

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

1. Operator Name and Address CHESAPEAKE OPERATING, INC. PO Box 11050 Midland, TX 79702-8050		2. OGRID Number 147179
		3. API Number 30-025-37541
4. Property Code 35210	5. Property Name LAGOS 22 STATE	6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
N	22	14S	34E	N	660	S	1980	W	LEA

8. Pool Information

HIGH PLAINS;PERMO UPPER PENN	31055
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Additional Well Information

9. Work Type New Well	10. Well Type OIL	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4113
14. Multiple N	15. Proposed Depth 10650	16. Formation Wolfcamp	17. Contractor	18. Spud Date 11/15/2005
Depth to Ground water 65		Distance from nearest fresh water well > 1000		Distance to nearest surface water > 1000

Pit: Liner: Synthetic ☒ 12 _____ mils thick Clay ☐ Pit Volume: 12129 _____ bbls Drilling Method:
 Closed Loop System ☐ Fresh Water ☒ Brine ☐ Diesel/Oil-based ☐ Gas/Air ☐

19. Proposed Casing and Cement Program

Type	Hole Size	Casing Type	Casing Weight/ft	Setting Depth	Sacks of Cement	Estimated TOC
Surf	17.5	13.375	48	350	340	0
Int1	11	8.625	32	4550	1030	0
Prod	7.875	5.5	17	10650	655	4000

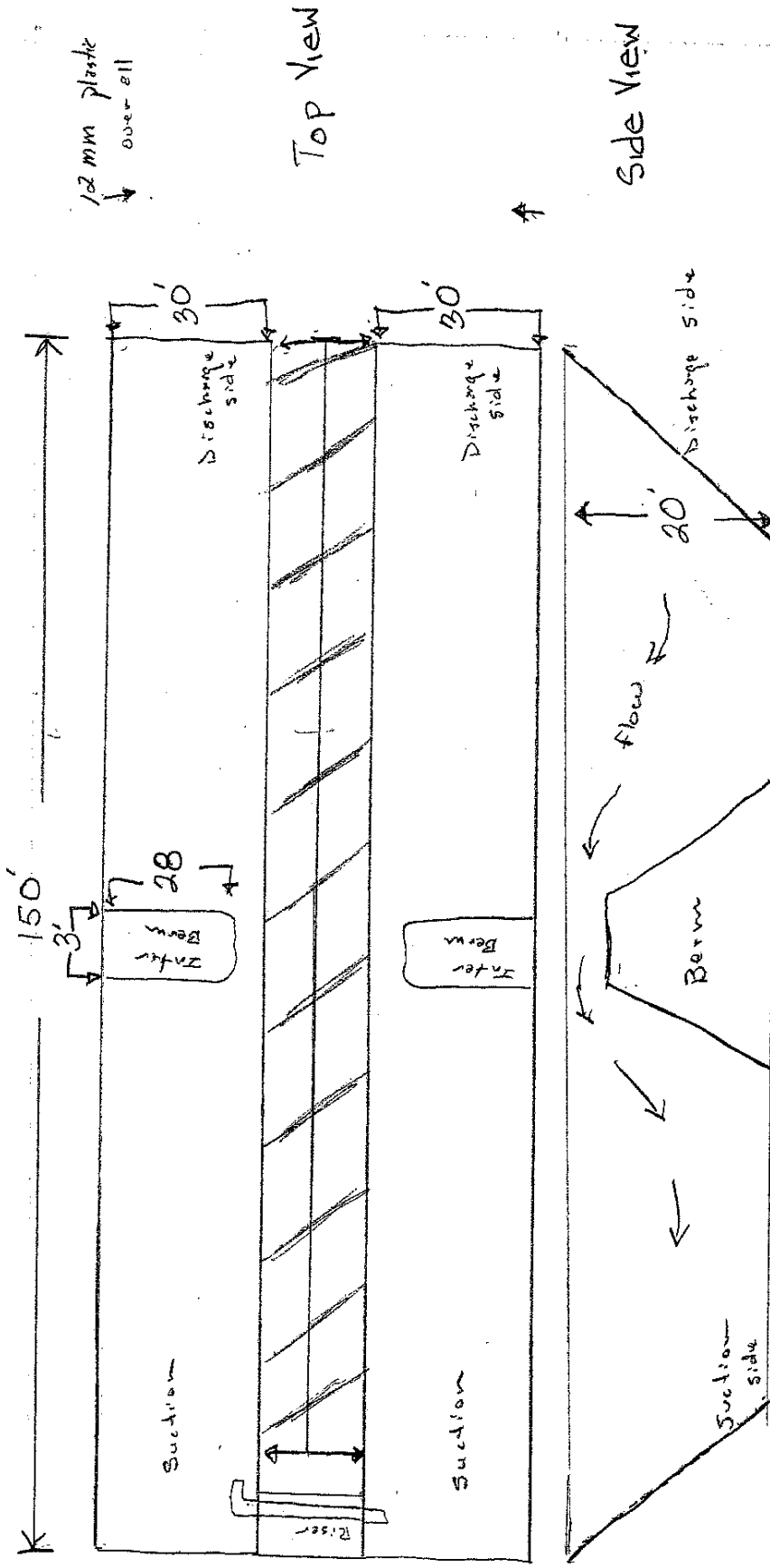
Casing/Cement Program: Additional Comments

13 3/8" Surface Casing Lead: 190 sx Halliburton Light Premium Plus + .025 pps Flocele + 2% CaCl Ch 12.70 ppg, 1.89 yield; tail w/150 sx Premium Plus Cmt + 2% CaCl Ch 14.8 ppg, 1.34 yield TOC Surface: 8 5/8" Inter. Csg. Lead 830 sx Interfill C Cmt + .25 pps Flocele (LCA) 11.9 ppg, 2.45 yield. Tail in w/200 sx Prem. Plus Cmt + 1% CaCl2 14.8 ppg, 1.32 yield. TOC Surface: 5 1/2" Prod. csg.: Lead 480 sx Interfill H + .25 pps Flocele + 0.2% HR-7 11.9 ppg, 2.45 yield. Tail; 175 sx Super H + additives 13.2 ppg, 1.6 yield. TOC est. @ 4,000'.

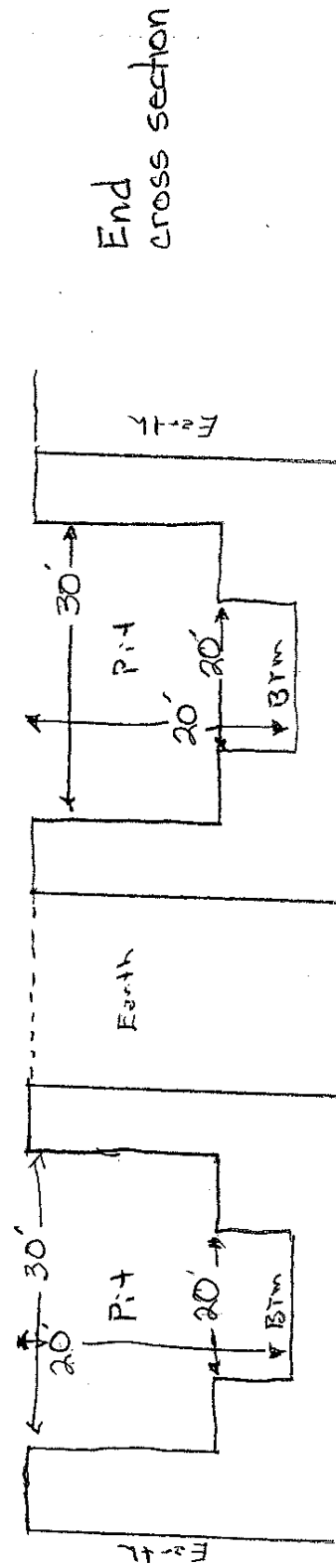
Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	5000	5000	
DoubleRam	5000	5000	

I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐ , or an (attached) alternative OCD-approved plan ☐ .	OIL CONSERVATION DIVISION
Printed Name: Electronically filed by Brenda Coffman	Approved By: Paul Kautz
Title: Regulatory Analyst	Title: Geologist
Email Address: bcoffman@chkenergy.com	Approved Date: 11/3/2005 Expiration Date: 11/3/2006
Date: 11/3/2005 Phone: 432-685-4310	Conditions of Approval Attached



$3' \times 30' \times 140' = 75600 \text{ ft}^3 \div 5.6146 = 13464.8 \text{ bbls} \times 2 = 26929.7 \text{ bbls}$, with 18' of fluid & cuttings in pits.
 $0' \times 30' \times 140' = 90000 \text{ ft}^3 \div 5.6146 = 16029.6 \text{ bbls} \times 2 = 32059.2 \text{ bbls}$ with 20'



District II

1301 W. Grand Ave., Artesia, NM 88210
Phone:(505) 748-1283 Fax:(505) 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

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-37541	2. Pool Code 31055	3. Pool Name HIGH PLAINS,PERMO UPPER PENN
4. Property Code 35210	5. Property Name LAGOS 22 STATE	6. Well No. 001
7. OGRID No. 147179	8. Operator Name CHESAPEAKE OPERATING, INC.	9. Elevation 4113

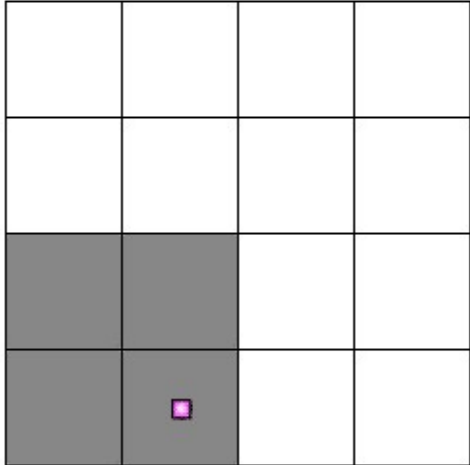
10. Surface Location

UL - Lot N	Section 22	Township 14S	Range 34E	Lot Idn	Feet From 660	N/S Line S	Feet From 1980	E/W Line W	County LEA
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11. Bottom Hole Location If Different From Surface

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 160.00	13. Joint or Infill	14. Consolidation Code	15. 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

	OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i> E-Signed By: Brenda Coffman Title: Regulatory Analyst Date: 11/3/2005
	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> Surveyed By: Ronald J Eidson Date of Survey: 10/19/2005 Certificate Number: 3239

Permit Conditions of Approval

Operator: CHESAPEAKE OPERATING, INC. , 147179

Well: LAGOS 22 STATE #001

API: 30-025-37541

OCD Reviewer	Condition
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
pkautz	prior to any pit construction notify Gary Wink at 505-393-6161 ext 114