

PNRM 0621355384

C-103 Received 7-19-2006

DHC No. Assigned 8-1-2006

	Order Number	API Number	Operator	County			
	HOB-0152	30-025-36793	Chesapeake Operating Inc.	Lea			
	Order Date	Well Name	Number	Location			
		Bourdon 18	004	J	18	20S	39E
				UL	Sec	T (+Dir)	R (+Dir)
			Oil %	Gas %			
Pool 1	06660	BLinebry Oil & Gas (Oil)	70%	70%			
Pool 2	87085	Warren Tubb, East	30%	30%			
Pool 3							
Pool 4							
Comments: Work completed effective _____ Work cancelled effective _____ Supplement _____							

Posted to
RBD md
8-1-2006

30-025-36793
HOB-0152

DOWNHOLE COMMINGLE CALCULATIONS:

OPERATOR: Chesapeake Operating Inc.

PROPERTY NAME: Bourdon 18

WNULSTR: 4-J, 18-20-39

SECTION I:

POOL NO. 1 Blinberry Oil & Gas (Oil) ALLOWABLE AMOUNT
107 428 MCF 4000

POOL NO. 2 Warren Tubb, East 142 852 MCF 6000

POOL NO. 3 _____ MCF

POOL NO. 4 _____ MCF

POOL TOTALS 249 1280

SECTION II:

POOL NO. 1 Blinberry Oil & Gas (Oil) Oil Gas
70% $249 \times 70\% = 174.30$ 70%

POOL NO. 2 Warren Tubb, East 30% 30%

POOL NO. 3 _____

POOL NO. 4 _____

OIL

GAS

SECTION III:

$107 \div 70\% = 152.857 (153)$

SECTION IV:

$153 \times 70\% = 107.10 (107)$

$153 \times 30\% = 45.9 (46)$

Submit 3 Copies To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1000 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
May 27, 2004

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

WELL API NO.	30-025-36793
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Bourdon 18	
8. Well Number	004
9. OGRID Number	147179
10. Pool name or Wildcat Blinebry Oil & Gas	

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well ☒ Gas Well ☐ Other ☐

2. Name of Operator
Chesapeake Operating, Inc.

3. Address of Operator
P. O. Box 11050
Midland, TX 79702-8050

4. Well Location
Unit Letter J : 1980 feet from the South line and 1980 feet from the East line
Section 18 Township 20S Range 39E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3547' 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:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

HER:Down Hole Co-Mingle ☒

OTHER: ☐

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.

Chesapeake, respectfully, request permission to down hole co-mingle this well per co-mingle order #R11363. This lease is on private land and all working and royalty interest are the same for each zone. Co-mingling will not reduce the value of the production. The allocation method is from well test at inception of each zone.

The percent of production for the oil and gas for each zone is as follows:

Warren;Tubb, East 30% Pool Code: 87085 Perfs: 6701 - 6878
Blinebry Oil and Gas 70% Pool Code: 06660 Perfs: 6044 - 6068

DHC Order No. HOB-0152

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 Brenda Coffman TITLE Regulatory Analyst DATE 07/17/2006

or print name Brenda Coffman
For State Use Only

E-mail address: bcoffman@chkenergy.com Telephone No. (432)687-2992

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE AUG 01 2006
Conditions of Approval (if any):

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

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

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT**WELL LOCATION AND ACREAGE DEDICATION PLAT**

' API Number 30-025-36793	' Pool Code 06660	' Pool Name Blinebry Oil & Gas
' Property Code 300218	' Property Name Bourdon 18	' Well Number 4
' OGRID No. 147179	' Operator Name Chesapeake Operating Inc.	' Elevation 3522 GR

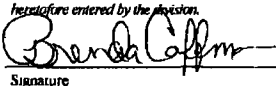
¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	18	20S	39E		1980	South	1980	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
' Dedicated Acres 40		' Joint or Infill		' Consolidation Code		' 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.

16					¹⁷ OPERATOR CERTIFICATION <i>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 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.</i>  Signature 12/08/2005 Date Brenda Coffman Printed Name
					¹⁸ SURVEYOR CERTIFICATION <i>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</i> Date of Survey Signature and Seal of Professional Surveyor Certificate Number

1980

1980

DISTRICT I

1625 N. French Dr., Hobbs, NM 88240

DISTRICT II

511 South First, Artesia, NM 88210

DISTRICT III

100 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36793	Pool Code 87085	Pool Name Warren Tubb East
Property Code 300218	Property Name BOURDON "18"	Well Number 4
OGRID No. 147179	Operator Name CHESAPEAKE OPERATING INC.	Elevation 3522'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	18	20 S	39 E		1980'	SOUTH	1980'	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres 40	Joint or Infill	Consolidation Code	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

<p>Lat.: N32°34'16.6" Long.: W103°04'58.2"</p> <p>1980'</p>	<p>OPERATOR CERTIFICATION</p> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Brenda Coffman</i> Signature Brenda Coffman Printed Name Regulatory Analyst Title 12-9-04 Date</p>
	<p>SURVEYOR CERTIFICATION</p> <p>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.</p> <p>JUNE 4, 2004 Date Surveyed L. JONES Signature Professional Surveyor W.O. No. 4653 Certificate No. Gary Jones 7977 JLP Basin Surveys</p>

2010 Rankin Hwy
Midland, TX 79701
Phone: (432)687-2992 Ext 6032
Fax: (432)687-4112

Chesapeake Operating, Inc.

Fax

To: Nelda From: Brenda Coffman
Fax: 505 393-0720 Date: _____
Phone: _____ Pages: _____
Re: _____ CC: _____

☐ Urgent

☐ For Review

☐ Please Comment

☐ Please Reply

COMMENTS: _____