

**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 IV**  
1220 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 8152

### APPLICATION FOR PERMIT TO DRILL

|                                                                                                   |                                   |                            |
|---------------------------------------------------------------------------------------------------|-----------------------------------|----------------------------|
| Operator Name and Address<br>CHESAPEAKE OPERATING, INC.<br>PO Box 11050<br>Midland, TX 79702-8050 |                                   | OGRID Number<br>147179     |
|                                                                                                   |                                   | API Number<br>30-025-37135 |
| Property Code<br>34684                                                                            | Property Name<br>TENNECO 25 STATE | Well No.<br>002            |

### Surface Location

| UL or Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|-----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| J         | 25      | 10S      | 32E   | J       | 2130      | S        | 2130      | E        | Lea    |

### Proposed Pools

|                                        |
|----------------------------------------|
| CUERNO LARGO;UPPER PENNSYLVANIAN 14980 |
|----------------------------------------|

|                       |                        |                    |                     |                                |
|-----------------------|------------------------|--------------------|---------------------|--------------------------------|
| Work Type<br>New Well | Well Type<br>OIL       | Cable/Rotary       | Lease Type<br>State | Ground Level Elevation<br>4308 |
| Multiple<br>N         | Proposed Depth<br>9600 | Formation<br>Bough | Contractor          | Spud Date<br>03/25/2005        |

### 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               | 425           | 480             | 0             |
| Int1 | 11        | 8.625       | 24               | 3800          | 820             | 0             |
| Prod | 7.875     | 5.5         | 17               | 9600          | 720             | 3000          |

### Casing/Cement Program: Additional Comments

13 3/8 csg. Cmt. w/ Lead: 275 sx C1C + 2% bwoc CaCl2 + .025% bwoc Cello Fl. + 4T bwoc bentonite; 13.50 ppg 1.75 yield; Tail in w/205 sx C1. C + 2% bwoc CaCl2; 14.8 ppg. 1.34 yield. 8 5/8 Cmt: Lead 710 sx 50:50 Poz C1. C + 5% bwow CaCl2 + 0.25 lbs/sx Cello Flake + 10% bwoc Bentonite 11.9 ppg 2.37 yield; Tail 110 sx C1C + 1% bwoc CaCl2 14.8 ppg. 1.34 yield. 5 1/2 csg. Cmt. Lead 615 sx 35:65 Poz C1C Cmt + 6% bwoc Bentonite 12.5 ppg. 1.94 yield. Tail w/105 sx 15:61:11 Poz C1C cmt; CSE + 5% bwow Sodium Chl. + .7% bwoc FL-25 + .6% bwoc FL-52 + .5% bwoc Sodium Metasilicate 13.0 ppg 1.71 yie

### Proposed Blowout Prevention Program

| Type       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Annular    | 5000             | 5000          |              |
| Double Ram | 5000             | 5000          |              |

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

Electronically Signed By: Brenda Coffman

Title: Regulatory Analyst

Date: 03/14/2005

Phone: 432-685-4310

### OIL CONSERVATION DIVISION

Electronically Approved By: Paul Kautz

Title: Geologist

Approval Date: 03/14/2005 Expiration Date: 03/14/2006

Conditions of Approval:

There are conditions. See Attached.