

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

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

1. Operator Name and Address CHESAPEAKE OPERATING, INC. P. O. BOX 18496 OKLAHOMA CITY, OK 731540496		2. OGRID Number 147179
		3. API Number 30-025-37638
4. Property Code 29532	5. Property Name A M YORK	6. Well No. 004

**7. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
H	20	21S	37E	H	2310	N	990	E	LEA

**8. Pool Information**

Wildcat, San Andres	0
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**Additional Well Information**

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type Private	13. Ground Level Elevation 3491
14. Multiple N	15. Proposed Depth 4500	16. Formation San Andres	17. Contractor	18. Spud Date 1/25/2006
Depth to Ground water 70		Distance from nearest fresh water well 1000		Distance to nearest surface water 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ mils thick Clay <input type="checkbox"/> Pit Volume: 12129 _____ bbls Drilling Method: Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

**19. Proposed Casing and Cement Program**

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	12.25	8.625	24	410	275	0
Prod	7.875	5.5	15.5	4500	840	0

**Casing/Cement Program: Additional Comments**

8 5/8" surf. csg. Cmt Lead: 100 sx 35.65 Poz Cl. C + 2% bwoc CaCl<sub>2</sub> + .25 lbs/sx Cello Flake + 5 lbs/sx LCM1 + 6% bwoc 12.5 ppg and 1.98 yield; Tail 175 sx Cl. C + 2% bwoc CaCl<sub>2</sub> Chloride + 56.4% Fr. Water 14.8 ppg and 1.34 yield. 5 1/2 prod. csg. Lead: 340 sx 35.65 poz cl. C cmt + 5% bwow Sodium Ch. + 25 lbs/sx Cello Flake + 6% bwoc Bentonite + 107.8% fr. water. 12.5 ppg 2.04 yield; Tail: 500 sx Cl. C + bwow Sodium Ch + 8 bwoc BA-10 + .3% bwoc CD-32 + 56.3% fr. water. 14.8 ppg 1.35 yield TOC 0.

**Proposed Blowout Prevention Program**

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	
Double Ram	3000	3000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. <b>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"/>.</b>	<b>OIL CONSERVATION DIVISION</b>
Printed Name: Electronically filed by Brenda Coffman	Approved By: Chris Williams
Title: Regulatory Analyst	Title: District Supervisor
Email Address: bcoffman@chkenergy.com	Approved Date: 1/19/2006   Expiration Date: 1/19/2007
Date: 1/13/2006   Phone: 432-685-4310	Conditions of Approval Attached

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**  
 1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

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Form C-102  
 Permit 21069

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-37638	2. Pool Code	3. Pool Name Wildcat/San Andres
4. Property Code 29532	5. Property Name A M YORK	6. Well No. 004
7. OGRID No. 147179	8. Operator Name CHESAPEAKE OPERATING, INC.	9. Elevation 3491

**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
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**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00		13. Joint or Infill		14. Consolidation Code		15. 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**


**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(s) 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.*

E-Signed By: Brenda Coffman  
 Title: Regulatory Analyst  
 Date: 1/13/2006

**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.*

Surveyed By: Ronald J Eidson  
 Date of Survey: 12/21/2006  
 Certificate Number: 3239

## Permit Comments

Operator: CHESAPEAKE OPERATING, INC. , 147179

Well: A M YORK #004

API: 30-025-37638

Created By	Comment	Comment Date
DMULL	Rejecting intent, need correction on Pool Names.	1/13/2006
DMULL	If this well comes in as a gas well. Chesapeak will have to apply for Non-Standard Location for a gas well in the Hare San Andres (Gas) Pool.	1/18/2006

# Permit Conditions of Approval

Operator: CHESAPEAKE OPERATING, INC. , 147179

Well: A M YORK #004

API: 30-025-37638

OCD Reviewer	Condition
DMULL	Pit construction and closure must satisfy all requirements of your approved plan, D.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
DMULL	If this becomes a gas well, Chesapeake will have to apply for Non-Standard location in the Hare San Andres (Gas) pool.