

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

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

Form C-103
Permit 28490

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: ☐		WELL API NUMBER 30-025-37730
		5. Indicate Type of Lease P
		6. State Oil & Gas Lease No.
2. Name of Operator CHESAPEAKE OPERATING, INC.		7. Lease Name or Unit Agreement Name KELLER 34 STATE
3. Address of Operator P. O. BOX 18496, OKLAHOMA CITY, OK 731540496		8. Well Number 003
4. Well Location Unit Letter <u>E</u> : <u>1730</u> feet from the <u>N</u> line and <u>660</u> feet from the <u>W</u> line Section <u>34</u> Township <u>23S</u> Range <u>34E</u> NMPM Lea County		9. OGRID Number 147179
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3475 GR.		10. Pool name or Wildcat
Pit or Below-grade Tank Application ☐ or Closure ☐ Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____ Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐ TEMPORARILY ABANDON ☐ CHANGE OF PLANS ☐ PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐ Other:	SUBSEQUENT REPORT OF: REMEDIAL WORK ☐ ALTER CASING ☐ COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDON ☐ CASING/CEMENT JOB ☐ Other: Drilling/Cement ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work.) SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.
3/16/06 In 17 1/2" hole ran 13 jts. 13 3/8" 48# H-40 STC csg. set @570'. Cmt'd w/500 sx, tail w/100 sx WOC 24 hrs. Test csg to 1200 - OK
3/23/06 In 11" hole ran 116 jts. 8 5/8" 32# J-55 LTC csg set @ 5050'. Cmt w/1100 sx, tail w/200 sx. Test to 2000# - ok
03/30/06 In 7 7/8" hole, ran 193 jts 5 1/2" 17# L-80 LTC csg set @8800'. Cmt'd w/770 sx Poz + additives. Est TOC 5230. Rel rig @ 12:00 a.m. on 3/31/06/14/2006 Spudded well.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
03/16/06	Surf	FreshWater	17.5	13.375	48	H40	0	570	600				1200	0	Y
03/23/06	Int1	CutBrine	11	8.625	32	J55	0	5050	1300				2000	0	Y
03/30/06	Prod	FreshWater	7.875	5.5	54	L80	5230	8800	770		Poz		4000	0	Y

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Electronically Signed _____ TITLE Regulatory Analyst _____ DATE 4/26/2006
Type or print name Brenda Coffman _____ E-mail address bcoffman@chkenergy.com Telephone No. 432-685-4310

For State Use Only:

APPROVED BY: Paul Kautz _____ TITLE Geologist _____ DATE 4/26/2006 3:06:36 PM