

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, 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

Submit to appropriate District Office

AMENDED REPORT

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

¹ Operator Name and Address Chesapeake Operating, Inc. P. O. Box 11050 Midland, TX 79702-8050		² OGRID Number 147179
³ Property Code 34152	⁵ Property Name CC 3 State	³ API Number 30-025-36794
⁹ Proposed Pool 1 Undesignated; Wolfcamp		⁶ Well No. 001
⁹ Proposed Pool 1 Undesignated; Wolfcamp		¹⁰ Proposed Pool 2 Undesignated; Bone Springs

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/Westline	County
M	3	21S	35E		990	South	990	West	Lea

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 Plug Back	¹² Well Type Code Gas	¹³ Cable/Rotary	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 3622 GR
¹⁶ Multiple	¹⁷ Proposed Depth 10640	¹⁸ Formation Bone Springs	¹⁹ Contractor	²⁰ Spud Date 08/29/2005
Depth to Groundwater 100' T		Distance from nearest fresh water well 1000'+		Distance from nearest surface water 1000'+
Pit: Liner: Synthetic <input type="checkbox"/> milst thick Clay <input type="checkbox"/>		Pit Volume: _____ bbls		Drilling Method: Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>
Closed-Loop System <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#	1472'	1130 sx	Surface
12 1/4"	9 5/8	40#	5297'	1371 sx	Surface
8 3/4"	7"	26#	10400	980 sx	
	4 1/2" liner		11926	165 sx	

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.
Morrow: perfs @ 11,496 - 11520. Set CIBP @ 11,480' w/1 sx cmt. Perf Wolfcamp @ 10690-710 w/4 spf; 10,756-808 w/4 spf. Acidize Wolfcamp w/2,000 gals 15% NeFe, perforate; 10,808 - 10,756 Acidize w/6,000 gals 15% HCL + 200 BS. If non productive: RIH w/4 1/2" CIBP set @ 10,650' + 10' cmt on top. Perforate Bone Springs: 8786 - 98 (12'), 8808-17' (9') w/4 JSPF, 90 degree phasing (86 holes). RIH w/2 3/8" P-110 tbg and pkr to +/- 8,820'. spot acid across perfs. Pull packer up to 8,650' and acidize Bone springs w/3,000 gals 15% NeFe acid dropping 150 7/8" BS evenly throughout job. displace acid to bottom perf and SI 30 mins. flow/swab well back and test. If productive, the Upper bone springs perfs will have to be squeezed off. POH w/pkr. RIH w/RBP & pkr on tbg. Set RBP @ +/-8650' and drop sand on it. Pull pkr to 8350'. Pressure back side to 2000 psi. Squeeze Bone Springs perfs 8478-8503' per squeeze recommendation. POH w/pkr. RIH w/6 1/8" bit and DC's on tbg. Drill out squeeze. Pressure test squeeze to 2000 psi. Wash sand off of RBP. POH w/bit. RIH w/ret. head on tbg. Latch on to RBP and POH w/RBP. RIH w/rods and tbg. Put well on prod.
Permit Expires 1 Year From Approval Date Unless Drilling Underway
Plugback

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 checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .	OIL CONSERVATION DIVISION	
	Approved by:	
Printed name: Brenda Coffman	Title:	PETROLEUM ENGINEER
Title: Regulatory Analyst	Approval Date: OCT 24 2005	Expiration Date:
E-mail Address: bcoffman@chkenergy.com		
Date: 08/18/2005	Phone: (432)687-2992	Conditions of Approval Attached <input type="checkbox"/>

DISTRICT I
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DISTRICT IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised March 17, 1999

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, New Mexico 87504-2088

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36794	Pool Code	Pool Name Undesignated; Bone Springs
Property Code 34152	Property Name CC "3" STATE	Well Number 1
OGRID No. 147179	Operator Name CHESAPEAKE OPERATING, INC.	Elevation 3622'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
X M	3	21 S	35 E		990	SOUTH	990	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 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

LOT 12 - 40 AC.	LOT 11 - 40 AC.	LOT 10 - 40 AC.	LOT 9 - 40 AC.
LOT 13 - 40 AC.	LOT 14 - 40 AC.	LOT 15 - 40 AC.	LOT 16 - 40 AC.
1/4 COR.			1/4 COR.

Lat.: N32°30'12.6"
Long.: W103°21'38.9"

990'

966'

OPERATOR CERTIFICATION

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

Brenda Coffman
Signature

Brenda Coffman
Printed Name

Regulatory Analyst
Title

August 23, 2005
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.

JULY 21, 2004
Date Surveyed

GARY L. JONES
Signature & Seal of MEXICO
Professional Surveyor

No. 4472

Certificate No. 7977

BASIN SURVEYS

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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 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 30-025-36794		Pool Code 97483	Pool Name Undesignated Wildcat Wolfcamp
Property Code 34152	Property Name CC "3" State		Well Number 1
OGRID No. 147179	Operator Name Chesapeake Operating Inc.		Elevation

¹⁰Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	3	21S	35E		990	South	990	West	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 320-40		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

<p>16</p>	<p>17 OPERATOR CERTIFICATION</p> <p>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></p> <p>Signature</p> <p>Brenda Coffman</p> <p>Printed Name</p> <p>Regulatory Analyst</p> <p>bcoffman@chkenergy.com</p> <p>Title and E-mail Address</p> <p>10/05/2005</p> <p>Date</p>	
	<p>18 SURVEYOR CERTIFICATION</p> <p>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>	