

## DISTRICT I

1400 N. French Dr., Dallas, TX 75201

## DISTRICT II

511 South First, Atlanta, GA 30310

## DISTRICT III

1600 Elm Avenue S.E., Atlanta, GA 30316

## DISTRICT IV

2040 South Peachtree, Atlanta, GA 30329

## State of New Mexico

Energy, Minerals and Natural Resources Department

## OIL CONSERVATION DIVISION

2040 South Peachtree  
Santa Fe, New Mexico 87504-2088

Form C-102

Revised March 17, 1998

Submit to Appropriate District Office

State Lease - 4 Copies

Van Lease - 1 Copy

□ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-37129</b>	Pool Code <b>82200</b>	Pool Name <b>Osido, S. Marnew (GAS)</b>
Property Code <b>34679</b>	Property Name <b>KF "4" STATE</b>	Well Number <b>1</b>
ORDER No. <b>147179</b>	Operator Name <b>CHESAPEAKE OPERATING INC.</b>	Elevation <b>3621'</b>

## Surface Location

UL or Lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
<b>X</b>	<b>4</b>	<b>21 S</b>	<b>35 E</b>		<b>660</b>	<b>SOUTH</b>	<b>990</b>	<b>EAST</b>	<b>LEA</b>

## Bottom Hole Location if Different From Surface

UL or Lot No.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres <b>320</b>	Joint or Infill	Consolidation Code	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

LOT 12 - 40 AC.	LOT 11 - 40 AC.	LOT 10 - 40 AC.	LOT 9 - 40 AC.
LOT 13 - 40 AC.	LOT 14 - 40 AC.	LOT 15 - 40 AC.	LOT 16 - 40 AC.

1/4 COR. 1/4 COR.

Lat.: N32.5025°  
Long.: W103.3667°  
(NAD 27)

890'

860'

**OPERATOR CERTIFICATION**

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Brenda Coffman*  
Signature  
**Brenda Coffman**  
Printed Name  
**Reg. Analyst**  
Title  
**3-10-05**  
Date

**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.

**MARCH 10, 2005**  
Date Surveyed

*[Signature]*  
Signed by  
Professional Surveyor  
No. 52069  
Certificate No. 0001 Series 7977

**BARN SURVEYS**

BEFORE THE

OIL CONSERVATION DIVISION

Case # 13492&amp;13493 Exhibit No. \_\_\_\_\_

Submitted By:

Chesapeake Inc.

Hearing Date: August 22, 2005

Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.	30-025-37129
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name KF 4 State	
8. Well Number	001
9. OGRID Number	147179
10. Pool name or Wildcat	Osudo;Morrow,South (Gas)

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH  
PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator  
Chesapeake Operating, Inc.

3. Address of Operator P. O. Box 11050  
Midland, TX 79702-8050

4. Well Location  
Unit Letter X : 660 feet from the South line and 990 feet from the East line  
Section 4 Township 21S Range 35E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3621 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 PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☒ P AND A ☐  
CASING/CEMENT JOB ☒

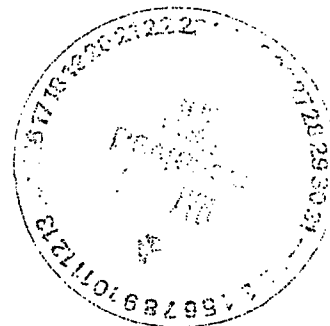
OTHER: ☐

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.

4-27-05 Spud 17 1/2" surface hole @ 10:30 p.m.

4-29-05 Ran 10 jts. 13 3/8" 48# H-40 STC csg. set @ 4:48. Cmt'd w/240 sx Premium Plus + additives; tail in w/225 sx Premium Plus + additives. Cmt. Circulated to ground surface. WOC 24 hrs.

4-30-05 Tested to 1000# - OK.



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 Brenda Coffman TITLE Regulatory Analyst DATE 05/02/2005

Type or print name Brenda Coffman  
For State Use Only

E-mail address: bcoffman@chkenegy.com Telephone No. (432)687-2992

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE MAY 16 2005  
Conditions of Approval (if any):

Submit 3 Copies To Appropriate District Office

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural ResourcesOIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Form C-103

May 27, 2004

WELL API NO.

30-025-37129

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name  
KF 4 State

8. Well Number 001

9. OGRID Number 147179

10. Pool name or Wildcat  
Osuda, & Morrow, South (gas)SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

Chesapeake Operating, Inc.

3. Address of Operator

P. O. Box 11050  
Midland, TX 79702-8050

4. Well Location

Unit Letter X / P : 660 feet from the South line and 990 feet from the East line  
Section 4 Township 21S Range 35E NMPM County Lea11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3621Pit or Below-grade Tank Application ☒ or Closure ☐

Pit type Drilling Depth to Groundwater 150 Distance from nearest fresh water well 1000 Distance from nearest surface water 1000

Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 12139 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 PLANS ☐PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐OTHER: Close Pit ☒

## SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐COMMENCE DRILLING OPNS. ☐ P AND A ☐CASING/CEMENT JOB ☐OTHER: ☐

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.

Chesapeake plans to close the drilling pit for this well according to current NMOC guidelines Section B3b.

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

SIGNATURE

Brenda Coffman

TITLE Regulatory Analyst

DATE 03/10/2005

Type or print name Brenda Coffman

E-mail address: bcoffman@chenergy.com

Telephone No. (432)687-2992

For State Use Only

APPROVED BY:

[Signature]

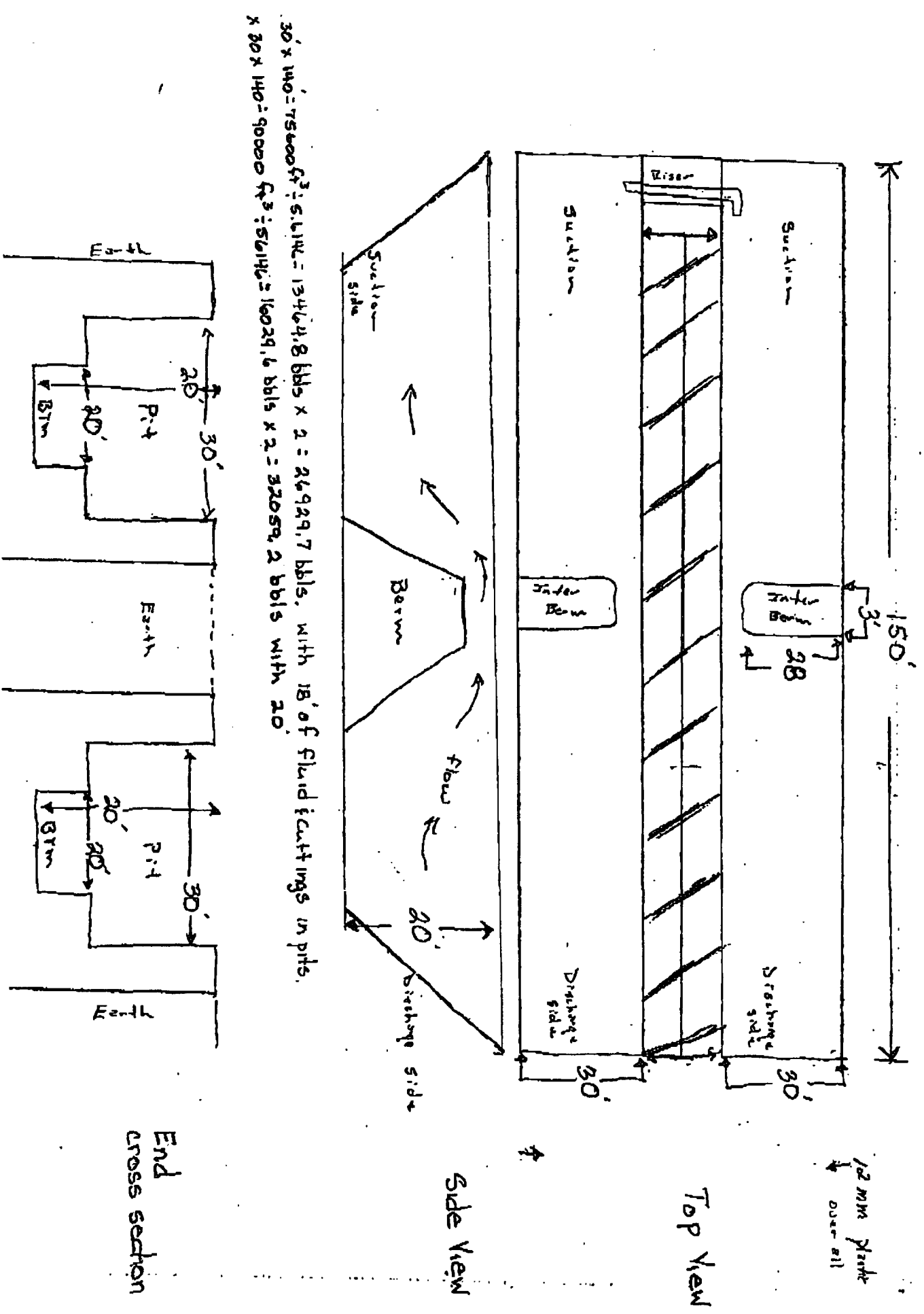
TITLE

PETROLEUM ENGINEER

DATE 11 2005

Conditions of Approval (if any):

(320 AC. 5/2)



$30' \times 140' = 75600 \text{ ft}^3 \div 5.6146 = 13464.8 \text{ bbls} \times 2 = 26929.7 \text{ bbls}$ , with 18' of fluid & cuttings in pits.  
 $\times 30' \times 140' = 90000 \text{ ft}^3 \div 5.6146 = 16029.6 \text{ bbls} \times 2 = 32059.2 \text{ bbls}$  with 20'

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District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy Minerals and Natural Resources

Form C-101  
May 27, 2004

Oil Conservation Division  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

Submit to appropriate District Office

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

<sup>1</sup> Operator Name and Address Chesapeake Operating, Inc. P. O. Box 11050 Midland, TX 79702-8050		<sup>2</sup> OGRID Number 147179
		<sup>3</sup> API Number 30-025-37129
<sup>4</sup> Property Code 34679	<sup>5</sup> Property Name KF 4 State	<sup>6</sup> Well No. 1
<sup>7</sup> Proposed Pool 1 Osudo;Morrow,South(Gas) 82200		<sup>8</sup> Proposed Pool 2

<sup>7</sup> Surface Location

UL or lot no. X	Section 4	Township 21S	Range 35E	Lot Idn	Feet from the 660	North/South line South	Feet from the 990	East/Westline East	County Lea
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<sup>8</sup> Proposed Bottom Hole Location If Different From Surface

UL or lot no. W	Section 4	Township 21S	Range 35E	Lot Idn	Feet from the 688	North/South line South	Feet from the 1947'	East/Westline East	County Lea
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Additional Well Information

<sup>11</sup> Work Type Code Amend Drlg Permit	<sup>12</sup> Well Type Code Gas	<sup>13</sup> Cable/Rotary Rotary	<sup>14</sup> Lease Type Code State	<sup>15</sup> Ground Level Elevation 3621
<sup>16</sup> Multiple	<sup>17</sup> Proposed Depth 12100	<sup>18</sup> Formation Morrow	<sup>19</sup> Contractor Patterson	<sup>20</sup> Spud Date 04/27/2005
Depth to Groundwater 150'		Distance from nearest fresh water well 1000		Distance from nearest surface water 1000
Pit: Liner: Synthetic <input checked="" type="checkbox"/> 12 mil thick Clay <input type="checkbox"/> Pit Volume: 12139 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

<sup>21</sup> Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17.5	13.375	48	450	500	0
12.25	9.625	40	5350	1300	0
8.75	4.5	13.5	12100	650	<del>4000</del> 9500

<sup>22</sup> Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

The 4 1/2" casing cement is as follows: Lead: 500 sx of Interfill H + additives; Tail: 150 sx of Super H + additives

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway  
Horizontal



<sup>23</sup> 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 NMOCD guidelines ☒ a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

Printed name: Brenda Coffman  
Title: Regulatory Analyst  
E-mail Address: bcoffman@chkenergy.com

Date: 6-2-05 Phone: (432)687-2992

OIL CONSERVATION DIVISION

Approved by:

Title: PETROLEUM ENGINEER

Approval Date: 6007 & 0 NOC Expiration Date:

JUN 03 2005

Conditions of Approval Attached ☐

## DISTRICT I

1825 N. French Dr., Hobbs, NM 88240

## DISTRICT II

811 South First, Artesia, NM 88210

## DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

## DISTRICT IV

2040 South Pacheco, Santa Fe, NM 87505

## State of New Mexico

Energy, Minerals and Natural Resources Department

Form C-102

Revised March 17, 1999

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

## OIL CONSERVATION DIVISION

2040 South Pacheco

Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

## WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number <b>30-025-37129</b>	Pool Code <b>82200</b>	Pool Name <b>Ozudo; Maroon South Gas</b>
Property Code <b>34679</b>	Property Name <b>KF "4" STATE</b>	Well Number <b>1</b>
OCRD No. <b>147179</b>	Operator Name <b>CHESAPEAKE OPERATING INC.</b>	Elevation <b>3621'</b>

## Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>X</b>	<b>4</b>	<b>21 S</b>	<b>35 E</b>		<b>660</b>	<b>SOUTH</b>	<b>990</b>	<b>EAST</b>	<b>LEA</b>

## Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>W</b>	<b>4</b>	<b>21 S</b>	<b>35 E</b>		<b>688</b>	<b>SOUTH</b>	<b>1947</b>	<b>EAST</b>	<b>LEA</b>
Dedicated Acres <b>320</b>	Joint or Infill	Consolidation Code	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

LOT 12 - 40 AC.	LOT 11 - 40 AC.	LOT 10 - 40 AC.	LOT 9 - 40 AC.
LOT 13 - 40 AC.	LOT 14 - 40 AC.	LOT 15 - 40 AC.	LOT 16 - 40 AC.
1/4 COR.		1/4 COR.	
Paint of entry @ 11,400' (Maroon)			
Lat.: N32.5025° Long.: W103.3688° (NAD 27)		Lat.: N32.5025° Long.: W103.3667° (NAD 27)	
B.H. 880'			

**OPERATOR CERTIFICATION**  
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.  
**Brenda Coffman**  
Signature  
**Brenda Coffman**  
Printed Name  
**Reg Analyst**  
Title  
**6-2-05**  
Date

**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.  
**MARCH 10, 2005**  
Date Surveyed  
**L. JONES**  
Signature  
**Professional Surveyor**  
Title  
**7977**  
W.O. No.  
**7977**  
Certificate No.  
**7977**  
**HASIN SURVEYS**

CHESAPEAKE OPERATING, INC.  
KF "4" State #1

slot #1  
UNKNOWN  
LEA COUNTY, NEW MEXICO

PROPOSAL LISTING

by  
Baker Hughes INTEQ

Your ref : J-profile plan6  
Our ref : prop4590  
License :

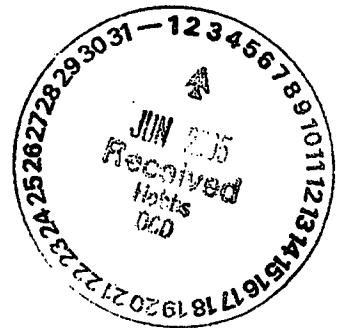
Date printed : 2-Jun-2005  
Date created : 2-Jun-2005  
Last revised : 2-Jun-2005

Field is centred on n32 30 0.000,w103 30 0  
Structure is centred on n32 30 9.000,w103 22 0.12

Slot location is n32 30 9.000,w103 22 0.120  
Slot Grid coordinates are N 547873.140, E 798011.514  
Slot local coordinates are 0.00 N 0.00 E

Projection type: mercator - New Mexico East (3001), Spheroid: Clarke - 1866

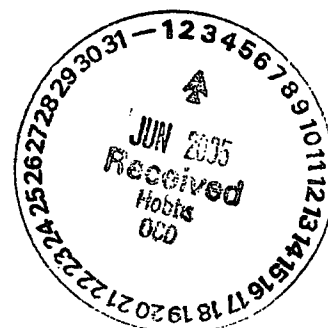
Reference North is Grid North



CHESAPEAKE OPERATING, INC.  
KF "4" State #1, slot #1  
UNKNOWN, LEA COUNTY, NEW MEXICO

PROPOSAL LISTING Page 1  
Your ref : J-profile plan6  
Last revised : 2-Jun-2005

Measured Depth	Inclin. Degrees	Azimuth Degrees	True Vert Depth	R E C T A N G U L A R C O O R D I N A T E S		Dogleg Deg/100ft	Vert Sect	G R I D C O O R D S Easting Northing	
10227.00	1.60	103.90	10223.28	104.81N	114.07E	0.00	-110.88	798125.58	547977.95
10300.00	1.60	103.90	10296.25	104.32N	116.05E	0.00	-112.87	798127.56	547977.46
10400.00	8.50	262.01	10395.93	102.95N	110.07E	10.00	-106.93	798121.59	547976.09
10500.00	18.49	263.89	10493.05	100.23N	86.93E	10.00	-83.88	798098.44	547973.37
10600.00	28.49	264.48	10584.65	96.24N	47.32E	10.00	-44.42	798058.84	547969.38
10653.21	33.81	264.65	10630.17	93.63N	19.93E	10.00	-17.12	798031.45	547966.77
11000.00	33.81	264.65	10918.32	75.65N	172.18W	0.00	174.37	797839.34	547948.80
11500.00	33.81	264.65	11333.78	49.73N	449.17W	0.00	450.46	797562.34	547922.87
11880.57	33.81	264.65	11650.00	30.00N	660.00W	0.00	660.60	797351.51	547903.14
11900.00	33.65	266.74	11666.16	29.19N	670.76W	6.03	671.33	797340.76	547902.33
11930.00	33.48	270.00	11691.16	28.72N	687.33W	6.03	687.88	797324.18	547901.86
12000.00	33.48	270.00	11749.54	28.72N	725.95W	0.00	726.48	797285.57	547901.86
12420.17	33.48	270.00	12100.00	28.72N	957.73W	0.00	958.16	797053.78	547901.86



All data in feet unless otherwise stated. Calculation uses minimum curvature method.  
Coordinates from structure and TVD from rotary table.  
Bottom hole distance is 958.16 on azimuth 271.72 degrees from wellhead.  
Vertical section is from N 0.00 E 0.00 on azimuth 271.72 degrees.  
Grid is mercator - New Mexico East (3001).  
Grid coordinates in FEET and computed using the Clarke - 1866 spheroid  
Presented by Baker Hughes INTEQ

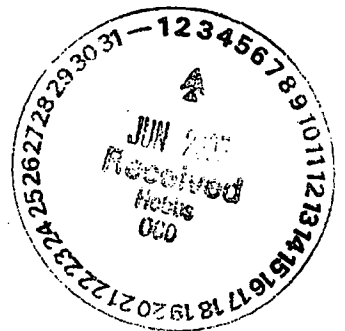


CHESAPEAKE OPERATING, INC.  
KF "4" State #1, slot #1  
UNKNOWN, LEA COUNTY, NEW MEXICO

PROPOSAL LISTING Page 2  
Your ref : J-profile plan6  
Last revised : 2-Jun-2005

Comments in wellpath			
-----			
MD	TVD	Rectangular Coords.	Comment
-----			
11880.57	11650.00	30.00N 660.00W	Target

Targets associated with this wellpath				
-----				
Target name	Geographic Location	T.V.D.	Rectangular Coordinates	Revised
-----				
Target		11650.00	30.00N 660.00W	2-Jun-2005



CHESAPEAKE OPERATING, INC.

Structure : KF 4 State #1

Field : UNKNOWN

Slot : slot #1

Location : LEA COUNTY, NEW MEXICO

Created by edgroom

Data plotted: 2-Jun-2005

Plot Reference is J-profile plot.

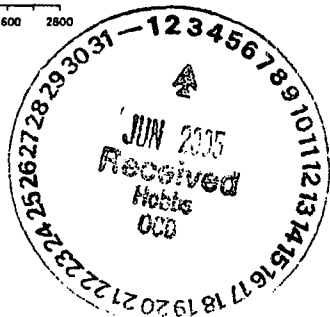
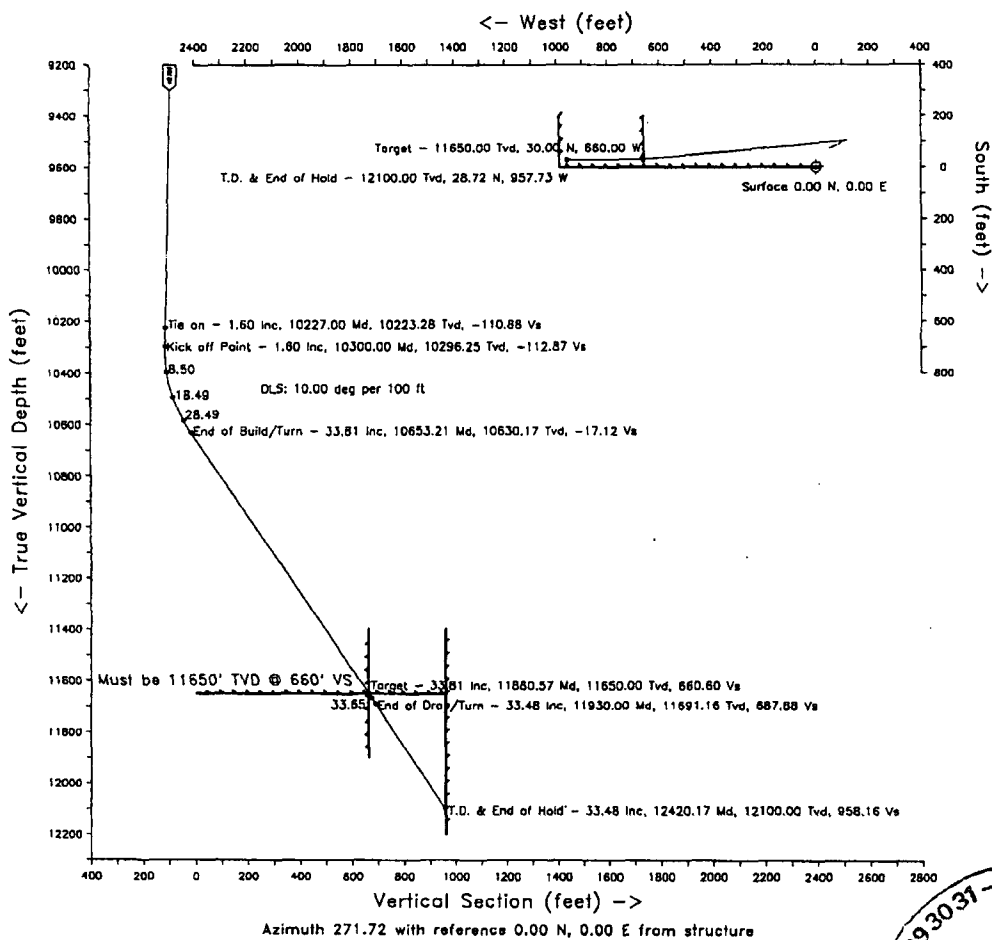
Coordinates are in feet reference structure.

True Vertical Depths are reference structure.

----- Baker Hughes INTEC -----

----- WELL PROFILE DATA -----

Point	MD	Inc	Dir	TVD	North	East	V. Sect	Deg/100'
Tie on	10227.00	1.60	103.90	10223.28	104.81	114.07	-110.88	0.00
KOP	10300.00	1.60	103.90	10296.25	104.32	116.05	-112.87	0.00
End of Build/Turn	10853.21	33.81	284.65	10630.17	93.63	19.93	-17.12	10.00
Target Target	11880.57	33.81	284.65	11650.00	30.00	-660.00	660.60	0.00
End of Drop/Turn	11930.00	33.48	270.00	11891.16	28.72	-687.33	687.88	6.03
T.D. & End of Hold	12420.17	33.48	270.00	12100.00	28.72	-957.73	958.16	0.00



Submit 3 Copies To Appropriate District  
Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
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1220 S. St. Francis Dr., Santa Fe, NM  
87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.	30-025-37129
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	KF 4 State
8. Well Number	001
9. OGRID Number	147179
10. Pool name or Wildcat	Osudo;Morrow,South (Gas)

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A  
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH  
PROPOSALS.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator  
Chesapeake Operating, Inc.

3. Address of Operator P. O. Box 11050  
Midland, TX 79702-8050

4. Well Location  
Unit Letter X : 660 feet from the South line and 990 feet from the East line  
Section 4 Township 21S Range 35E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3621 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 PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☒

OTHER: ☐

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.

5-13-05 In 12 1/4" hole ran 125 jts. 9 5/8" 40# J-55 LTC csg. set @ 5,356'. Cmt'd 1st stage w/165 sx interfill C + additives; tail in w/250 sx Premium Plus + additives. Circ. 58 sx good cmt. to surface.

5-04-05 Circ and cond hole for 2nd stage cmt. job. Pump 1,365 sx Interfill C + additives, tail in 100 sx Premium Plus. Circ. 10 bbls cmt to pit. RD

5-31-05 Ran 230 jts. 7", 26# P-110 LTC csg set @ 10,280'. Circ displacement of csg w/50% returns, RD csg. crew. RU cmt crew, pump 20 bbls spacer; cmt 1st stage w/330 sx Super H + additives; Cmt. 2nd stage w/335 sx Interfill + additives; tail in w/100 sx Prem.

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 Brenda Coffman TITLE Regulatory Analyst DATE 06/30/2005

Type or print name Brenda Coffman  
For State Use Only

E-mail address: bcoffman@chkenergy.com Telephone No. (432)687-2992

PETROLEUM ENGINEER

APPROVED BY: [Signature] TITLE \_\_\_\_\_ DATE JUL 12 2005  
Conditions of Approval (if any): \_\_\_\_\_

Submit 3 Copies To Appropriate District Office  
District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico  
Energy, Minerals and Natural Resources

Form C-103  
May 27, 2004

OIL CONSERVATION DIVISION  
1220 South St. Francis Dr.  
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-37129
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Chesapeake Operating, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator P. O. Box 11050 Midland, TX 79702-8050		7. Lease Name or Unit Agreement Name KF 4 State
4. Well Location Unit Letter X : 660 feet from the South line and 990 feet from the East line Section 4 Township 21S Range 35E NMPM County Lea		8. Well Number 001
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3621 GR		9. OGRID Number 147179
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Osudo;Morrow,South (Gas)
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 PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPLETIONS ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☒

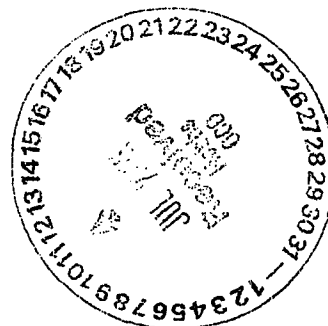
OTHER: ☐

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.

7-03-05 Ran Logs: DLL/SGR/DSN/SD

7-04-05 In 8 3/4" hole, ran 54 jts. 4 1/2" 15.1#, P-110 LTC csg liner set @ 12,100'.

7-05-05 RU cmt. crew, cmt w/300 sx Super H + additives. RD cmt crew. Release Paterson Drilling rig #504 @ 4:00 p.m.



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

SIGNATURE Brenda Coffman TITLE Regulatory Analyst DATE 07/07/2005

Type or print name Brenda Coffman  
For State Use Only

E-mail address: bcoffman@chkenergy.com Telephone No. (432)687-2992

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE JUL 13 2005

Conditions of Approval (if any):