

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

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

Form C-103
Permit 24017

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

WELL API NUMBER
30-025-37617

5. Indicate Type of Lease
S

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
KELLER 34 STATE

8. Well Number
001

9. OGRID Number
147179

10. Pool name or Wildcat

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: O

2. Name of Operator

CHESAPEAKE OPERATING, INC.

3. Address of Operator

P. O. BOX 18496, OKLAHOMA CITY, OK 731540496

4. Well Location

Unit Letter C : 673 feet from the N line and 1992 feet from the W line
Section 34 Township 23S Range 34E NMPM Lea County

11. Elevation (Show whether DR, KB, BT, GR, etc.)

3463 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 OF PLANS

PULL OR ALTER CASING MULTIPLE COMPL

Other:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTER CASING

COMMENCE DRILLING OPNS. PLUG AND ABANDON

CASING/CEMENT JOB

Other: **Drilling/Cement**

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.

2-08-06 Ran 115 jts. 8 5/8" 32# J-55 stc csg set @ 5086'. Cmt'd w/50:50 Poz Cl. C + additives 2.45 yield. Tail in w/1300 sx Cl. C + additives, 1.34 yield. RD cmt crew, WOC, run Temp log, wait on 1" pipe, PU 1" pipe, run to 1092', cmt through 1" pipe w/225 sx, pull out pipe. WOC 24 hrs.

2-10-06 Tag cmt @ 806', pump 300 sx through 1", LD 1" tbg, WOC, PU 1" tbg, tag cmt @ 110', LD 1" tbg. ND BOP, set slips, cut csg, set B section, NU BOP, test BOP, pipe rams, blind rams & manifold 250# - 3000#, annular 250# - 1000#. 1/27/2006 Spudded well.

Casing and Cement Program

Date	String	Fluid Type	Hole Size	Csg Size	Weight lb/ft	Grade	Est TOC	Dpth Set	Sacks	Yield	Class	1" Dpth	Pres Held	Pres Drop	Open Hole
01/28/06	Surf	FreshWater	17.5	13.375	48	H-40	0	564	602	1.55	C		1200	0	
02/08/06	Int1	CutBrine	11	8.625	32	J55	0	5086	3250	2.45	C	1092	3000	0	

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 Electronically Signed

TITLE Regulatory Analyst

DATE 2/20/2006

Type or print name Brenda Coffman

E-mail address bcoffman@chkenergy.com Telephone No. 432-685-4310

For State Use Only:

APPROVED BY: Paul Kautz

TITLE Geologist

DATE 2/21/2006 7:14:38 AM