

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 CHESAPEAKE OPERATING, INC. P. O. BOX 18496 OKLAHOMA CITY, OK 731540496		2. OGRID Number 147179
		3. API Number 30-05-27966
4. Property Code 36752	5. Property Name MARLEY 21	6. Well No. 001

7. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	21	11S	31E	B	660	N	1310	E	CHAVES

8. Pool Information

TV,PENN (GAS)	86560
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Additional Well Information

9. Work Type New Well	10. Well Type GAS	11. Cable/Rotary	12. Lease Type State	13. Ground Level Elevation 4452
14. Multiple N	15. Proposed Depth	16. Formation Mississippi Limestone	17. Contractor	18. Spud Date 9/27/2007
Depth to Ground water 75		Distance from nearest fresh water well		Distance to nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> mils thick Clay <input type="checkbox"/> Pit Volume: bbls Drilling Method: Closed Loop System <input checked="" type="checkbox"/> Fresh Water <input 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	17.5	13.375	48	375	460	0
Int1	11	8.625	32	3550	800	375
Prod	7.875	5.5	17	11150	950	9000

Casing/Cement Program: Additional Comments

13 3/8 48# H-40 STC csg set @ 375 w/ 300 sx ClC, tail in w/160 sx ClC, yld 1.74, 8 5/8 32# J-55 LT&C csg set @ 3550 w/650 sx 50:50 Poz C, tail in w/150 sx ClC, yld 2.00, 5 1/2 17# P-110 LT&C csg set @ 11150 w/ 700 sx LW ClH, tail in w/250 sx LW Prem H, yld 2.45.

Proposed Blowout Prevention Program

Type	Working Pressure	Test Pressure	Manufacturer
Annular	3000	3000	
DoubleRam	5000	5000	

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 NMOC guidelines ☐ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Printed Name: Electronically filed by Brenda Coffman

Title: RegulatoryComp. Spec.

Email Address: bcoffman@chkenergy.com

Date: 9/24/2007 Phone: 817-556-5825

OIL CONSERVATION DIVISION

Approved By: Paul Kautz

Title: Geologist

Approved Date: 10/11/2007 Expiration Date: 10/11/2008

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

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Form C-102
 Permit 61431

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-05-27966	2. Pool Code 86560	3. Pool Name TV,PENN (GAS)
4. Property Code 36752	5. Property Name MARLEY 21	6. Well No. 001
7. OGRID No. 147179	8. Operator Name CHESAPEAKE OPERATING, INC.	9. Elevation 4452

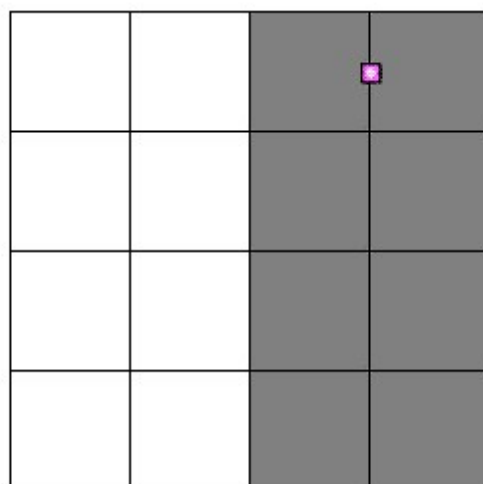
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
B	21	11S	31E		660	N	1310	E	CHAVES

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 320.00		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: RegulatoryComp. Spec.
 Date: 9/24/2007

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 Eidson
 Date of Survey: 9/24/2007
 Certificate Number: 12641

Permit Conditions of Approval

Operator: CHESAPEAKE OPERATING, INC. , 147179

Well: MARLEY 21 #001

API: 30-05-27966

OCD Reviewer	Condition
pkautz	Pit construction and closure must satisfy all requirements of your approved plan, O.C.D. Rule 19.15.2.50, and the Pit and Below-Grade Tank Guidelines
DMULL	Will require administrative order for non-standard location
DMULL	Approval for intent to drill. Cannot produce until Case 14023 has been approved and the TV;Penn(Gas) pool rules have been approved.