

<div>Submit To Appropriate District Office State Lease - 600 Fee Lease - 500 District I 1625 N. French 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</div>		State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505		Form C-105 Revised June 10, 2003	
		WELL API NO. 30-015-34938		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
		State Oil & Gas Lease No.			
WELL COMPLETION OR RECOMPLETION REPORT AND LOG					
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>				7. Lease Name or Unit Agreement Name Esperanza 4	
b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RES. <input type="checkbox"/> OTHER <input type="checkbox"/>				8. Well No. 5	
2. Name of Operator Chesapeake Operating, Inc.				9. Pool name or Wildcat Esperanza; Delaware	
3. Address of Operator 2010 Rankin Hiway Midland, TX 79701					
4. Well Location Unit Letter <u>O</u> : <u>553</u> Feet From The <u>South</u> Line and <u>1650</u> Feet From The <u>East</u> Line Section <u>4</u> Township <u>22S</u> Range <u>27E</u> NMPM <u>Eddy</u> County					
10. Date Spudded 09/11/2006		11. Date T.D. Reached 09/23/2006		12. Date Compl. (Ready to Prod.) 11/16/2006	
13. Elevations (DF& RKB, RT, GR, etc.) 3124 GR		14. Elev. Casinghead			
15. Total Depth 5325		16. Plug Back T.D. 5275		17. If Multiple Compl. How Many Zones? 0 - 5325	
18. Intervals Drilled By 0 - 5325				Rotary Tools Cable Tools	
19. Producing Interval(s), of this completion - Top, Bottom, Name 4022 Brushy Canyon; 5224 Delaware				20. Was Directional Survey Made No	
21. Type Electric and Other Logs Run None				22. Was Well Cored No	
23. CASING RECORD (Report all strings set in well)					
CASING SIZE		WEIGHT LB./FT.		DEPTH SET	
HOLE SIZE		CEMENTING RECORD		AMOUNT PULLED	
8 5/8		24#		408	
11"		200 sx Cl. C			
5 1/2		15.5#		5325'	
7 7/8"		1125 sx 50/50 Poz & C			
24. LINER RECORD					
SIZE		TOP		BOTTOM	
SACKS CEMENT		SCREEN			
25. TUBING RECORD					
SIZE		DEPTH SET		PACKER SET	
2 7/8"		5138'			
26. Perforation record (interval, size, and number) 5159 - 5224 1 spf 4022 - 4162 29 holes - Acid.w/1500 g.7.5% neFe+40BS; Frac w/58632 g. 30# linear gel + pump 80867# 16/30 Wh sd, tail w/20000# 16/30 RC siberprep					
27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL 5159 - 5224 Fracw/58212g.30# linear gel+ 75820# Wh16/30 sd+20800#Siber					
28. PRODUCTION					
Date First Production 10/23/2006		Production Method (Flowing, gas lift, pumping - Size and type pump) 2 1/2" x 1 3/4" x 24' RHBC pump		Well Status (Prod. or Shut-in) producing	
Date of Test 11/23/2006		Hours Tested 24		Choke Size 70	
Prod'n For Test Period 70		Oil - Bbl. 51		Gas - MCF 147	
Water - Bbl. 728		Gas - Oil Ratio			
Flow Tubing Press.		Casing Pressure		Calculated 24-Hour Rate	
Oil - Bbl. 70		Gas - MCF 51		Water - Bbl. 147	
Oil Gravity - API - (Corr.)					
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold				Test Witnessed By	
30. List Attachments C-104; C102					
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief					
Signature E-mail Address		Printed Name Brenda Coffman		Title Sr. Regulatory Comp. Specials Date 12/14/2006	
bcoffman@chkenenergy.com					

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico		Northwestern New Mexico	
T. Anhy	T. Canyon	T. Ojo Alamo	T. Penn "B"
T. Salt	T. Strawn	T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka	T. Pictured Cliffs	T. Penn. "D"
T. Yates	T. Miss	T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian	T. Menefee	T. Madison
T. Queen	T. Silurian	T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya	T. Mancos	T. McCracken
T. San Andres	T. Simpson	T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee	Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger	T. Dakota	T.
T. Blinebry	T. Gr. Wash	T. Morrison	T.
T. Tubb	T. Delaware Sand 2029	T. Todilto	T.
T. Drinkard	T. Bone Springs 5227	T. Entrada	T.
T. Abo	T. BrCan3861	T. Wingate	T.
T. Wolfcamp	T.	T. Chinle	T.
T. Penn	T.	T. Permian	T.
T. Cisco (Bough C)	T.	T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to.....

No. 2, from.....to.....

No. 3, from.....to.....

No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology
0	450	450	Red Beds
450	1876	1426	Salt/Anhydrite
1876	2029	153	Limestone
2029	5227	3198	Sand/Silt/Shale
5227	5325	98	Limestone

30-015-34938-00-00

ESPERANZA 4 No. 005

Company Name: CHESAPEAKE OPERATING, INC.**Location:** Sec: 4 T: 22S R: 27E Spot:

Lat: 32.4160288367341 Long: -104.191613165492

Property Name: ESPERANZA 4**County Name:** Eddy**String Information****Cement Information****Perforation Information**

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Sqz
99999	99999			

Formation Information

St Code	Formation	Depth
Psal	Salado	432
Pbslt	Base of Salt	1426
Plals	Lamar Limestone	1814
Pbc	Bell Canyon	2029
Pbrc	Brushy Canyon	3816
Pbs	Bone Spring	5227

Hole: Unknown

TD:

TVD: 0

PBTD:

DISTRICT I
1625 N. FRENCH DR., HOBBS, NM 78240

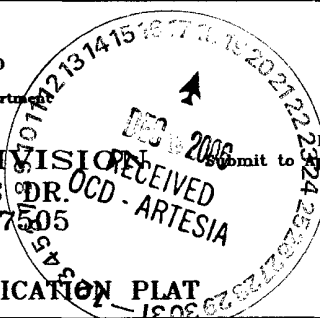
DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

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 and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505



Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 50-C-145-34932	Pool Code 2464C	Pool Name Española
Property Code 3492	Property Name ESPERANZA 4	Well Number 5
OGRID No. 1179	Operator Name CHESAPEAKE OPERATING, INC.	Elevation 3124'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
0	4	22-S	27-E		553	SOUTH	1650	EAST	EDDY

Bottom Hole Location If Different From Surface

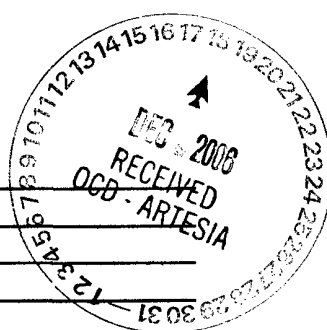
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
4.1			

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

	OPERATOR CERTIFICATION <i>I hereby certify that the information 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 mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> Signature _____ Date _____ Printed Name _____
	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 Surveyed MAY 15, 2006 MR Signature & Seal of Professional Surveyor _____ Certificate No. GARY EIDSON 12641 RONALD L. EIDSON 3239

WELL NAME AND NUMBER Esperanza 4 #5
LOCATION Section 4, T22S, R27E, 553 FSL, 1650 FEL, Eddy County
OPERATOR Chesapeake
DRILLING CONTRACTOR United Drilling, Inc.



The undersigned hereby certifies that he is an authorized representative of the drilling contractor who drilled the above described well and had conducted deviation test and obtained the following results:

<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>	<u>Degrees @ Depth</u>
<u>1 @ 408'</u>	<u>2 @ 3188'</u>	<u> </u>
<u>1-1/4 @ 780'</u>	<u>1-3/4 @ 3405'</u>	<u> </u>
<u>1 @ 1061'</u>	<u>1-1/2 @ 3594'</u>	<u> </u>
<u>3/4 @ 1561'</u>	<u>1-1/2 @ 3719'</u>	<u> </u>
<u>1 @ 2055'</u>	<u>1 @ 4121'</u>	<u> </u>
<u>2 @ 2526'</u>	<u>1 @ 4585'</u>	<u> </u>
<u>2-3/4 @ 2965'</u>	<u>1 @ 5048'</u>	<u> </u>
<u>2 @ 3057'</u>	<u> </u>	<u> </u>

Drilling Contractor- UNITED DRILLING, INC.

By: Luisa Garcia
(Luisa Garcia)

Title: Assistant Office Manger

Subscribed and sworn to before me this 4 day of Oct, 2006.

Dung A. Chu
Notary Public

My Commission Expires: 10-8-08

Chaves NM
County State

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 882
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

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-104
Revised June 10, 2003

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Chesapeake Operating, Inc. 2010 Rankin Hiway Midland, TX 79701		² OGRID Number 147179
		³ Reason for Filing Code/ Effective Date NW10/23/06
⁴ API Number 30 -015-34938	⁵ Pool Name Esperanza;Delaware	⁶ Pool Code 22640
⁷ Property Code 33998	⁸ Property Name Esperanza;Delaware	⁹ Well Number 5

II. ¹⁰ Surface Location

UL or lot no. O	Section 4	Township 22S	Range 27E	Lot Idn	Feet from the 553	North/South Line South	Feet from the 1650	East/West line East	County Eddy
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¹¹ Bottom Hole Location

UL or lot no. O	Section 4	Township 22S	Range 27E	Lot Idn	Feet from the 553	North/South line South	Feet from the 1650	East/West line East	County Eddy
¹² Lse Code P	¹³ Producing Method Code pumping	¹⁴ Gas Connection Date 10/23/2006	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date				

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
034053	Plains Marketing, L.P.		Oil	
	Duke Energy Field Services, L.P.		Gas	

IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description
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V. Well Completion Data

²⁵ Spud Date 09/11/2006	²⁶ Ready Date 10/23/2006	²⁷ TD 5325	²⁸ PBTD 5275	²⁹ Perforations 5159 - 5224	³⁰ DHC, MC
³¹ Hole Size	³² Casing & Tubing Size	³³ Depth Set	³⁴ Sacks Cement		
11	8 5/8	408	200sx Cl.C		
7 7/8	5 1/2	5325	1125sx Poz C		

VI. Well Test Data

³⁵ Date New Oil 10/23/2006	³⁶ Gas Delivery Date 10/23/2006	³⁷ Test Date 11/23/2006	³⁸ Test Length 24 hrs.	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
⁴¹ Choke Size	⁴² Oil 70	⁴³ Water 147	⁴⁴ Gas 51	⁴⁵ AOF	⁴⁶ Test Method pumping

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Printed name:

Brenda Coffman

Title:

Sr. Regulatory Comp. Specialist

E-mail Address:

bcoffman@chkenegy.com

Date:

12/14/2006

Phone:

(432)687-2992

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARANT
DISTRICT II GEOLOGIST

Title:

Approval Date:

DEC 18 2006