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 30992

WELL API NUMBER
30-025-37853

5. Indicate Type of Lease
S

6. State Oil & Gas Lease No.

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.)

7. Lease Name or Unit Agreement Name
LE 35 STATE

1. Type of Well:O

8. Well Number
001

2. Name of Operator
CHESAPEAKE OPERATING, INC.

9. OGRID Number
147179

3. Address of Operator
P. O. BOX 18496 , OKLAHOMA CITY , OK 731540496

10. Pool name or Wildcat

4. Well Location
Unit Letter E : 1879 feet from the N line and 978 feet from the W line
Section 35 Township 16S Range 37E NMPM Lea County

11. Elevation (Show whether DR, KB, BT, GR, etc.)
3767 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:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☐	REMEDIAL WORK ☐	ALTER CASING ☐
TEMPORARILY ABANDON ☐	CHANGE OF PLANS ☐	COMMENCE DRILLING OPNS. ☐	PLUG AND ABANDON ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
Other:		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.

iN 17 12" hole, ran 10 jts. 13 3/8" 48# H-40 STC casing set @430'. Cmt'd w/156 sx 35:65 Poz Neat + additives; tail in w/200 sx 25:75 Poz Cl. C + additives. Cement did not circulate. WOC, run temp survey, TOF @ 140', cut off conductor, weld on wellhead, run 1" pipe to 140', tag cmt, cmt backside through 1" w/150 sx Cl. C Neat + additives, circ 24 sx cmt to surface. WOC 24 hrs.
5/12/06 Test csg to 800# - OK
5/19/06 Ran 104 jts. 8 5/8" 32# J55, 8RD LTC csg set @4409'. Cmt'd w/927 sx 50/50 Poz C + additives, 2.37 yield, tail w/200 sx 25:75 Poz C + additives 1.54 yield, circ 79 bbls cmt t**5/9/2006** 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
05/11/06	Surf	FreshWater	17.5	13.375	48	H40	0	430	356	1.27	C	430	800	0	Y
05/20/06	Int1	CutBrine	11	8.625	32	J55	0	4500	1127	2.37	Poz C		1900	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 5/25/2006
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 5/30/2006 7:44:46 AM