

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 80608

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: ☐		WELL API NUMBER 30-025-38906
		5. Indicate Type of Lease S
		6. State Oil & Gas Lease No.
2. Name of Operator CHESAPEAKE OPERATING, INC.		7. Lease Name or Unit Agreement Name LOST TANK 16 STATE
3. Address of Operator P. O. BOX 18496, OKLAHOMA CITY, OK 731540496		8. Well Number 001
4. Well Location Unit Letter M : 330 feet from the S line and 330 feet from the W line Section 16 Township 21S Range 32E NMPM Lea County		9. OGRID Number 147179
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3652 GR.		10. Pool name or Wildcat
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.

8/17/2008 through 8/18/2008

CIRC TO RUN 5 1/2 CSG. RUN 150 JTS. OF 5.50, 17#, N80 CSG. RUN 5.50, 17#, N80 CSG. TOTAL JTS RAN: 194 +1 LANDING JT. TOTAL CSG. LENGTH= 8721.51 CEMENT W/HALLIBURTON/24 BBLS SUPERFLUSH, 10 BBLS FW SPACER, LEAD CMT = 450 SX INTERFILL C, WT 11.90 YIELD 2.47 WITH 0.125 LBM. POLOY-E-FLAKE, TAIL CMT = 400 SX PREMIUM PLUS, WT. 13.20, 1.59 YIELD WITH .5% LAP 1, .4% CFR-3, 3% HR-7, .25 LBM. D-AIR 3000, DISPLACMENT = 200 BBLS. 1 % KCL WATER, PLUG BUMPED @ 10:53 WITH 1604 PSI, FLOATS HELD, EST. TOP CMT @ 4024' NIPPLE DOWN, SET SLIPS, CUT OFF 5.50 CSG, LAY OUT BOP, INSTALL A7/23/2008 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
07/25/08	Surf	Fresh Water	17.5	13.375	48	H-40	0	1250	995	2.02	hall-light		1200		0
08/08/08	Int1	Brine	12.25	8.625	32	J-55	0	4524	1640	2.47	Interfill		1500		0
08/17/08	Prod	Mud	7.875	5.5	17	N-80	4024	8700	850	2.47	Interfill				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 8/18/2008

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 8/19/2008 11:44:30 AM