM	88210
W/2 SE/4 - All Depths					
Southwest Royalties, Inc.		PO Box 11390	Midland	TX	79702
Espero Energy Corporation		407 N. Big Spring, Suite 300	Midland	TX	79701
S/2 NW/4 - All Depths					
Southwest Royalties, Inc.		PO Box 11390	Midland	TX	79702
Espero Energy Corporation		407 N. Big Spring, Suite 300	Midland	TX	79701
TGWW, Inc.		PO Box 2196	Midland	TX	79702
Pure Partners, LP		500 West Illinois	Midland	TX	79701

Section 35-25S-29E

E/2 SE/4, SW/4 SE/4 - Southwest Royalties - Operator

NW/4 SE/4 - All Depths					
Khody Land & Minerals Company		3817 NW Expressway, Suite 9	Oklahoma City	OK	73112
ExxonMobil Corporation		PO Box 4610	Houston	TX	77210-4610

Section 2-26S-29E

NE/4 - All Depths					
OGX Resources, LLC		PO Box 2064	Midland	TX	79702

Section 1-26S-29E

NE/4 - All Depths					
Conoco Phillips		PO Box 7500	Bartlesville	OK	74005
W2, All depths					
Chase Oil Corporation		P.O. Box 1767	Artesia	NM	88211
Chevron U.S.A. Inc.		15 Smith Rd.	Midland	TX	79705
Surface					
Byron Wayne Paschal		PO Box 992	Pecos	TX	79772

Item XIII Notice list w/Certified numbers

Pogo 36 State #2

OGX Resources-Gary Lang #7007 3020 0002 4935 2271

Byron Wayne Paschal #7007 3020 0002 4935 2318

Yates Petroleum Corporation #7007 3020 0002 4935 2172

Yates Drilling Co. #7007 3020 0002 4935 2189

ABO Petroleum Corp. #7007 3020 0002 4935 2196

MYCO Industries, Inc. #7007 3020 0002 4935 2202

Southwest Royalties, Inc. #7007 3020 4935 2219

Espero Energy Corporation #7007 3020 0002 4935 2226

TGWW, Inc. #7007 3020 0002 4935 2233

Pure Partners, LP #7007 3020 0002 4935 2240

Khody Land & Minerals Company #7007 3020 0002 4935 2257

ExxonMobil Corporation #7007 3020 0002 4935 2264

Conoco Phillips #7007 3020 0002 4935 2288

Chase Oil Corporation #7007 3020 0002 4935 2295

Chevron U.S.A. Inc. #7007 3020 0002 4935 2301

7007 2680 0001 2796 3475

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Sent To New Mexico State Land Office
Oil, Gas and Minerals Division
Attn: Anna Villa
Street, Api or PO Box 1158 Old Santa Fe Trail
City, State, Santa Fe, NM 87504-1148

PS Form 3800, August 2006 See Reverse for Instructions

Pogo 36 State #2
30-015-27399
C 108 Application

Affidavit of Publication

NO. 21152

STATE OF NEW MEXICO

County of Eddy:

GARY D. SCOTT being duly sworn,says: That he is the PUBLISHER of The Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and county and state, and that the here to attached

Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press,a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutive week/days on the same day as follows:

First Publication May 5, 2010

Second Publication

Third Publication

Fourth Publication

Fifth Publication

Subscribed and sworn to before me this

5 Day May 2010

OFFICIAL SEAL
Jo Morgan
NOTARY PUBLIC-STATE OF NEW MEXICO
My commission expires: 6/26/2012

Jo Morgan
Notary Public, Eddy County, New Mexico

Copy of Publication:

Chesapeake Operating, Inc. intends to convert the following well to a salt water disposal well:Pogo 35 State #2 which is located in Unit M of Section 36, Township 25 South, Range 29 East, 330' FSL & 330' FWL, Eddy County, New Mexico.
The formation to be injected is for disposal purposes into the Cherry Canyon formation of the Delaware Mountain Group through perforated intervals: 4180'-4330', 4590'-4780' & 5060'-5115'.
The average disposal rate is expected to be 2500 BWPD and a maximum disposal rate of 3000 BWPD. The injection pressure is expected to be 836 psig with a maximum pressure of 836 psig.
Questiions or objections can be addressed to Chesapeake Operating, Inc. 6100 N. Western Ave., Oklahoma City, OK 73118 or call Jeff Finnell at: 405-935-4347.
Any interested parties that have objections or request a hearing must be filed within 15 days of this notice to the Oil Conservation Division, 1220 South St. Francis Drive, Santa Fe, NM 87505.
Published in the Artesia Daily Press, Artesia, NM May 6, 2010.
Legal No. 21152

Item XIII
Legal Advertisement

Jones, William V., EMNRD

Copied 6/29

From: Jones, William V., EMNRD
Sent: Tuesday, June 29, 2010 11:43 AM
To: Christian Combs; 'Bryan Arrant'
Cc: Ezeanyim, Richard, EMNRD; Reeves, Jacqueta, EMNRD; Dade, Randy, EMNRD
Subject: Disposal application from Chesapeake Operating, Inc.: Pogo 36 State #2 30-015-27399

Hello Bryan and Christian:
Thank you for this application, just a couple questions. SWD-888 and SWD-541 are other, older permits in this area which have data for review.

a. Please send (the test info or if it produced,) a production rate-time plot for the Ramsey completion in the Pogo 36 State #2.

Duplicate

Put requirement in permit

b. Would you please check the bradenhead on the Pogo 36 State #1 to ensure all is well – and send results from that test. The cement top on this well seems to be suspect – please look at the data for this well again and let me know what you think?

c. Is the surface of this well owned by Mr. Pashal or the State Land Office? If it is the SLO, send them noticed

Wait

d. We ask that applicants for Salt Water disposal break up the ½ mile AOR into "tracts" and list each tract and the owners ("affected persons") of that tract. ✓

e. The Catclaw State #1 well (SWD-888) was permitted for disposal in the upper Delaware and never used? The diagram sent with your application has different information than our file. Please send a new wellbore diagram for the Catclaw State #1 30-015-27767 or send updated records to the Artesia office for updating the file. Our records show a CBL measured cement top at 4640 or so and casing removed from 4400 feet. The plugs were then set over the stub and over the top of the Delaware. X

Due to the plug placement in the Catclaw State #1, the top (4180) of the proposed disposal interval may not be isolated. Due to the Catclaw State #1 and the Pogo 36 State #1 cement top, it may be best to isolate the proposed disposal interval to approximately 4400 feet to 5115 feet.

If you want to extend the permitted disposal interval up to include the top of the Delaware, we need to re-look at all cement tops, but that is another option.

Please let me know what you think about what the top of the disposal interval should be?

Thank You,

William V Jones, P.E.
Engineering, Oil Conservation Division
1220 South St. Francis Drive, Santa Fe, NM 87505
Tel 505.476.3448 ~ Fax 505.476.3462

Jones, William V., EMNRD

From: Bryan Arrant [bryan.arrant@chk.com]
Sent: Tuesday, July 06, 2010 12:25 PM
To: Jones, William V., EMNRD
Cc: Jeff Finnell; Justin Zerkle
Subject: RE: Disposal application from Chesapeake Operating, Inc.: Pogo 36 State #2 30-015-27399

Will,
I plan to send everything you requested for all three applications in one mailing.
I sent to the surface owners the C-108 applications by UPS and will submit to you copies of the signed delivery notifications.
The TOC for the Pogo 36 State # 1 appears to be @3990' as noted on the CBL — below intermediate PIPE SHOE and as verified on a well bore diagram on OCD's web-site.
I need to visit w/you on what we need to do as to a bradenhead test item (b) below for this well.

Thanks,
Bryan Arrant
Senior Regulatory Compliance Specialist
Chesapeake Energy Corporation
6100 N. Western Avenue
Oklahoma City, OK 73118
Office: (405)-935-3782
Fax: (405) 849-3782
E-mail: Bryan.Arrant@chk.com

From: Jones, William V., EMNRD [mailto:William.V.Jones@state.nm.us]
Sent: Tuesday, June 29, 2010 12:43 PM
To: Christian Combs; Bryan Arrant
Cc: Ezeanyim, Richard, EMNRD; Reeves, Jacqueta, EMNRD; Dade, Randy, EMNRD
Subject: Disposal application from Chesapeake Operating, Inc.: Pogo 36 State #2 30-015-27399

Hello Bryan and Christian:
Thank you for this application, just a couple questions. SWD-888 and SWD-541 are other, older permits in this area which have data for review.

a. Please send (the test info or if it produced,) a production rate-time plot for the Ramsey completion in the Pogo 36 State #2.

b. ~~Would you please check the bradenhead~~ BH Test w/in 6 mos. of Start. on the Pogo 36 State #1 to ensure all is well – and send results from that test. The cement top on this well seems to be suspect – please look at the data for this well again and let me know what you think? Please Check again for 5 years.

c. Is the surface of this well owned by Mr. Pashal or the State Land Office? If it is the SLO, send them notice.

d. We ask that applicants for Salt Water disposal break up the ½ mile AOR into "tracts" and list each tract and the owners ("affected persons") of that tract.

e. The Catclaw State #1 well (SWD-888) was permitted for disposal in the upper Delaware and never used? The diagram sent with your application has different information than our file. Please send a new wellbore diagram for the Catclaw State #1 30-015-27767 or send updated records to the Artesia office for updating the file. Our records show a CBL measured cement top at 4640 or so and casing removed from 4400 feet. The plugs were then set over the stub and over the top of the Delaware.

Bryan Arrant

From: Justin Zerkle
Sent: Friday, July 09, 2010 4:19 PM
To: Bryan Arrant
Subject: RE: Pogo 36 State # 2 (surface owner0

Owned by State. Byron is surface lessee.

Thank you,

Justin Zerkle
Landman
Chesapeake Energy Corporation
Phone: 405-935-4925
Fax: 405-935-4251
Email: justin.zerkle@chk.com

From: Bryan Arrant
Sent: Tuesday, July 06, 2010 1:15 PM
To: Justin Zerkle
Subject: Pogo 36 State # 2 (surface owner0

Justin,
I need to verify that the surface of this well is owned by Mr. Pashal or the State Land Office.

Thank you,
Bryan Arrant
Senior Regulatory Compliance Specialist
Chesapeake Energy Corporation
6100 N. Western Avenue
Oklahoma City, OK 73118
Office: (405)-935-3782
Fax: (405) 849-3782
E-mail: Bryan.Arrant@chk.com

Chesapeake

Chesapeake ENERGY

Regulatory Department

July 12, 2010

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505
Attn: Mr. Will Jones (NMOCD's Hearing Examiner)

RE: Pogo 36 State # 2
Unit M, Sec. 36, T-25-S R-29-E
Eddy Co., N.M.
API# 30-015-27399
Supplement to NMOCD's C-108 SWD Application

Will,
Per your request, please find the following requesting information for the:

Pogo 36 State # 2 (API # 30-015-27399):

- Production rate/time plot for the Pogo 36 State # 2.
- According to records, the Catclaw State # 1 well (SWD 888, API # 30-015-27767) was never used as a salt water disposal well. Please find a current well bore diagram and a SWD procedure for future consideration.
- The Pogo 36 State # 2 is owned by the State of New Mexico (Byron Wayne Paschal) is the surface lessee.
- Proof of notice (for the C-108 application) that was submitted to the SLO.
- A list of each owner in the ½ "AOR" and "affected persons" of that tract.
- The TOC for the Pogo 36 State #1 (API # 30-015-27398) appears to be @ 3990' as noted on the CBL and as verified on a sundry by Southwest Royalties.
(Please find sundry and a log section of the CBL).

Yours truly,

Bryan Arrant
Senior Regulatory Compliance Specialist
Office: (405)-935-3782
Fax: (405) 849-3782
E-mail: Bryan.Arrant@chk.com

Injection Permit Checklist (06/24/2010)

Case ____ R-____ SWD 1242 WFX ____ PMX ____ IPI ____ Permit Date 9/3/10 UIC Qtr (A/S/O)

\# Wells 1 Well Name: Pogo 36 State #2

API Num: (30-) 015-27399 Spud Date: 8/24/93 New/Old: N (UIC primacy March 7, 1982)

Footages 330 FSL/330 FWL Unit M Sec 36 Tsp 25S Rge 29 E County Eddy

Operator: Chesapeake Operating, INC Contact Christen Combs/Bryan Arrant

Operator Address: P.O. Box 18496 OKC, OK 74154-0496

OGRID: 147179 RULE 5.9 Compliance (Wells) 4/785 (Finan Assur) OK IS 5.9 OK? OK

Well File Reviewed ✓ Current Status: P & A

General Location: 9 1/2 mi SSW of R-111-P

Diagrams: Before Conversion ✓ After Conversion ✓ Elogs in Imaging File: ✓

Planned Work to Well: Re-Enter, Perf, Inject

	Sizes Hole.......Pipe		Setting Depths	Cement Sx or Cf	Cement Top and Determination Method
Existing ✓ Surface	17 1/2	13 3/8	617	600	CIRC
Existing ✓ Interm	11	8 5/8	3256	1350	390 T.S.
New__ Existing __ LongSt	7 7/8	5 1/2	5900	665 200/465	3170 Calc.

DV-Tool 4992 Liner ____ Open Hole ____ Total Depth ____ Deviated Hole? ____

Intervals:	Depths, Ft.	Formation	Producing?		
Formation Above					
Formation Above	3216	Top Delaware			
Injection TOP	4180	Cherry C.	Max. PSI 836	Open Hole ? ___ Perfs ? ✓	
Injection BOTTOM	5115	" C.	Tubing Size 2 3/8	Packer Depth 4147	
Formation Below					
Formation Below					

4400'?

4180
8360

Sensitive Areas: ~~Capitan Reef~~ ____ ~~Cliff House~~ ____ Salt Depths 887-3015

.... ~~Potash Area (R-111-P)~~ ____ ~~Potash Lessee~~ ____ ~~Noticed?~~ ____ ~~(WIPP?~~ ____ ~~Noticed?~~ ____)

Fresh Water: Depths: None Formation ____ Wells? NO Analysis? ____ Affirmative Statement ✓

Disposal Fluid Sources: B.S. Analysis? ✓

Disposal Interval Production Potential/Testing: ✓ Analysis ✓

2 Requirements

5/5/10

Notice: Newspaper(Y/N) ✓ Surface Owner SLO Mineral Owner(s) ____

RULE 26.7(A) Affected Parties: See appli ✓

3
~~BFRW posted~~
or
SLO

Area of Review: Adequate Map (Y/N) ✓ and Well List (Y/N) ✓

Active Wells 4 Num Repairs 0 Producing in Injection Interval in AOR No

..P&A Wells 2 Num Repairs 1 All Wellbore Diagrams Included? ✓ Catlen [illegible] (27767) info

~~Questions/Required Work:~~ Pogo 36 State #1 27398 = inj?

B/4 Test after DISP Starts

Catlen State #1 P&A — ~~Diagram~~ REDO
30-015-27767

WAO DID Cement Top Calcs.

Send Ramsay Prod/Test info above or Request Sent ____ Reply: ____