

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV1220 S. St Francis Dr., Santa Fe, NM
87505

State of New Mexico

Energy, Minerals and Natural Resources

Oil Conservation Division

1220 S. St Francis Dr.

Santa Fe, NM 87505

Form C-101

Permit 904

APPLICATION FOR PERMIT TO DRILL

Operator Name and Address CHESAPEAKE OPERATING, INC. PO Box 18496 Oklahoma City, OK 73154-0496		OGRID Number 147179
		API Number 30-025-36688
Property Code 33886	Property Name ANGUS 7 STATE	Well No. 001

Surface Location

UL or Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	7	22S	35E	H	1980	N	660	E	Lea

Proposed Pools

SAN SIMON,STRAWN, SOUTH 96837

Work Type New Well	Well Type OIL	Cable/Rotary	Lease Type State	Ground Level Elevation 3609
Multiple N	Proposed Depth 11900	Formation Strawn	Contractor	Spud Date 05/15/2004

Proposed Casing and Cement Program

Type	Hole Size	Casing Size	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	1500	1125	0
Int1	12.25	9.625	40	5700	1540	0
Prod	8.75	7	23	11900	835	4500

Casing/Cement Program: Additional Comments

In 13 3/8 surf csg. cmt.w/850 sx C1C + 2% CaCl2+5% bentonite tail w/275 sx C1C + 2%j CaCl2 14.8 ppg. 1.34 yield. In 9 5/8 csg. cmt w/1,340 sx 35:65 Poz Class C + 5% bwow sodium chloride + 0.25 PPS Cello Flake 12.5 ppg 1.93 yield. Tail w/200 sx C1C + 1% CaCl2 14.8 ppg. 1.34 yield Circ. to surf. On 7 csg. cmt 1st stage lead w/180 sx 35:65 Poz. Cl. H + additives 124 ppg. 1.99 yield; 2nd stage: 320 sx 35:65 Poz C1H + additives 12.4 ppg., 1.99 yield. 2nd stagetail: 100 sx Cl. H + additives 15.6 ppg. 1.19 yield. TOC 4500.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	3500	
Double Ram	5000	5000	

I hereby certify that the information given above is true

OIL CONSERVATION DIVISION