

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

|  |                                    |                               |
|--|------------------------------------|-------------------------------|
| 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>30-025-38218 |
| 4. Property Code<br>36183  | 5. Property Name<br>LOU WORTHAM 11 | 6. Well No.<br>001            |

**7. Surface Location**

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| G        | 11      | 22S      | 37E   | G       | 2310      | N        | 1650      | E        | LEA    |

**8. Pool Information**

|                           |       |
|---------------------------|-------|
| EUNICE, SAN ANDRES, SOUTH | 24170 |
|---------------------------|-------|

**Additional Well Information**

|  |                            |  |                           |   |
|--|----------------------------|--|---------------------------|---|
| 9. Work Type<br>New Well   | 10. Well Type<br>GAS       | 11. Cable/Rotary                                 | 12. Lease Type<br>Private | 13. Ground Level Elevation<br>3346          |
| 14. Multiple<br>N  | 15. Proposed Depth<br>4350 | 16. Formation<br>San Andres                      | 17. Contractor            | 18. Spud Date<br>12/15/2006                 |
| Depth to Ground water<br>40  |                            | Distance from nearest fresh water well<br>> 1000 |                           | Distance to nearest surface water<br>> 1000 |
| Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 _____ mils thick Clay <input type="checkbox"/> Pit Volume: 12129 bbls Drilling Method:<br>Closed Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/> |                            |  |                           |   |

**19. Proposed Casing and Cement Program**

| Type | Hole Size | Casing Type | Casing Weight/ft | Setting Depth | Sacks of Cement | Estimated TOC |
|------|-----------|-------------|------------------|---------------|-----------------|---------------|
| Surf | 11        | 8.625       | 24               | 1100          | 370             | 0             |
| Prod | 7.875     | 5.5         | 15.5             | 4350          | 660             | 0             |

**Casing/Cement Program: Additional Comments**

8 5/8": Lead 220 sx C1. C + 2% CaCl + 4% gel Tail 150 sx C1. C + 2% CaCl2: 4 1/2" Lead 280 sx 35.65 Poz C + 6% gel + 2% CaCl2, Tail 380 sx 50.50 Poz. C + 2% gel + 1/4 pps Cello Flake + 0.4% FLA

**Proposed Blowout Prevention Program**

| Type       | Working Pressure | Test Pressure | Manufacturer |
|------------|------------------|---------------|--------------|
| Annular    | 3000             | 3000          |              |
| Double Ram | 3000             | 3000          |              |

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

I further certify that the drilling pit will be constructed according to NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Printed Name: Electronically filed by Brenda Coffman

Title: Regulatory Analyst

Email Address: bcoffman@chkenenergy.com

Date: 12/11/2006

Phone: 432-685-4310

**OIL CONSERVATION DIVISION**

Approved By: Chris Williams

Title: District Supervisor

Approved Date: 12/20/2006

Expiration Date: 12/20/2007

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 42580

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

|                               |  |  |
|-------------------------------|--|--|
| 1. API Number<br>30-025-38218 | 2. Pool Code<br>24170                          | 3. Pool Name<br>EUNICE,SAN ANDRES, SOUTH |
| 4. Property Code<br>36183     | 5. Property Name<br>LOU WORTHAM 11             | 6. Well No.<br>001                       |
| 7. OGRID No.<br>147179        | 8. Operator Name<br>CHESAPEAKE OPERATING, INC. | 9. Elevation<br>3346                     |

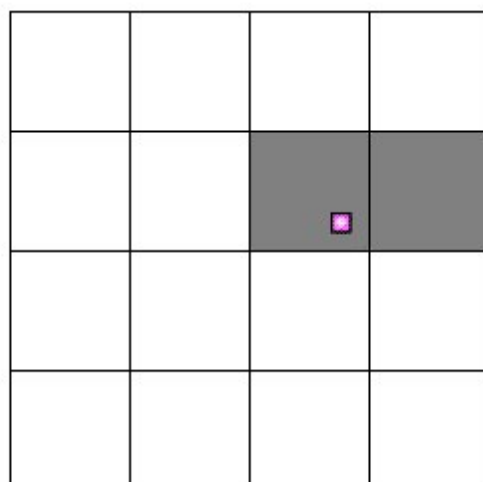
**10. Surface Location**

| UL - Lot | Section | Township | Range | Lot Idn | Feet From | N/S Line | Feet From | E/W Line | County |
|----------|---------|----------|-------|---------|-----------|----------|-----------|----------|--------|
| G        | 11      | 22S      | 37E   |         | 2310      | N        | 1650      | 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>80.00 |         | 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**



**OPERATOR CERTIFICATION**

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

E-Signed By: Brenda Coffman  
 Title: Regulatory Analyst  
 Date: 12/11/2006

**SURVEYOR CERTIFICATION**

*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.*

Surveyed By: Gary G Eidson  
 Date of Survey: 10/26/2006  
 Certificate Number: 12641

## Permit Comments

Operator: CHESAPEAKE OPERATING, INC. , 147179

Well: LOU WORTHAM 11 #001

API: 30-025-38218

| Created By | Comment   | Comment Date |
|------------|---|--------------|
| BArrant    | APD submitted to wrong District. Please submit to District 1 in Hobbs, NM | 12/7/2006    |
| DMULL      | Corrections made: Pool is Eunice San Andres South (24170)                 | 12/20/2006   |

# Permit Conditions of Approval

Operator: CHESAPEAKE OPERATING, INC. , 147179

Well: LOU WORTHAM 11 #001

API: 30-025-38218

| 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 |
| CWILLIAMS       | Groundwater depth is less than 50 feet. Pit will have to be removed and disposed of properly.   |