District I
1625 N. French Dr., Hobbs, NM 88240
Phone:(575) 393-6161 Fax:(575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone:(575) 748-1283 Fax:(575) 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
August 1, 2011

Permit 149338

WELL API NUMBER	30-015-40126
5. Indicate Type of Lease	S
6. State Oil & Gas Lease No.	

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: O	7. Lease Name or Unit Agreement Name: PLU PIERCE CANYON 16 24 30 STATE
	8. Well Number: 001H
2. Name of Operator: CHESAPEAKE OPERATING, INC.	9. OGRID Number: 147179
3. Address of Operator: P.O. Box 18496 , Oklahoma City, OK 73154	10. Pool name or Wildcat

4. Well Location
Unit Letter O : 50 feet from the S line and 1980 feet from the E line
Section 16 Township 24S Range 30E NMPM Eddy County

11. Elevation (Show whether DR, KB, BT, GR, etc.)
3555 GR

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:		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**	☒

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 5/20/12, RAN 19 JTS 13 3/8/ 48#/ H-40 CSG. SET @ 775'. PUMPED (558 BBLS) OR 1800 SXS OF CMT & GOT BACK 125-BBLS CMT. TEST CHOKE MANIOLD, SINGLE RAM AND DOUBLE RAM 250 PSI LOW AND 5000 PSI HIGH OK. TEST ANNULAR 250 PSI LOW AND 3500 PSI HIGH. TEST IBOP, KELLY VALVES AND BACK TO PUMPS 250 PSI LOW AND 5000 PSI HIGH. OK. FINISH TESTING BOP AND R/D TESTER. TEST CSG TO 1200 PSI AND HOLD FOR 30 MIN. ALL GOOD. 0N 5/22/12, BEGIN DRLG TO INTERMEDIATE CASING POINT.**5/20/2012** 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
05/20/12	Surf	FreshWater	13.375	11	48	H-40	0	775	1200				1200	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 ☐.

SIGNATURE Electronically Signed TITLE Regulatory Specialist II DATE 5/25/2012

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 5/25/2012 11:30:10 AM