

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 121400

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.)		WELL API NUMBER 30-015-37937
1. Type of Well: O		5. Indicate Type of Lease S
2. Name of Operator CHESAPEAKE OPERATING, INC.		6. State Oil & Gas Lease No.
3. Address of Operator P. O. BOX 18496, OKLAHOMA CITY, OK 731540496		7. Lease Name or Unit Agreement Name PLU PIERCE CANYON 8 STATE
4. Well Location Unit Letter <u>A</u> : <u>145</u> feet from the <u>N</u> line and <u>400</u> feet from the <u>E</u> line Section <u>8</u> Township <u>25S</u> Range <u>30E</u> NMPM <u>Eddy</u> County		8. Well Number 001H
		9. OGRID Number 147179
		10. Pool name or Wildcat
11. Elevation (Show whether DR, KB, BT, GR, etc.) 3235 GR.		
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/> 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.
 Drilled 17 1/2" hole w/FW mud to 700' on 10/7/10. Ran 17 jts H-40 csng. Pumped 1250 sxs Class C, 1.75 yld, 13.5 ppg. No returns. RU WL & tag 420'. Pumped 3 stages (583 sxs of total cmt) thru 1" to circ 2 bbls cmt to surface, good returns. Test csng to 1200 psi for 30 minutes. Test good. Resumed drlg operations on 10/10/10. 10/6/2010 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
10/07/10	Surf	FreshWater	17.5	13.375	48	H-40	0	700	1833	1.75	C	420	1200	0	N

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 Compliance Specialist DATE 10/11/2010
 Type or print name Bryan Arrant E-mail address bryan.arrant@chk.com Telephone No. 405-935-3782

For State Use Only:

APPROVED BY: Randy Dade TITLE District Supervisor DATE 10/12/2010 1:28:08 PM