

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 64798

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  |                                 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------|
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br>(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVIOR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)<br>1. Type of Well:G<br>2. Name of Operator<br>CHESAPEAKE OPERATING, INC.<br>3. Address of Operator<br>P. O. BOX 18496 , OKLAHOMA CITY, OK 731540496<br>4. Well Location<br>Unit Letter <u>A</u> : <u>760</u> feet from the <u>N</u> line and <u>760</u> feet from the <u>E</u> line<br>Section <u>21</u> Township <u>25S</u> Range <u>27E</u> NMPM <u>Eddy</u> County |  | WELL API NUMBER<br>30-015-35708 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  | 5. Indicate Type of Lease<br>S  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |  | 6. State Oil & Gas Lease No.    |
| 7. Lease Name or Unit Agreement Name<br>BEGGS 21 STATE COM                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |  |                                 |
| 8. Well Number<br>001                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  |                                 |
| 9. OGRID Number<br>147179                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |  |                                 |
| 10. Pool name or Wildcat                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |  |                                 |
| 11. Elevation (Show whether DR, KB, BT, GR, etc.)<br>3112 GR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |  |                                 |
| Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/><br>Pit Type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____<br>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:

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.  
11/15/07. Run 65 jus 7" 29# HCP110 LTC Liner set @ 11150, cmtd w/550 sx C1H, 1.19 yld, WOC 18 hrs, Ran 100 sx to surf, tested cmt to 2140 for 30 mins-OK.9/7/2007 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 |
|----------|--------|------------|-----------|----------|--------------|--------|---------|----------|-------|-------|------------|---------|-----------|-----------|-----------|
| 09/09/07 | Surf   | FreshWater | 26        | 20       | 94           | K-55   | 0       | 375      | 885   | 2.03  | Halib Lite |         | 500       | 0         | Y         |
| 09/14/07 | Int1   | Brine      | 17.5      | 13.375   | 54.5         | J-55   | 0       | 2100     | 1840  | 2.01  | C          |         | 500       | 0         | Y         |
| 10/16/07 | Int2   | Brine      | 12.25     | 9.625    | 46           | P-110  | 0       | 9050     | 1050  | 2.01  | Poz prem p |         | 3500      | 0         | Y         |
| 11/15/07 | Liner1 | FreshWater | 9.5       | 7        | 29           | HCP110 | 0       | 11150    | 550   | 1.19  | HCP        |         | 2140      | 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 RegulatoryComp. Spec. DATE 11/20/2007  
Type or print name Brenda Coffman E-mail address bcoffman@chkenergy.com Telephone No. 817-556-5825

**For State Use Only:**

APPROVED BY: Bryan Arrant TITLE Geologist DATE 11/29/2007 11:37:04 AM