

|  |                                 |                               |
|--|---------------------------------|-------------------------------|
| 1. Operator Name and Address<br>CHESAPEAKE OPERATING, INC.<br>P. O. BOX 18496<br>OKLAHOMA CITY, OK 731540496 |                                 | 2. OGRID Number<br>147179     |
|  |                                 | 3. API Number<br>30-025-38187 |
| 4. Property Code<br>36174  | 5. Property Name<br>LAWRENCE 29 | 6. Well No.<br>001            |

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| P        | 29      | 16S      | 37E   | P       | 690       | S        | 573       | E        | LEA    |

|                                 |       |
|---------------------------------|-------|
| LOVINGTON;UPPER PENN. NORTHEAST | 40760 |
|---------------------------------|-------|

|  |                      |  |                           |                                    |
|--|----------------------|--|---------------------------|------------------------------------|
| 9. Work Type<br>New Well   | 10. Well Type<br>OIL | 11. Cable/Rotary                       | 12. Lease Type<br>Private | 13. Ground Level Elevation<br>3796 |
| 14. Multiple<br>N  | 15. Proposed Depth   | 16. Formation<br>Strawn                | 17. Contractor            | 18. Spud Date<br>12/15/2006        |
| Depth to Ground water<br>44  |                      | Distance from nearest fresh water well |                           | Distance to nearest surface water  |
| Pit: Liner: Synthetic <input type="checkbox"/> mls thick      Clay <input type="checkbox"/> Pit Volume:      bbls      Drilling Method:<br>Closed Loop System <input checked="" type="checkbox"/> Fresh Water      Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> |                      |  |                           |                                    |

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 17.5      | 13.375      | 48               | 450           | 400             | 0             |
| Int1 | 11        | 8.625       | 32               | 4650          | 1030            | 0             |
| Prod | 7.875     | 5.5         | 17               | 11500         | 955             | 4150          |

13 3/8" csg. Lead 300 sx Cl. C + 2% CaCl<sub>2</sub> + 4% gel. Tail 100 sx Cl. C 2% CaCl<sub>2</sub>; 8 5/8" Lead 900 sx 50:50 Poz:C + 5% caCl<sub>2</sub> + 10% gel. Tail 130 sx Cl. C + 1% CaCl<sub>2</sub>; 5 1/2" Stage 1, 425 sx LW Blend Stage 2, Lead 380 sx 50:50 Poz:H. Tail 150 sx CL. H

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

|                                 |
|---------------------------------|
| Conditions of Approval Attached |
|---------------------------------|

**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-102  
 Permit 42515

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                               |  |   |
|-------------------------------|--|---|
| 1. API Number<br>30-025-38187 | 2. Pool Code<br>40760                          | 3. Pool Name<br>LOVINGTON;UPPER PENN, NORTHEAST |
| 4. Property Code<br>36174     | 5. Property Name<br>LAWRENCE 29                | 6. Well No.<br>001                              |
| 7. OGRID No.<br>147179        | 8. Operator Name<br>CHESAPEAKE OPERATING, INC. | 9. Elevation<br>3796                            |




**10. Surface Location**

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| P        | 29      | 16S      | 37E   |         | 690       | S        | 573       | E        | LEA    |

**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<br>40.00 |         | 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**

|  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |   |  |
|--|--|--|---|--|--|--|--|--|--|--|--|--|--|--|--|---|--|
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|  |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |   |  |
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|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |   |  |
| <p align="center"><b>SURVEYOR CERTIFICATION</b></p> <p><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></p> <p>Surveyed By: Ronald J Eidson<br/>         Date of Survey: 9/20/2006<br/>         Certificate Number: 3239</p> |  |  |   |  |  |  |  |  |  |  |  |  |  |  |  |   |  |

# Permit Conditions of Approval

Operator: CHESAPEAKE OPERATING, INC. , 147179

Well: LAWRENCE 29 #001

API: 30-025-38187

| OCD<br>Reviewer | Condition   |
|-----------------|---|
| DMULL           | Pit construction and closure must satisfy all requirements of your approved plan, D.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines |