District I 1625 N French Dr., Hobbs, NM 88240 District II

Date. 10/15/2009

Phone, 405-935-3782

State of New Mexico

Form C-101

Energy Minerals and Natural Resources

June 16, 2008

1301 W Grand Avenue, Artesia, NM 88210						il Conservation Divisio 220 South St. Francis Dr Santa Fe, NM 87505			•	ECEI'		g approp	priate District Office	
				O DRI	LL, R	E-ENTER	, DEE	PEN,	NM	IOCD A	RTES	IA		
PLUGBACK, OR ADD A ZONE 1 Operator Name and Address Chesapeake Operating, Inc. P.O. Box 18496 Oklahoma City, OK 73154-0496										² OGRID Number 147179 ³ API Number 30 – 015-20964				
						Property Name				⁶ Well No.				
24150 ⁹ Proposed Pool 1					Empire South Deep Unit				¹⁰ Proposed Pool 2					
			pire, Morrow, Sou	ıth 🖊						110p	oscu r oor			
⁷ Surface		on					,							
UL or lot no G	G 32 17		Range 29E	Lot		Feet from the 1980'	North/South North		F	Feet from the 2230'		est line st	County Eddy	
"Proposed UL or lot no	Bottom I Section	Township	ion If Differer	nt From S		Feet from the	North/S	South line	Fe	eet from the	East/We	est line	County	
		•												
Additiona		Informat			Т	13 C-11- M-+			14 1 2022	Time Code		15	ınd Level Elevation	
11 Work Type Code 12 Well Type Code E G			ide	e 13 Cable/Rotary R			¹⁴ Lease Type S			Grou		3583' GR		
	ultiple N		¹⁷ Proposed Depth 10,950'			18 Formation Morrow			¹⁹ Contractor TBD			²⁰ Spud Date ASAP		
²¹ Propose	ed Casii	ng and C	ement Prog	ram	Ex	kisting casir	ıg & p	ropose	ed lir	ner				
Hole Size		Casing Size			Casing weight/foot		Setting Depth			Sacks of Cement		Estimated TOC		
15"		11 3/4"			42#		399'			400 sxs		0'		
11"		8 5/8"		32#			3341'		350 sxs			1890'		
7 7/8"		5 1/2"		17#			8792'			250 sxs		7320'		
7.7/0	7.7(0)		Liner:		11 (11		10.0502			200 ava		0,		
	7 7/8"		4 ½, 2, 2, 2, 2, 2, 2, 2, 2, 2, 2, 2, 2, 2,		11.6#		10,950'		present	200 sxs		nd proposed new productive zone		
Describe the l	blowout pro	evention prog	gram, if any Use	e additiona	l sheets r well in th	f necessary				o e				
²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.					the	OIL CONSERVATION DIVISION								
Signature:					Approv	Approved by:								
Printed name.	Bryan Arra	int	/			Title.	Title. (200 ans)							
Title Senior Regulatory Compliance Specialist						Approv	Approval Date 10/23/2011							
E-mail Address bryan.arrant@chk.com								,	7-0					

Conditions of Approval Attached

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, 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 & Natural Resources Penantment El

OIL CONSERVATIONDIVISIÖN 1220 South St. Francis Dr

Santa Fe, NM 87505

NED Revised October 12, 2005
Submit to Appropriate District Office OCT 19 2009

State Lease - 4 Copies

Fee Lease - 3 Copies

Revised October 12, 2005

Form C-102

AMENDED REPORT

NMOCD ARTESIA WELL LOCATION AND ACREAGE DEDICATION PLAT API Number 76400 30-015-20964 Empire; Morrow, South Property Code ⁵ Property Name ' Well Number 24150 Empire South Deep Unit OGRID No. 'Elevation * Operator Name Chesapeake Operating, Inc. 3583' GR 147179 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 G 32 17S 29E 1980' North 2230' East Eddy

Bottom Hole Location If Different From Surface UL or let no. Section Township Lot Idn Feet from the North/South line Feet from the East/West line County Range Joint or Infill Order No. 12 Dedicated Acres Consolidation Code 320

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.

	1980'	> 2230'	17 OPERATOR CERTIFICATION 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 least inclinding 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 10/14/2009 Signature Date Bryan Arrant Printed Name
	•		18SURVEYOR 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 Date of Survey Signature and Seal of Professional Surveyor Please refer to original plat Certificate Number

Empire SDU 4 Eddy County, New Mexico Recomplete Morrow Procedure

Date: September 3, 2009

Location: 1980' FSL & 2230' FEL Sec. 32-T17S-R29E

Casing: 5 1/2" 17# N-80 0-8,792' ID - 4.892", Drift - 4.767", Burst - 7,740 psi

PBTD/TD: 8,548'/10,950'

Current Perfs: Wolfcamp 8,449-522'

Proposed Perfs: Morrow 10,744-55'

Recommended Procedure:

1. MIRU PU. NU 10K BOP.

- 2. POH w/ rods and tbg.
- 3. RIH w/ bit and drill collars on 2 7/8" tbg. Drill out CIPB @ 8,560' and cement plugs down to TD of 10,950'. Circulate clean. POH laying down 2 7/8" tbg.
- 4. RIH w/ 4 ½" L-80 flush joint liner w/ float shoe and float collar to 10,950'. Cement in place bringing cement back to surface per cement recommendation.
- 5. RIH w/ bit on 2 3/8" tbg. to new PBTD. Circulate clean. Displace hole w/ 7% KCl water. POH w/ bit.
- 6. RIH w/ packer on 2 3/8" tbg to 10,650'. Circulate packer fluid. ND BOP/NU WH. Swab well down to 6,000'.
- 7. RU wireline co. Thru-tubing perforate Morrow 10,744-55', 2 spf (22 holes).
- 8. Swab well in.
- 9. If warranted, frac Morrow down casing (anticipate 50,000# prop at 40 BPM).
- 10. Rig down.

Proposal - Workover



EMPIRE SDU 4

Field:

EMPIRE WOLFCAMP SOUTH

County:

NEW MEXICO

State: Location:

NEW MEXICO

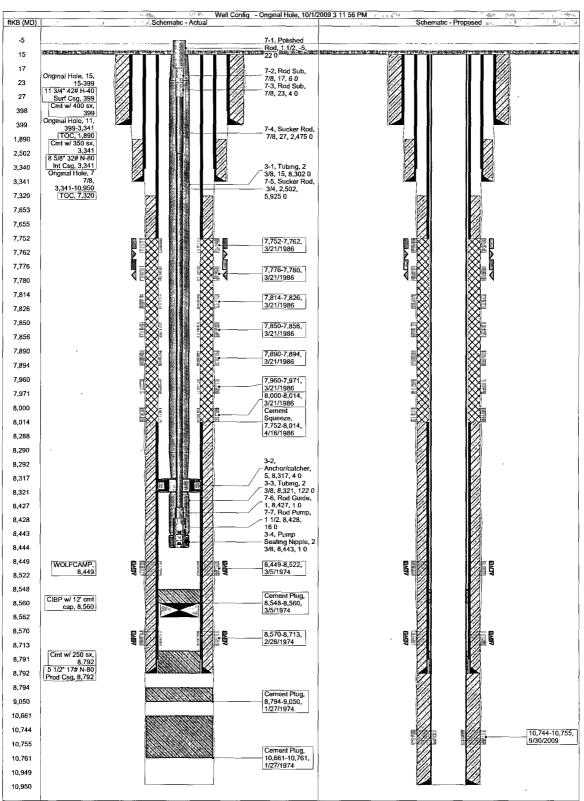
Elevation: G

SEC 32, 17S-29E, 1980 FNL & 2230 FEL GL 3,583.00 KB 3,598.00

KB Height: 15.00

Spud Date: 11/25/1973 Initial Compl. Date: API #: 3001520964 CHK Propterty #: 890428 1st Prod Date: 3/31/1974 PBTD: Original Hole - 8548.0

BTD: Original Hole - 8548.0 TD: 10,950.0



Page 1/1