

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 36243

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 30-025-37855
1. Type of Well: ☐		5. Indicate Type of Lease P
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 HUGH
4. Well Location Unit Letter <u>D</u> : <u>1129</u> feet from the <u>N</u> line and <u>782</u> feet from the <u>W</u> line Section <u>14</u> Township <u>22S</u> Range <u>37E</u> NMPM Lea County		8. Well Number 017
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3375 GR.		9. OGRID Number 147179
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 _____		10. Pool name or Wildcat

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.
08/04/06 In 12 1/4" surface hole ran 25 jts. 8 5/8" 24# J-55 STC csg. set @ 1,107'. Cemented w/450 sx Lite 65/35/6, 1.8 yield. Tailed in w/ 150 sx Lite 65/35/6 + 150 sx Cl. C + additives, plug down. Cement circulated to the pit. WOC 24 hours Tested csg to 1000# - OK
08/14/06 In 7 7/8" hole, ran 100 jts. 5 1/2" 15.5# J-55 8rd STC csg. set @ 4200'. Cemented with 275 sx BJ Lite 65/35/6 + additives, 2.03 yield, tail w/425 sx 50/50/2 Poz Cl. C + additives 1.26 yield.8/2/2006 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
08/04/06	Surf	FreshWater	12.25	8.625	24	J55	0	1107	600	1.8	C		1000	0	Y
08/14/06	Prod	CutBrine	7.875	5.5	15.5	J55	0	4200	800	2.03	BJ Lite		2000	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 8/15/2006
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 8/15/2006 2:22:53 PM