State of New Mexico

Form C-101 Permit 104041

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. Op	erator Name and Address	2. OGRID Number	
CHESAPE	147179		
	. О. ВОХ 18496 ЛА СІТҮ , ОК 731540496	3. API Number	
0.12.11.0.		30-015-37375	
4. Property Code	5. Property Name	6. Well No.	
37900	PLU PIERCE CANYON 16 STATE	001H	

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	16	25S	30E	P	330	S	330	E	EDDY

8. Pool Information

WILDCAT: BONE SPRING	96403

Additional Well Information

	161		Traditional II CH Intoll	HUVION		
9. Work Type New Well	VSX:300			12. Lesse Type State	13. Ground Level Elevation 3289	
14. Multiple N	26.000	osed Depth 2786	16. Formation Bone Spring	17. Contractor	18. Spud Date	
Depth to Ground	water		Distance from nearest fresh water	er well	Distance to nearest surface water	
t: Liner: Synthetic Closed Loop Syste	m 「	mils thick Cl	ay Pit Volume: bb	ls Drilling Method: Fresh Water X Brine D	hiesel/Oil-based Gas/Air	

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	700	900	0
Int1	12.25	9.625	40	3900	1410	0
Prod	8.75	5.5	20	12786	1550	3300

Casing/Cement Program: Additional Comments

Set 13 3/8" casing @700'. Cmt w/900 sxs 14.8 ppg, 1.33 yld. TOC-Surface. Set 9 5/8" inter csg @ 3900', 14.2 ppg, 2.57 yield. TOC-Surface. Set 5 1/2" prod csg@ 12786', cmt/1550 sxs 13.2 ppg, 1.71 yield. TOC @ 3300'.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer						
DoubleRam	5000	5000	Cameron						

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	OIL CONSERVATION DIVISION				
NMOCD guidelines , a general permit , or an (attached) alternative OCD-approved plan .	Approved By: Jacqueta Reev	res			
Printed Name: Electronically filed by Brenda Coffman	Title: District Geologist				
Title: Sr. RegulatoryComp. Spec.	Approved Date: 11/4/2009	Expiration Date: 11/4/2011			
Email Address: bcoffman@chkenergy.com					
Date: 10/19/2009 Phone: 817-556-5825					

District I

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

District I

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

Form C-102

Permit 104041

Energy, Minerals and Natural Resources Oil Conservation Division

1220 S. St Francis Dr. Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number	2. Pool Code	3	. Pool Name	
30-015-37375	96403	WILDCAT; BONE SPRING		
4. Property Code	5. Property 1	lame .	6. Well No.	
37900	PLU PIERCE CANYON 16 STATE		001H	
7. OGRID No.	8. Operator 1	lame	9. Elevation	
147179	CHESAPEAKE OPE	3289		

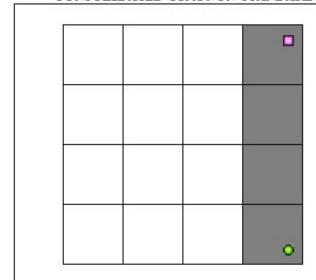
10. Surface Location

			119.7			A 25 A K 24 S S	5 July 2018 1997		
UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
P	16	25S	30E		330	S	330	E	EDDY

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
A	16	25S	30E	A	330	N	330	E	EDDY
	cated Acres	13. J	oint 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: Sr. RegulatoryComp. Spec.

Date: 10/19/2009

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: Gary Jones Date of Survey: 10/17/2009 Certificate Number: 7977

Permit Comments

Operator: CHESAPEAKE OPERATING, INC. , 147179
Well: PLU PIERCE CANYON 16 STATE #001H

API: 30-015-37375

Created By	Comment	Comment Date
busterarrant	Research of the area indicates that concentrations of H2S of wells in the surrounding area from surface to the base of the Bone Spring are miminal. We feel that a H2S contengency plan is not required.	10/18/2009
busterarrant	NMOCD's C-102 and attachments, C-144(CLEZ) pit permit, proposed drilling program, and the standard planning report for the pilot and lateral well bore will be sent by UPS.	10/19/2009