

APR 20 2009

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

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

WELL API NO.	30-015-26622
5. Indicate Type of Lease	STATE ☐ FEE ☒
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	Caviness Paine
8. Well Number	4
9. OGRID Number	147179
10. Pool name or Wildcat	Loving; Delaware, East
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	2997' GR

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 18496 Oklahoma City, OK 73154-0496
4. Well Location	Unit Letter J : 2310' feet from the South line and 1650' feet from the East line Section 15 Township 23S Range 28E NMPM County Eddy
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 2997' GR	

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK ☐	PLUG AND ABANDON ☒	REMEDIAL WORK ☐	ALTERING CASING ☐
TEMPORARILY ABANDON ☐	CHANGE PLANS ☐	COMMENCE DRILLING OPNS. ☐	P AND A ☐
PULL OR ALTER CASING ☐	MULTIPLE COMPL ☐	CASING/CEMENT JOB ☐	
DOWNHOLE COMMINGLE ☐			
OTHER: ☐		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.

Dear Sirs/Madams,
Please find the following: Plug and Abandonment Procedure, Actual and Proposed Well-Bore Schematic, NMOCD's C-144(CLEZ) pit permit.

**Notify OCD 24 hrs. prior
To any work done.**

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 Senior Regulatory Compl. Sp. DATE 04/17/2009

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

For State Use Only

APPROVED BY: Phyllis Harris TITLE Approval Granted providing work is complete by 7/21/09 DATE 4/21/09

Conditions of Approval (if any):



**Caviness-Paine 4
Plug and Abandonment
Eddy County, NM**

Current Wellbore Information

TD: 6,352' PBDT: 5,095'

Casing	OD	Weight	Grade	Depth/Set	TOC
Surface	8-5/8	24#	J-55	501'	Surface
Production	5-1/2	15.5#	J-55	6,352'	Surface

Perfs	Top Perf	Bottom Perf	Status	SPF
Brushy Canyon	4,248'	4,252'	Producing	NA
Brushy Canyon	4,654'	4,742'	Producing	NA
Brushy Canyon Lwr	5,133'	5,155'	Not Producing	NA
Brushy Canyon Lwr	5,752'	5,998'	Not Producing	NA
Brushy Canyon Lwr	6,089'	6,131'	Not Producing	1
Brushy Canyon Lwr	6,139'	6,202'	Not Producing	NA

OIH	Size	Location
CIBP	5-1/2"	5,095'
DV Tool	NA	4,004'

Formation Tops	Location
Top of Salt	240'
Bottom of Salt	2,573'
Top of Delaware Sand	2,573'
Top of Bone Springs	6,213'

GL: 2,997' KB: 13' KB Height: 3,010'

Procedure

1. Notify the NM OCD 24 hours in advance prior to commencing plug and abandonment operations.
2. Hold Tailgate Safety meeting prior to beginning work each morning and as required for specific operations.
3. Rack and tally 170 joints of 2-7/8" N-80 workstring.
4. Prepare location. Test anchors.
5. MIRU PU. NDWH. POH w/ rods and tubing.
6. NU and test BOP. Tag PBDT @ 5,095' with production tubing. TOH w/ tubing.
7. Load well with plugging mud and pressure up to 500# and test for leak-off.
8. Dump bail 35' cement on the CIBP @ 5,095'. Wait on cement and tag plug.
9. RIH w/ CIBP and set @ 4,200'. Dump bail 35' of cement on the CIBP @ 4,200'. Wait on cement and tag plug. (Plug within 100' of top perforation @ 4,248')
10. Spot a 100' cement plug (50' above and 50' below) across the DV Tool @ 4,004'.
11. RIH w/ CIBP and set @ 2,520'. Dump bail 35' of cement on the CIBP @ 2,520'. Wait on cement and tag plug. (Bottom of Salt @ 2,573')

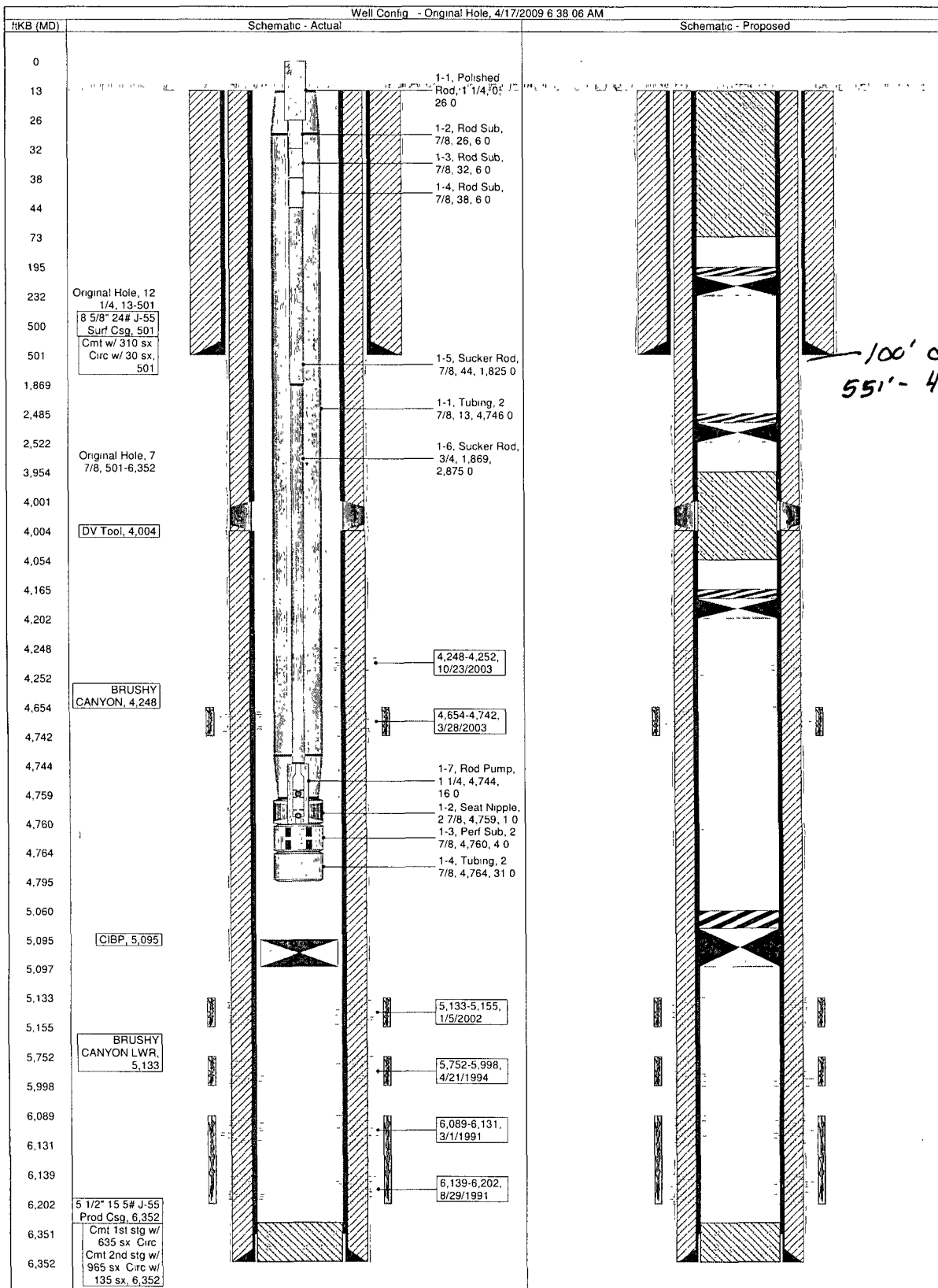


Workover Proposal

CAVINESS-PAINE 4

Field: LOVING EAST (DELAWARE)
County: EDDY
State: NEW MEXICO
Location: SEC 15, 23S-28E, 2310 FSL & 1650 FEL
Elevation: GL 2,997.00 KB 3,010.00
KB Height: 13.00

Spud Date: 2/4/1991
Initial Compl. Date:
API #: 3001526622
CHK Property #: 891225
1st Prod Date: 4/1/1991
PBTD: Original Hole - 5095.0
TD: 6,352.0



* CMT plug is required to be set 50' below + 50' above all CSG shoes + CSC stub.
12. No plug planned for casing shoe since there is cement behind it already. - 551' - 451' Tag Plugged must be Tagged.

13. RIH w/ CIBP and set @ 230'. Dump bail 35' of cement on the CIBP @ 230'. Wait on cement and tag plug. (Top of Salt @ 240')

14. RIH w/ open ended tubing to 60'. Fill casing back to surface with cement. POH w/ tubing. Top off casing.

15. RDMO. Install dry hole marker and cut off dead man. Restore location.

Contacts

Workover Foreman

Lynard Barrera

Office: 575-391-1462

Cell: 575-631-4942

Asset Manager

Kim Henderson

Office: 405-935-8583

Cell: 405-312-1840

Production Foreman

Rip Clary

Office: 575-745-3607

Cell: 575-631-4864