

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

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

Form C-101
May 27, 2004

Submit to appropriate District Office

☐ AMENDED REPORT

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

¹ Operator Name and Address Chesapeake Operating Inc. 2010 Rankin Hwy Midland, TX 79701		² OGRID Number 147179
³ Property Code		³ API Number 30-015-23196
⁵ Property Name State IH Com		⁶ Well No. 1
⁹ Proposed Pool 1 Unders. Mesley Canyon, Upper Penn.		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no. J	Section 36	Township 23S	Range 24E	Lot Idn	Feet from the 1980	North/South line South	Feet from the 1980	East/Westline East	County Eddy
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8 Proposed 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/Westline	County
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Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code G	¹³ Cable/Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3874 GR
¹⁶ Multiple No	¹⁷ Proposed Depth 10850	¹⁸ Formation	¹⁹ Contractor	²⁰ Spud Date 12/06/2006
Depth to Groundwater		Distance from nearest fresh water well		Distance from nearest surface water
Pit: Liner: Synthetic <input type="checkbox"/> milst thick Clay <input type="checkbox"/> Pit Volume: _____ bbls Drilling Method: _____ Closed-Loop System <input type="checkbox"/> Fresh Water <input type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

21 Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2	13-3/8	48 H40 Stc	391	700	0
12-1/4	8-5/8	36 K55 Stc	2600	1800	0
8-3/4	5-1/2	17 N80 Stc	10850	3410	0

²² 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.

Chesapeake, respectfully, request permission to plug back to the wolfcamp zone per the attached procedure,

²³ 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: Shay Stricklin

Title: Regulatory Assistant

E-mail Address: sstricklin@chkenenergy.com

Date: 12/01/2006

Phone: (432)687-2992

OIL CONSERVATION DIVISION

Approved by:

BRYAN G. ARRANT

Title:

DISTRICT II GEOLOGIST

Approval Date: **DEC 19 2007**

Expiration Date:

DEC 19 2007

Conditions of Approval Attached ☐

**State IH Com #1
Plug Back to Wolfcamp
Eddy County, New Mexico**

GENERAL INFORMATION

Location: 1980' FSL & 1980' FEL, Sec 36 - T23S - R24E

API No.: 30-015-23196

WELL INFORMATION

<u>String OD</u>	<u>Weight & Grade</u>	<u>Depth</u>	<u>ID</u>	<u>Drift</u>	<u>Burst</u>	<u>TOC</u>
13-3/8"	48# H40 STC	0' - 391'	12.715"	12.559"	1730	0'
9-5/8"	36# K55 STC	0' - 2600'	8.921"	8.765"	3520	0'
5-1/2"	17# N80 STC	0' - 10850'	4.892"	4.767"	7740	0'

Morrow Perforations: 10075 - 10126' (OA)

TD/PBTD: 10850'/10173'

Recommended Perforations

Wolfcamp 8902 - 22'

Re-Completion Procedure

1. MIRU Service Rig and requisite equipment. Kill well as required with 7% KCL. NDWH, NU BOP. Release Uni-VI packer and POOH with 2-3/8" tubing.
2. MIRU Wireline Service Unit. Run a strip log and correlate depth with Acoustilog dated 6/28/80 to set a 5-1/2" CIBP at 10025'. Pull correlation strip from PBTD to 7900' and from 4400' up to 4000'. Bail 2 sx of cement on 5-1/2" plug.
3. Load hole with 2% KCL and pressure test to 1000#.
4. RIH w/ casing gun. Perforate the ^{Upper Perm.} " " " " w/ 2 SPF, 23 gram charge, .37" holes, 120 deg. phasing, from 8902' - 22' (41 holes).
5. RIH w/ 5-1/2" treating packer and SN on 2-3/8" tubing as follows: Re-entry guide, 4' sub, 'XN' nipple, 10' sub, Arrow Set packer, on/off tool w/ 'X' profile nipple. Space out with the EOT at 8920'. Pressure test tubing in hole.
6. RU Acid Service Company. Spot 200 gal of 15% HCL Acid containing 4 gpt of iron control, 1 gpt each of corrosion inhibitor, surface tension reducer, and non-emulsifier. Pull packer to 8850'. Reverse circulate to ensure packer is clear of acid, set packer. Pressure test annulus to 1000#.
7. ND BOP. NU tree. Pressure annulus to 1000 psi. Displace spot acid, establish rate of 4 to 5 BPM w/ 2% KCL. (Keep KCL water usage to a minimum). Acidize w/ 1,300

gal of same acid. Displace w/ 2% KCL. Do not over-displace. Pump at 4 to 5 BPM max. Launch 50 ball sealers during job. Note rates and pressures. Note ISIP. Max pressure 6000#.

8. Flow/swab back job. Swab/flow test zone.
9. Re-treat as warranted. Pressure backside to 1000# and retreat as follows:
 - a) 1500 gal 20% NeFe Acid.
 - b) 3000 gal of 20% Ultrigel.
 - c) 1000 gal 20% gelled NeFe.
 - d) 4000 gal of 20% Ultrigel.
 - e) 500 gal of 20% gelled NeFe. Overdisplace by 35 bbl of 2% KCL.

Treat via 2-3/8" production tubing at 5 - 6 BPM.

10. Flow back job. Swab to clean up and test.
11. Put well to sales. RDMO.

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State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

'API Number 30-015-23196		'Pool Code 97134		'Pool Name Mosby Canyon, Upper Penn	
'Property Code		'Property Name State IH Com			'Well Number 1
'OGRID No. 147179		'Operator Name Chesapeake Operating Inc.			'Elevation 3874 GR

¹⁰ Surface Location

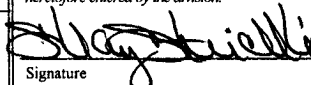
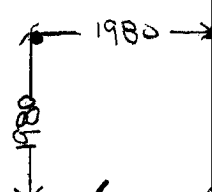
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	36	23S	24E		1980	South	1980	East	Eddy

¹¹ 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

'Dedicated Acres 320	'Joint or Infill	'Consolidation Code	'Order No.
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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.

16		<p>¹⁷ OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i></p> <p style="text-align: right;">  12/14/2006 Signature Date Shay Stricklin Printed Name </p>
		<p>¹⁸ SURVEYOR CERTIFICATION</p> <p><i>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.</i></p> <p>Date of Survey</p> <p>Signature and Seal of Professional Surveyor:</p> <p style="text-align: right;">  </p> <p>Certificate Number</p>