

Submit 1 Copy 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  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
October 13, 2009

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

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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.)		WELL API NO. 30-015-37375
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
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 PIERCE CANYON 16 STATE
4. Well Location Unit Letter P : 330' feet from the North line and 330' feet from the East line Section 16 Township 25S Range 30E NMPM County Eddy		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3289' GR		9. OGRID Number 147179
		10. Pool name or Wildcat Wilcat; Bone Spring

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 ☐  
DOWNHOLE COMMINGLE ☐

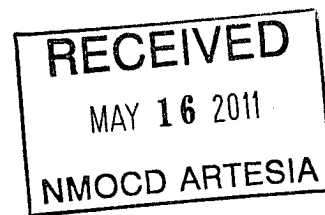
**SUBSEQUENT REPORT OF:**  
REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Drill Pilot Hole & Set Cement Plug ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

On 5/04/11, drilled pilot hole to total depth of 10100'. Run electric-logs.  
Set 300' cement plug on bottom of pilot hole from 10100' to 9800' on 5/6/2011.  
Cement was 16.4 ppg, 1.07 yield class H  
Pilot Hole TD was in Bone Spring formation  
Kick off depth for horizontal was at 7909' also in Bone Spring Formation



Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

TITLE Sr. Regulatory Compl. Sp.

DATE 05/13/2011

Type or print name Bryan Arrant

E-mail address: bryan.arrant@chk.com

PHONE: (405)935-3782

For State Use Only

APPROVED BY:

TITLE

Field Supervisor

DATE 5-26-11

Conditions of Approval (if any):