

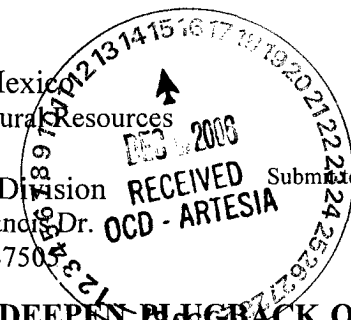
District I
 4625 N. French Dr., Hobbs, NM 88240
 District II
 1301 W. Grand Avenue, NM 88210
 District III
 1000 Rio Brazos Road, NM 87410
 District IV
 1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
 Energy Minerals and Natural Resources

Form C-101
 May 27, 2004

Oil Conservation Division
 1220 South St. Francis Dr.
 Santa Fe, NM 87505

Submitted to appropriate District Office
 AMENDED REPORT



APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUG BACK, OR ADD A ZONE

¹ Operator Name and Address Chesapeake Operating Inc. 2010 Rankin Hwy Midland, TX 79701		² OGRID Number 147179
³ Property Code		⁵ Property Name State IC Com
⁹ Proposed Pool 1 Wildcat, Upper Penn.		⁶ Well No. 1
		¹⁰ Proposed Pool 2

7 Surface Location									
UL or lot no. C	Section 7	Township 24S	Range 25E	Lot Idn	Feet from the 660	North/South line North	Feet from the 1980	East/Westline West	County Eddy

8 Proposed 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/Westline	County

Additional Well Information				
¹¹ Work Type Code P	¹² Well Type Code G	¹³ Cable/Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 4022 GR
¹⁶ Multiple No	¹⁷ Proposed Depth 10950	¹⁸ Formation Upper Penn.	¹⁹ Contractor	²⁰ Spud Date 12/06/2006
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> milst thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____				
Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

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	48 H40 Stc	355	450	0
12 1/4	9-5/8	36 K-55 Stc	2602	1650	0
7-7/8	5-1/2	17 N80 Ltc	10949	2600	0

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, respectfully, request permission to plug back to the wolfcamp zone per the attached procedure.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input checked="" type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved by: _____	
Printed name: Shay Stricklin	Title: BRYAN G. ARRANT	
Title: Regulatory Assistant	Approval Date: DEC 19 2006 Expiration Date: DEC 19 2007	
E-mail Address: sstricklin@chkenegy.com	Conditions of Approval Attached <input type="checkbox"/>	
Date: 12/01/2006	Phone: (432)687-2992	

**State IC #1
Plug Back to Wolfcamp
Eddy County, New Mexico**

GENERAL INFORMATION

Location: 1980' FWL & 660' FNL, Sec 7 - T24S - R25E
API No.: 30-015-23202

WELL INFORMATION

<u>String OD</u>	<u>Weight & Grade</u>	<u>Depth</u>	<u>ID</u>	<u>Drift</u>	<u>Burst</u>	<u>TOC</u>
13-3/8"	48# H40 STC	0' - 355'	12.715"	12.559"	1730	0'
9-5/8"	36# K55 STC	0' - 2602'	8.921"	8.765"	3520	0'
5-1/2"	17# N80 LTC	0' - 10949'	4.892"	4.767"	7740	0'

Strawn Perforations: 9468 - 9770' (OA)

TD/PBTD: 10950'/10595'

Recommended Perforations

Wolfcamp 9294 - 9302'

Re-Completion Procedure

1. MIRU Service Rig and requisite equipment. Kill well as required with 7% KCL. NDWH, NU BOP. Release Uni Packer and POOH with 2-3/8" tubing.
2. MIRU Wireline Service Unit. Run a strip log and correlate depth with GR/CCL dated 7/3/80 to set a 5-1/2" CIBP at 9420'. Pull correlation strip from ~9800' to 9000'. Bail 2 sx of cement on 5-1/2" plug.
3. Load hole with 2% KCL and pressure test to 1000#.
4. RIH w/ casing gun. Perforate the Wolfcamp Lime w/ 4 SPF, 23 gram charge, .37" holes, 90 deg. phasing, from 9294' - 9302' (33 holes). Correlate to same GR/CCL.
5. RIH w/ 5-1/2" treating packer and SN on 2-3/8" tubing as follows: Re-entry guide, 4' sub, 'XN' nipple, 10' sub, Arrow Set packer, on/off tool w/ 'X' profile nipple. Space out with the EOT at 9302'. Pressure test tubing in hole.
6. RU Acid Service Company. Spot 200 gal of 15% HCL Acid containing 4 gpt of iron control, 1 gpt each of corrosion inhibitor, surface tension reducer, and non-emulsifier. Pull packer to 9250'. Reverse circulate to ensure packer is clear of acid, set packer. Pressure test annulus to 1000#.
7. ND BOP. NU tree. Pressure annulus to 1000 psi. Displace spot acid, establish rate of 4 to 5 BPM w/ 2% KCL. (Keep KCL water usage to a minimum). Acidize w/ 1,300

gal of same acid. Displace w/ 2% KCL. Do not over-displace. Pump at 4 to 5 BPM max. Launch 40 ball sealers during job. Note rates and pressures. Note ISIP. Max pressure 6000#.

8. Flow/swab back job. Swab/flow test zone.
9. Re-treat as warranted. Pressure backside to 1000# and retreat as follows:
 - a) 1500 gal 20% NeFe Acid.
 - b) 3000 gal of 20% Ultrigel.
 - c) 1000 gal 20% gelled NeFe.
 - d) 4000 gal of 20% Ultrigel.
 - e) 500 gal of 20% gelled NeFe. Overdisplace by 35 bbl of 2% KCL.

Treat via 2-3/8" production tubing at 5 - 6 BPM.

10. Flow back job. Swab to clean up and test.
11. Put well to sales. RDMO.

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1625 N. French Dr., Hobbs, NM 88240

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1000 Rio Brazos Rd., Aztec, NM 87410

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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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30-015-23202		'Pool Code		'Pool Name M Wildcat; Upper Penn	
'Property Code		'Property Name State IC Com			'Well Number 1
'OGRID No. 147179		'Operator Name Chesapeake Operating Inc.			'Elevation 4022 GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
C	7	24S	25E		660	North	1980	West	Eddy

¹¹ 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 320				" 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.

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, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</p> <p><i>Shay Stricklin</i> 12/14/2006 Signature Date</p> <p>Shay Stricklin Printed Name</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>	