

Submit 1 Copy 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
October 13, 2009

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. 30-015-37938
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		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 18496 Oklahoma City, OK 73154		7. Lease Name or Unit Agreement Name PLU Ross Ranch, 32 State
4. Well Location Unit Letter P : 175' feet from the South line and 400' feet from the East line Section 32 Township 25S Range 30E NMPM County Eddy		8. Well Number 1H
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3172' GR		9. OGRID Number 147179
		10. Pool name or Wildcat Corral Canyon; Bone Spring South

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: Change in Casing Program ☒

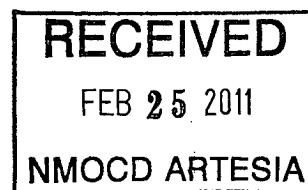
OTHER: ☐

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

Please find the attached proposed well bore diagram. The most significant changes are to deepen the setting depth of the surface casing from 400' to 960'.

This is to ensure that all fresh ground water is protected. Surface casing is to be set in the Rustler and above the Salado formation. In addition, the pilot hole will be drilled 200' deeper as originally planned with a 300' cement plug set at bottom in the 2nd Bone Spring Sand.

As noted on the APD this well will require a NSL. Application is for "drill only".



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 02/21/2011

Type or print name Bryan Arrant

E-mail address: bryan.arrant@chk.com

PHONE: (405)935-3782

For State Use Only

APPROVED BY:

David Gray

TITLE Field Supervisor

DATE 3-1-11

Conditions of Approval (if any):

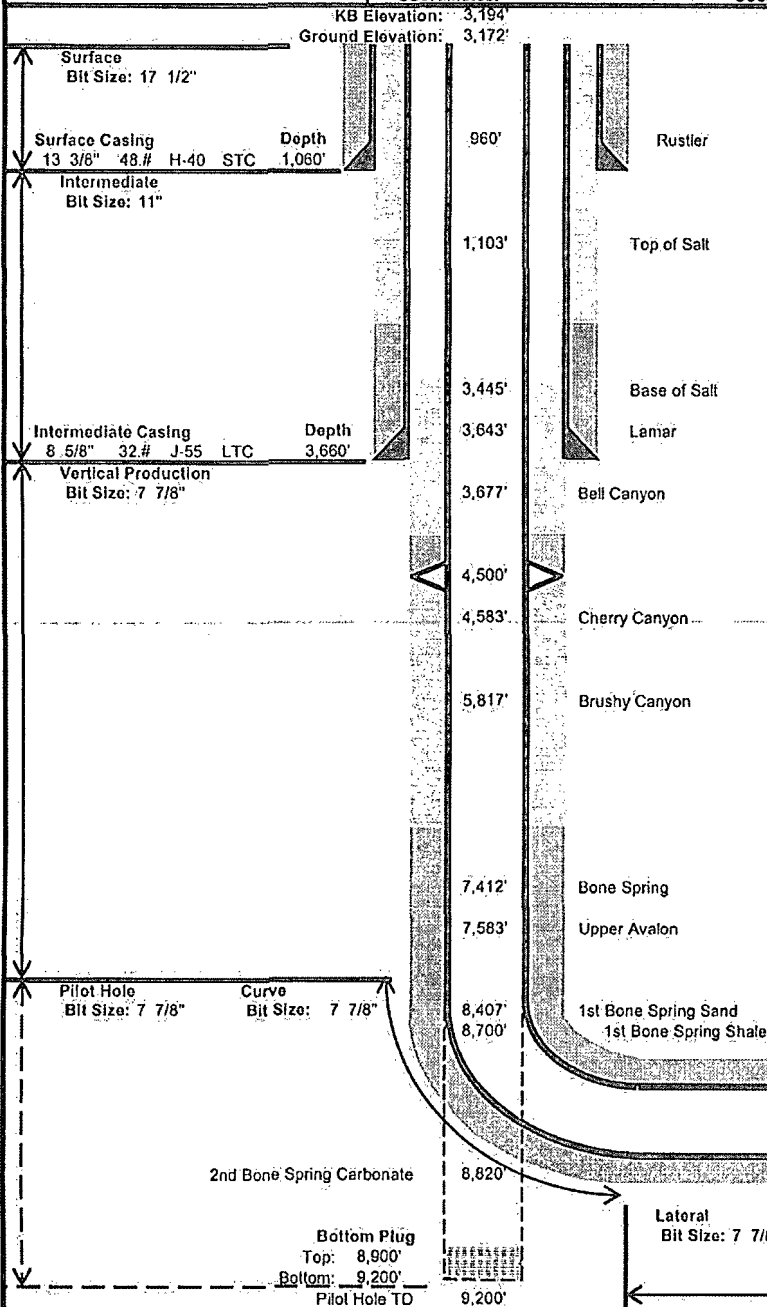




Drilling Engineer: Chris Gray
Superintendent: Cecil Luttrull
Geologist: Robert Martin

Well Name: PLU Ross Ranch 32 State 1H
County, State: Eddy County, NM
Surface Location: 175' FSL 400' FEL, Section 32, Township 25S, Range 30E
BH Location: 350' FNL 400' FEL, Section 32, Township 25S, Range 30E
SHL Latitude: 32.079578
SHL Longitude: -103.896176
BHL Latitude: 32.092766
BHL Longitude: -103.896075
Coordinates: NAD 83
SHL North: 392961
SHL East: 676737
BHL North: 397759
BHL East: 676749
Coordinates: NMSPC

Drilling Rig: Latshaw 6
Dir. Drilling: Intrepid
Drilling Mud: Alliance
Cement: Halliburton
Wellhead: Sunbelt
Property Number: 623046
AFE Number: 148149



Wellhead Equipment	
Casing Head	13-3/8" x 13-5/8" 5K SOW
Casing Spool	13-5/8" 5K x 11" 5K
Tubing Spool	11" 5K x 7-1/16" 10K
Required BOP Stack	
13-5/8" 5K- Double, Annular, Rot Head w/Orbit Valve	

Mud				
Depth	Type	Weight	F. Vis	FL
0' - 1,060'	Spud Mud	8.4-8.7	34-40	NC-NC
1,060' - 3,660'	Brine	9.8-10.1	28-29	NC-NC
3,660' - 8,272'	FW/Cut Brine	8.4-8.6	28-29	NC-NC
8,272' - 9,200'	KCl Water	8.7-8.9	28-29	NC-NC
8,272' - 9,023'	FW/Cut Brine	8.4-9	28-29	NC-NC
9,023' - 13,342'	FW/Cut Brine	8.4-9	28-32	NC-NC

Cement						
Slurry	Top	Btm	Wt	Yld	%Exc	Bbl Sx
Surface	Lead	0'	1,060'	13.7	1.68	150 335 1119
Intermediate	Lead	0'	2,660'	12.0	1.8	150 271 845
	Tail	2,660'	3,660'	14.2	1.37	150 119 486
Production	1st Stage Lead	4,500'	7,000'	12.0	1.83	65 143 439
	1st Stage Tail	7,000'	12,710'	13.2	1.74	65 293 945
	2nd Stage Lead	3,160'	4,250'	12.0	1.8	200 70 220
	2nd Stage Tail	4,250'	4,500'	14.6	1.33	200 23 98

Notes:

Directional Plan						
Target Line:	8750' TVD at 0°VS w/0.1 deg dip					
Target Window:	20' above and 20' below					
	MD	INC	AZM	TVD	VS	DLS
KOP	8,272'	0.00	0.00	8,272'	0'	0.00
EOB	9,023'	90.10	0.14	8,750'	478'	12.00
TD	13,342'	90.10	0.14	8,742'	4,798'	0.00
Hardlines:	Lateral- 330' from all lease lines. Vertical- Actual Lease Lines					
Notes:	Please note SHL and BHL distance from lease lines					

LOGS	Type	Logs	Interval	Timing	Vendor
	Mudlog	Mudlogging	Int Shoe to Base of Curve	After set Int Casing	Suttles
	OH	Spectral GR/Neutron/Density/PE/Dual	Pilot TD to 7550'	After Pilot TD	Baker Atlas
	OH	GR/Neutron/Density/PE/Dual Induction	7750'-3660'	After Pilot TD	Baker Atlas
	OH	GR/Neutron	3660' - Surface	After Pilot TD	Baker Atlas
	SWC	60 Sidewall Cores		After Pilot TD	Baker Atlas
	LWD	Gamma/MWD	Curve and Lateral	While Drilling	Intrepid