

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

OCD-ARTESIA

FORM APPROVED

Budget Bureau No. 1004-0135
Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other _____

2. Name of Operator

Chesapeake Operating, Inc. Attn: Sharon Dries 405/879-7985 sdries@chkenergy.com

3. Address and Telephone No.

P.O. Box 18496. Oklahoma City, OK 73154-0496 405/848-8000

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NENE 650 FNL 448 FEL 35-20S-25E

RECEIVED

OCT 06 2005

OCD-ARTESIA

5. Lease Designation and Serial No.

NMNM 108964

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

8. Well Name and No.

LIMESTONE DRAW FEDERAL 1

9. API Well No.

30-015-33211

10. Field and Pool, or Exploratory Area

MORROW, WEST

11. County or Parish, State

EDDY, NM

CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☒ Notice of Intent
☐ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☐ Other _____

- ☒ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Chesapeake Operating, Inc. has moved the location of this well in agreement with the BLM. Chesapeake Operating, Inc. is contacting Danny Boone to learn if an Archeological Survey is required for this location. The new Location is given above.

New Plats are attached.

(CHK PN 819434)

NSL-

14. I hereby certify that the foregoing is true and correct

Signed Sharon E. Dries
or State office use)

Title and Date ACTING

Senior Regulatory Compliance Specialist

7/07/2005 (This space for Federal)

Approved by /s/ Joe G. Lara
Conditions of approval, if any:

Title FIELD MANAGER

Date OCT - 5 2005

See attached strips.

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations to any matter within its jurisdiction.

*See Instruction on Reverse Side

DISTRICT I
N. French Dr., Hobbs, NM 88240
DISTRICT II
811 South First, Artesia, NM 88210
DISTRICT III
1000 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	Pool Code	Pool Name
Property Code	Property Name LIMESTONE DRAW FEDERAL	Well Number 1
OGRID No.	Operator Name CHESAPEAKE OPERATING INC.	Elevation 3578'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	35	20 S	25 E		650	NORTH	448	EAST	EDDY

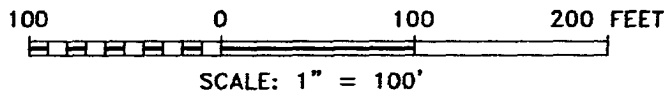
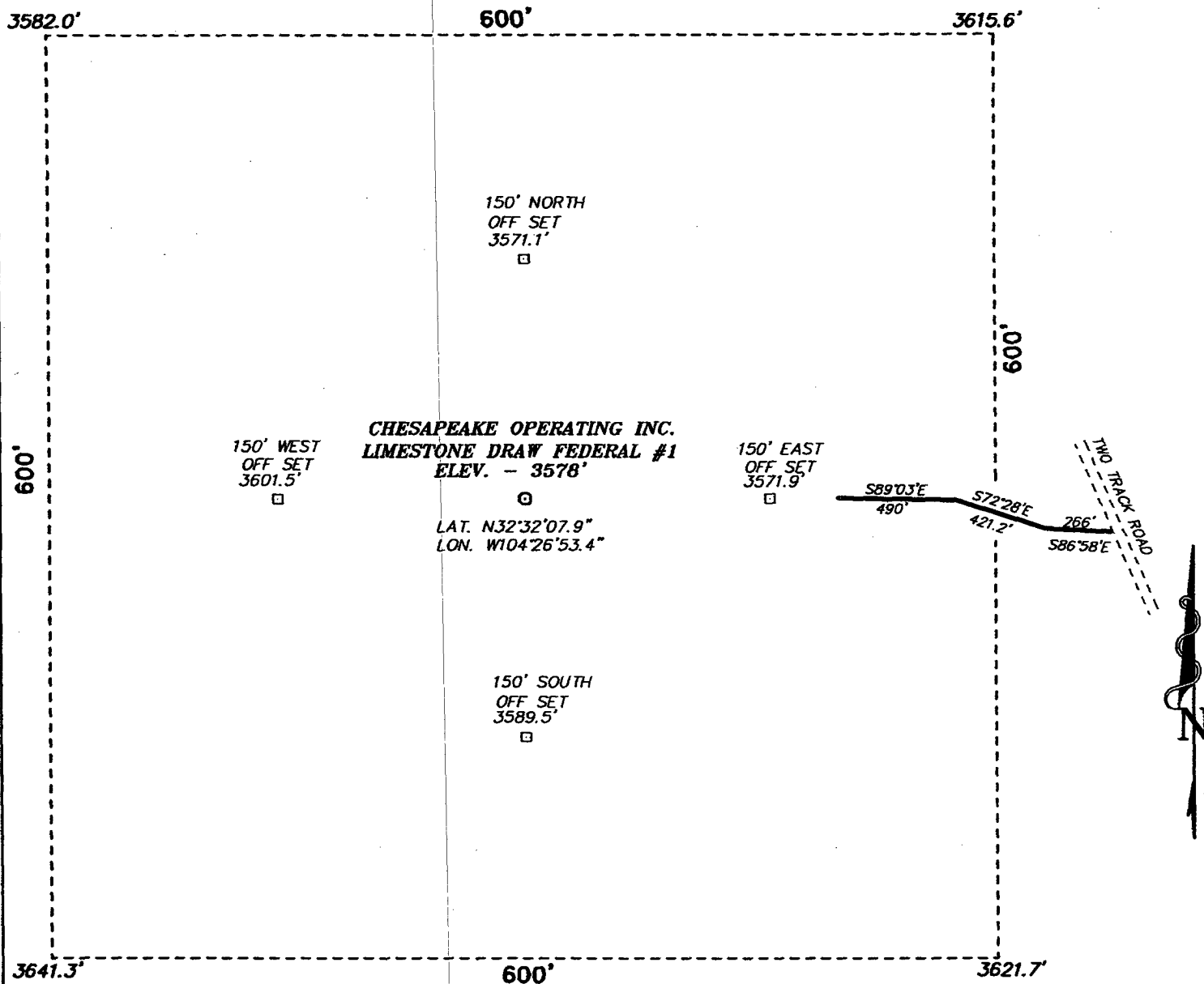
Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 320	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

<div>Lat.: N32°32'07.9" Long.: W104°26'53.4"</div> <div>3582.0' 3615.6' 448' 3641.3' 3621.7'</div> <div>RECEIVED OCT 06 2005 GOD-ARTESIA</div>	<div>OPERATOR CERTIFICATION</div> <p>I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief.</p> <p><i>Lynda F. Townsend</i> Signature Lynda F. Townsend Printed Name Senior Landman Title 7-7-06 Date</p>
	<div>SURVEYOR CERTIFICATION</div> <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>July 27, 2004 Date Surveyed</p>
	<div>Professional Surveyor NEW MEXICO 7977 W.O. No. 4496 Certificate No. Gary L. Jones 7977 JLP</div>

SECTION 35, TOWNSHIP 20 SOUTH, RANGE 25 EAST, N.M.P.M.,
EDDY COUNTY, NEW MEXICO.



Directions to Location:

FROM THE MILE MARKER 48 ON STATE HWY. 285 GO
SOUTH 0.1 MILES TO A LEASE ROAD GO WEST 2.6
MILES TO PROPOSED ROAD TO WELL.

BASIN SURVEYS P.O. BOX 1786 - HOBBS, NEW MEXICO

W.O. Number: 4496

Drawn By: JAMES PRESLEY

Date: 07/28/04

Disk: JLP #1 - 4496A

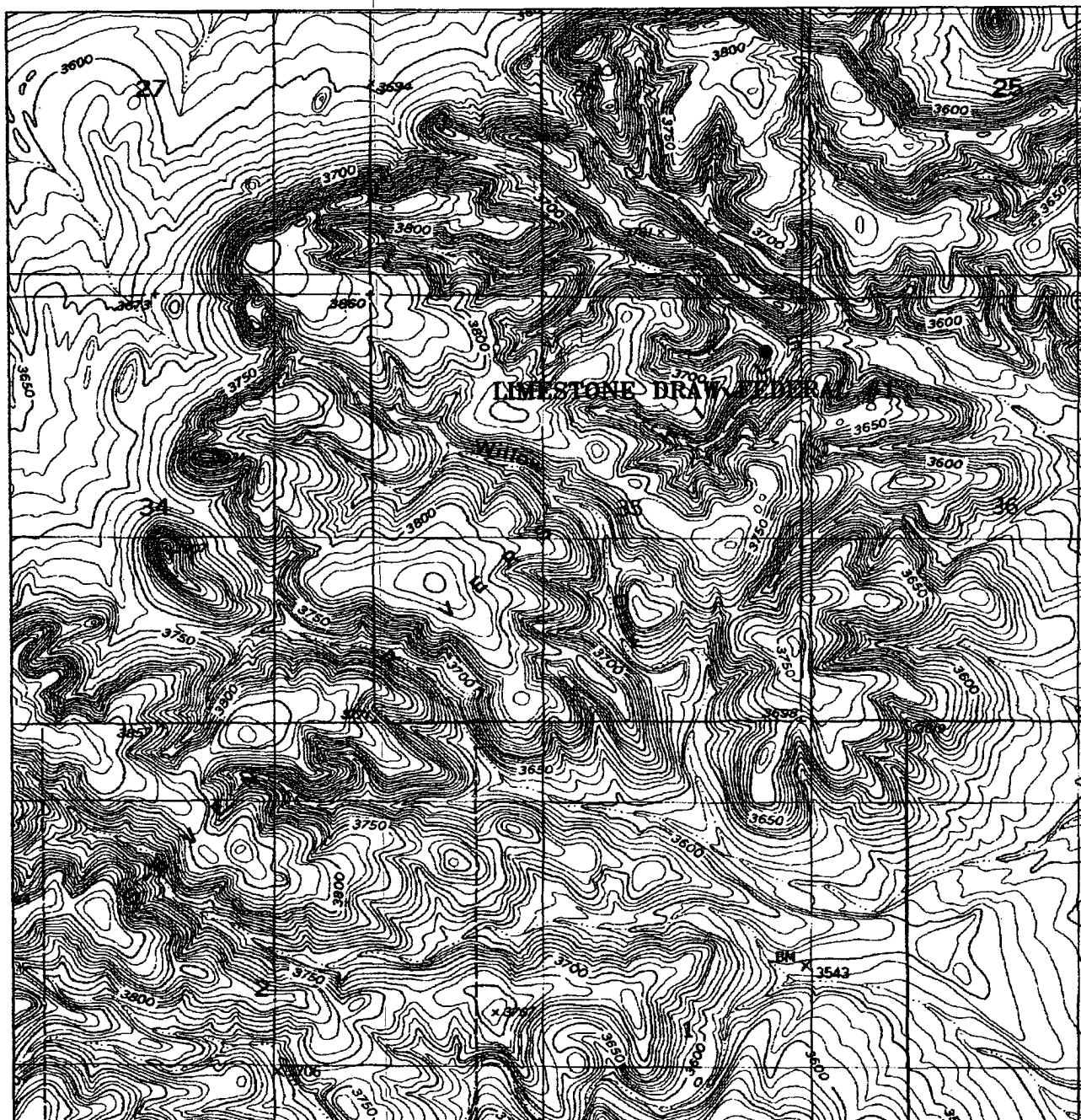
CHESAPEAKE OPERATING INC.

REF: LIMESTONE DRAW FEDERAL #1 / Well Pad Topo

LIMESTONE DRAW FEDERAL #1 LOCATED 650' FROM THE
NORTH LINE AND 448' FROM THE EAST LINE OF
SECTION 35, TOWNSHIP 20 SOUTH, RANGE 25 EAST,
N.M.P.M., EDDY COUNTY, NEW MEXICO.

Survey Date: 07/27/04

Sheet 1 of 1 Sheets



LIMESTONE DRAW FEDERAL #1
 Located at 650' FNL and 448' FEL
 Section 35, Township 20 South, Range 25 East,
 N.M.P.M., Eddy County, New Mexico.

basin
surveys
 focused on excellence
 in the oilfield

P.O. Box 1786
 1120 N. West County Rd.
 Hobbs, New Mexico 88241
 (505) 393-7316 - Office
 (505) 392-3074 - Fax
 basinsurveys.com

W.O. Number: 4496AA - JLP #1

Survey Date: 07/27/04

Scale: 1" = 2000'

Date: 07/28/04

CHESAPEAKE
OPERATING
INC.

**Conditions of Approval
for
Chesapeake Operating INC.
Limestone Fed #1
Lease # NM-108964**

650 FNL & 448 FEL, Section 35, T. 20 S., R. 25 E.

Surface Mitigation

Whether or not a proposed activity has been relocated to reduce potential impacts on caves or karst, the following stipulations will be applied to minimize the risk of impacts during construction, drilling and production.

1. NO PITS WILL BE ALLOWED: A closed mud system (steel tanks) will be utilized to drill the well. All cuttings and fluids will be hauled off site for disposal.
2. Berms will be constructed around all storage tanks used in drilling or production to protect against spills.
3. A leak detection system will be installed for pipelines and tanks used in production or drilling.
4. All tanks and production facilities will be bermed to protect against spills. A permanent 12 mil liner will be installed in storage tank areas.
5. A stock tank vapor recovery system will be used.
6. All production facilities, appurtenances, pipelines, and other above ground structures will be "low profile" (less than 8 feet in height) and painted a non-reflective (Flat) Shale Green.
7. If the well is a producer the pad will be reclaimed back to the anchors within three months after completion. Standard reclamation procedures will be used.

Subsurface Mitigation

The following stipulations will be applied where the presence of caves or karst is obvious or expected, based on the results of detection efforts, and in lost circulation zones.

1. Rotary drilling techniques in cave or karst areas will include the use of fresh water as a circulating medium in zones where caves or karst features are expected. Below those zones, the operator may use whatever drilling fluid is approved in the drilling plan.

WELLBORE SCHEMATIC

"CAVE PROTECTION"

NO VOID

VOID

1. Set conductor casing.

2. Set surface casing, cement and circulate.

3. Drill inter hole. If no void, drill to depth and cement to surface.

4. If void encountered, ream hole for 13-3/8" casing. Place external packer above void. DV tool above pkr. Cement. Open DV tool, circ cement.

5. Drill inter hole to depth, case, circ and cement

6. Drill prod hole to depth. If void was encountered during drilling 1st Inter csg. Cmt, circulate or tie-back 200 ft above DV tool on 1st Inter csg.

7. If no void, prod csg to depth, cement and tie-back 200 ft into Inter csg.

Conductor

Surface

DV Tool
External Packer
Inter 13-3/8"

VOID
2- cement column's

Initial Cement

Intermediate 9-5/8"
DV Tool

Top of oil bearing zone.

DV Tool
Top or Pressurized
Production 5-1/2"

