

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 150548

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.)		WELL API NUMBER 30-015-40341
1. Type of Well: O		5. Indicate Type of Lease S
2. Name of Operator CHESAPEAKE OPERATING, INC.		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 18496, Oklahoma City, OK 73154		7. Lease Name or Unit Agreement Name PLU REMUDA BASIN 32 23 30 STATE
4. Well Location Unit Letter <u>M</u> : <u>150</u> feet from the <u>S</u> line and <u>660</u> feet from the <u>W</u> line Section <u>32</u> Township <u>23S</u> Range <u>30E</u> NMPM <u>Eddy</u> County		8. Well Number 001H
11. Elevation (Show whether DR., KB, BT, GR, etc.) 3241 GR		9. OGRID Number 147179
10. Pool name or Wildcat		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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 <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE OF PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> Other: _____		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTER CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> Other: Drilling/Cement <input checked="" type="checkbox"/>
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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.
 DRILLED 17 1/2" HOLE TO 378'. SET 13 3/8" CSNG ON 6/17/12. PUMPED CMT W/NO RETURNS. CALLED OCD. TAGGED 1" AT 201' PUMPED MULTIPLE STAGES OF CMT & CIRC TO SURFACE. TEST BOPS AS FOLLOWS: BOP TESTING OPER'S FUNCTION TEST ACUM, TEST 250 LOW/ 5 K HIGH ON UPPER / BTM P-RAMS, BLIND RAMS) ANULAR 250 LOW / 3500 HIGH) CHOKES 250 LOW / 5 K HIGH, FLOOR VALVES 250 LOW / 3500 HIGH, BACK TO RIG MUD PUMPS 250 LOW / 5000 HIGH. TEST CASNG TO 1200 PSI. TEST OK. RESUMED DRILLING OPERATIONS AT 21:00 HRS ON 6/19/12. 6/16/2012 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
06/18/12	Surf	FreshWater	17.5	13.375	48	J-55	0	378			C	201	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 6/20/2012
 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 6/20/2012 10:22:05 AM