

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 79864

SUNDRY NOTICES AND REPORTS ON WELLS (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.) 1. Type of Well:G 2. Name of Operator CHESAPEAKE OPERATING, INC. 3. Address of Operator P. O. BOX 18496 , OKLAHOMA CITY, OK 731540496 4. Well Location Unit Letter <u>K</u> : <u>1980</u> feet from the <u>S</u> line and <u>1309</u> feet from the <u>W</u> line Section <u>22</u> Township <u>21S</u> Range <u>35E</u> NMPM Lea County		WELL API NUMBER 30-025-38845
		5. Indicate Type of Lease S
		6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name OSUDO 22 STATE		
8. Well Number 001		
9. OGRID Number 147179		
10. Pool name or Wildcat		
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3608 GR.		
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 _____		

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.

8/3/2008 through 8/4/2008

RAN 310 JTS 4.5" P-110 15.10# LTC & 2 MARKER JTS. FSHOE 2 JTS FCOLLAR 40 JTS 2 MARKERS JTS 268 JTS. CENTALIZERS @ 12700', 12595', THEN EVERY 4TH ONE TO 9023' CMT 4.5" CASING. 30 BBL SPACER 12.2 PPG 365 SXS OF CMT 13.2 PPG 1.61 YLD. BUMP PLUG @ 8:13 W/3377 PSI. DISPLACEMENT 179.5 BBLS CALC DISPLACEMENT 179.8 BBLs

NU TUBING HEAD & TEST @ 2500 PSI TEST OK. RELEASED LATSHAW RIG #6 @ 15:00 ON 8/4/2008**6/18/2008** 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
06/18/08	Surf	FreshWater	17.5	13.375	54.5	J-55	0	1470	1230	2.02	PREM PLUS	1500		0	
07/01/08	Int1	Brine	12.25	9.625	40	J-55	0	5492	1845	2.12	Hall-Light	1500		0	
07/15/08	Prod	Mud	9.75	7	28	HCL-80	5100	10505	1040	2.02	ECONO CEM	3000		0	
08/03/08	Prod	Mud	7.125	4.5	15.1	L-80	10000	12721	375	1.61	Super H	2500		0	

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 Sr. Regulatory Comp. Spec. DATE 8/5/2008
Type or print name Brenda Coffman E-mail address bcoffman@chkenergy.com Telephone No. 817-556-5825

For State Use Only:

APPROVED BY: Paul Kautz TITLE Geologist DATE 8/5/2008 3:02:20 PM