District I Form C-103 State of New Mexico 1625 N. French Dr., Hobbs, NM 88240 August 1, 2011 Phone:(575) 393-6161 Fax:(575) 393-0720 Energy, Minerals and Natural District II Permit 138102 811 S. First St., Artesia, NM 88210 Resources WELL API NUMBER Phone:(575) 748-1283 Fax:(575) 748-9720 District III 30-015-39344 Oil Conservation Division 1000 Rio Brazos Rd., Aztec, NM 87410 5. Indicate Type of Lease Phone:(505) 334-6178 Fax:(505) 334-6170 1220 S. St Francis Dr. District IV 1220 S. St Francis Dr., Santa Fe, NM 87505 Santa Fe, NM 87505 Phone:(505) 476-3470 Fax:(505) 476-3462 6. State Oil & Gas Lease No. 7. Lease Name or Unit Agreement Name SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO PLU BIG SINKS 2 25 30 STATE A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH 8. Well Number PROPOSALS.) 001H Type of Well: O 9. OGRID Number 2. Name of Operator CHESAPEAKE OPERATING, INC. 147179 3. Address of Operator 10. Pool name or Wildcat P.O. Box 18496, Oklahoma City, OK 73154 4. Well Location Unit Letter 350 feet from the line and 1980 feet from the 258 30E NMPM Eddy Township Range County 11. Elevation (Show whether DR, KB, BT, GR, etc.) 3353 GR Pit or Below-grade Tank Application or Closure Depth to Groundwater_ Distance from nearest fresh water well_ Distance from nearest surface water_ Pit Type _ mil Pit Liner Thickness: Below-Grade Tank: Volume_ bbls; Construction Material_ 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF: PERFORM REMEDIAL WORK | PLUG AND ABANDON | REMEDIAL WORK ALTER CASING TEMPORARILY ABANDON CHANGE OF PLANS COMMENCE DRILLING OPNS. PLUG AND ABANDON PULL OR ALTER CASING | MULTIPLE COMPL CASING/CEMENT JOB Other: Other: Drilling/Cement X 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. On 09/30/11, ran 95 jts 8.625 32# J-55 LTC csg.Pump 30 bbls H2O, 1250 xs, 443 bbls lead + adds, 300 sxs, 73 bbls tail + adds, displace w/238 bbls FW. full returns, bump plug 500 over, circ 120 bbls cmt to surface. R/U tester and test bope 250 low, 3000 high all rams, kill, choke valves and floor valves back to 4" on pumps. WOC >18 hours. Test csg to 1500 psi. Good. On 10/1/11, drill out from

under 8 5/8" csg @ 1000 hours.9/24/2011 Spudded well.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
09/25/11	Surf	FreshWater	17.5	13.375	48	STC	0	756	850	1.72	C		1500	0	N
09/30/11	Int1	Brine	11	8.625	32	J-55	0	3995	1550	1.8			1500	0	N

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 [. TITLE Sr. Regulatory Compliance Specialist DATE 10/3/2011 SIGNATURE Electronically Signed Type or print name Bryan Arrant E-mail address bryan.arrant@chk.com Telephone No. 405-935-3782 For State Use Only:

APPROVED BY: Randy Dade TITLE District Supervisor DATE 10/3/2011 8:41:47 AM