

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
162 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
811 S. First St., Artesia, NM 88210
District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
Revised August 1, 2011

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. 30-015-26764
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other SWD		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
2. Name of Operator Chesapeake Operating, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 18496 Oklahoma City, OK 73154-0496		7. Lease Name or Unit Agreement Name EAST LOVING SWD
4. Well Location Unit Letter <u>A</u> : <u>1157'</u> feet from the <u>North</u> line and <u>491'</u> feet from the <u>East</u> line Section <u>15</u> Township <u>23S</u> Range <u>28E</u> NMPM County <u>Eddy</u>		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3001' GR		9. OGRID Number 147719
		10. Pool name or Wildcat LOVING; DELAWARE, EAST

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

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

OTHER: ☐

OTHER: Service Well/Acidize/Run MIT ☒

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 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Please find work performed from 10/18/11 through 11/04/11. Current well bore diagram is attached.

10/18/11

MIRU HELD PJSM. TIH WITH PLUG RETREIVING TOOL - SET DOWN @ 3,900', COULD NOT GET TO PLUG @ 4,053' - RIG DOWN & RIG UP WELL SERVICE.- HELD PJSM - CONDUCT RIG INSPECTION - BLEED TBG & CSG DOWN - N/DWH - N/U BOP. WORKED 1- 1/2 HR TO GET PACKER RELEASED- TOOH WITH 4 STANDS OF TBG. TUBING KEPT TRY TO PUSH OUT OF HOLE - SWI.

10/19/11:

HELD PJSM - R/U PRECISION PRESSURE DATA SLICK LINE UNIT. CHECKED WELL CONDITIONS - SITP 0# - SICP 0# - RIH WITH 1- 3/4" BAILER - TAGGED UP @ 3,900' - STARTED CLEAN OUT IN 12 HRS. BAILED IRON SULFIDE & SAND FINES DOWN TO 3,996' MAKING 96' - SWI.

RECEIVED

DEC 21 2011

NMOCD ARTESIA

Spud Date:

Rig Release Date:

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

SIGNATURE Bryan Arrant TITLE Sr. Regulatory Compl. Sp. DATE 12/20/2011

Type or print name Bryan Arrant E-mail address: bryan.arrant@chk.com PHONE: (405)935-3782

For State Use Only

APPROVED BY: Richard Nae TITLE Compliance Officer DATE 12/22/11

Conditions of Approval (if any):

EAST LOVING SWD 1
UNIT A, SEC. 15 T-23-S R-28-E
EEDY CO, N.M.
API # 30-015-26764
(Cont. pg. 2)

10/20/11

HAVE PJSM. HAVE 0#s PRESSURE ON TBG & CSG TIH WITH 1- 3/4" PUMP BAILER - TAGGED @ 3,996' - C/O TO PLUG @ 4,053' - TOOH & LAID DOWN BAILER - TIH WITH PUNCHPRONG - PRESSURE UP ON TUBING TO 1,500# - KNOCK HOLE IN PLUG - TOOH - TIH WITH RETRIEVING TOOL - LATCH PRONG & PULLED PLUG - - OPEN WELL TO FRAC TANK FLOWING @ 40 BBLS HR. @ 800 PSI - LEFT WELL FLOWING TO TANKSHUT CREW DOWN.

10/21/11

HAVE PJSM. TOOH WITH (129) JOINTS OF 2 7/8 IPC TBG & 7" LOCK-SET PACKER - FOUND PIN HOLE IN PROFILE NIPPLE (UNCOATED) TIH WITH 6- 1/8" BIT (2) 3- 1/2" CK VALVES (20) JOINTS 2- 7/8" N-80 TBG 3 1/2" TUBING BAILER - P/U (111) JOINTS 2- 7/8" N-80 TUBING - TAGGED UP @ 4,074' - ATTEMPTED TO WORK THRU SPOT - VERY SOLID FEELS LIKE SOLID METAL TOOH WITH TUBING & CLOSE BOP & SDFN -- WILL RUN A IMPRESSION BLOCK TOMORROW. NOTE: 142' ABOVE TOP PERF.

10/22/11

TIH W/ 5 1/2 IMPRESSION BLOCK TO 3500', TOOH W/ IMPRESSION BLOCK, CLOSE WELL IN

10/25/11

HELD PJSM. TIH WITH (131) JOINTS 2- 7/8" WORK STRING - TOH LAYING DOWN - SECURED WELL & SDFN

10/26/11:

HELD PJSM P/U & RIH WITH 16' OF 2 7/8" IPC SUBS - R/U PUMP TRUCK - PUMP 60 BBLS OF 2% KCL & PACKER FLUID - SET PACKER @ 4,039' - PRESSURE TESTED THE CASING @ 500# - THE CASING HELD PRESSURE - UPON RELEASING PRESSURE FROM TESTE THE CASING CONTINUED TO FLOW BACK WATER - RELEASED THE PACKER AND TOH LAYING DOWN THE 16' OF SUBS RESET THE PACKER @ 4,023' AND CHECKED FOR FLOW - STILL HAD WATER FLOWING BACK FROM THE CASING RELEASED THE PACKER & TOH WITH PACKER & TUBING SECURED WELL & SDFN PLAN TO REDRESS PACKER WITH SOFTER PACKING ELEMENTS AND RERUN 10/27/11 & RETEST

11/01/11

MIRU CUDD- HELD PJSM PRESSURE UP ON CASING TO 500# - SITP WAS 1,050# - PUMPED 12 BBLS XYLENE @ 1 BBL MIN - PUMPED 100 BBLS OF 15% NEFE @ 5 BBLS MIN & 1,800# - 100 BBLS INTO JOB THE CASING PRESSURE CLIMBED TO 850# - BLED THE CASING DOWN TO 500# SHUT IT IN - PRESSURE CLIMBED BACK UP TO 800# - BLED THE CASING DOWN TO 40# - STARTED ON FLUSH CASING CLIMBED BACK TO 800# - COMPLETED THE FLUSH - SHUT DOWN - CASING PRESSURE HAD CLIMBED TO 900# IN 15 MIN - SITP 1,100# - R/D CUDD - MIRUSU (TYLER WELL SERVICE) - HELD PJSM - PERFORMED RIG INSPECTION STARTED FLOWING BACK THE TUBING - FLOW BACK 210 BBLS OF ACID PARTIALLY SPENT ACID & WATER BLED OFF CASING PRESSURE -- N/D WELLHEAD - N/U BOP - RELEASED RELEASE PACKER - LEAVE WELL FLOWING TO FRACTANK OVERNIGHT @ 40 BBLS HR - SDON

11/03/11

HAVE PJSA, PICK UP REDRESS 7" PKR, PICK UP 129 JNTS OF NEW 2 7/8 - PLASTIC COATED J-55 TBG ATTEMPTED TO SET PACKER @ 4,051' - DID NOT SET - P/U & TIH 6' - ATTEMPTED TO PULL BACK UP - WOULD NOT COME UP - LOWER PACKER FURTHER WORKING PACKER ANOTHER 15' - WORKED DOWN TO TOP OF OLD PACKER LEFT IN HOLE PREVIOUSLY - SET PACKER STOPPING WATER FLOW ON BACKSIDE - RELEASE PACKER - UNSUCCESSFULLY ATTEMPTED TO PULL BACK UP THE HOLE - S/I WELL & SDFN

11/04/11

PJSASET PKR @ 4064', PRESSURE TEST CSG TO 500 PSI OK, RIG UP CHART RECORDER, TEST CSG TO 530 PSI FOR 30 MIN LOST 15#. IN 30 MIN. GET OFF ON & OFF TOOL, LAY 1 JNT DOWN, ADD A 8' & 4' SUB, CIR 170 BBLS OF PKR FLUID LATCH ON PKR, ND BOP, SET 7 PTS ON PKR, NU WELL HEAD RDMO FINAL REPORT

Permission received from NMOCD to run MIT test w/o witness and submit original chart