

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

Form C-103
Permit 25941

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFRENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NUMBER 30-025-37617
1. Type of Well: ☐		5. Indicate Type of Lease S
2. Name of Operator CHESAPEAKE OPERATING, INC.		6. State Oil & Gas Lease No.
3. Address of Operator P. O. BOX 18496 , OKLAHOMA CITY , OK 731540496		7. Lease Name or Unit Agreement Name KELLER 34 STATE
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		8. Well Number 001
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3463 GR.		9. OGRID Number 147179
Pit or Below-grade Tank Application ☐ or Closure ☐		10. Pool name or Wildcat
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.
2-19-06 In 7 7/8" hole, ran 193 jts. 5 1/2" csg. set @8789'. Cmt'd w/325 sx 50:50:10 Poz + additives Tail in w/6 sx 61:15:11 Poz + additives 1.6 yield. TOC @ 4023'. Rel. Patterson Rig 54 @ 4:00 p.m. on 2/18/06. 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	
02/19/06	Prod	FreshWater	7.875	5.5	17	L-80	4023	8789	331	1.6	Poz		2500	0	Y

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 3/21/2006
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 3/22/2006 7:21:35 AM