

Submit 1 Copy To Appropriate District Office
District I - (575) 393-6161
1625 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

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

Form C-103
Revised August 1, 2011

WELL API NO. 30-015-40341	
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name REMUDA BASIN 32 23 30 STATE	
8. Well Number 1H	
9. OGRID Number 147179	
10. Pool name or Wildcat FORTY-NINER RIDGE; BONE SPRING, W.	
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 <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>	
2. Name of Operator Chesapeake Operating, Inc.	
3. Address of Operator P.O. Box 18496 Oklahoma City, OK 73154	
4. Well Location Unit Letter M : 150' feet from the South line and 660' feet from the West line Section 32 Township 23S Range 30E NMPM County EDDY	
11. Elevation (Show whether DR, RKB, RT, GR. etc.) 3241' GR	

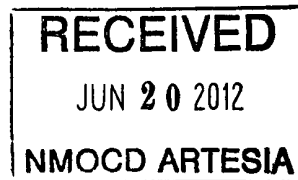
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: Change BHL/Withdraw NSL application <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

Chesapeake Operating, Inc. proposes to change the BHL for this well.
Please find the amended C-102 plat and plans to set a wire-line plug @ 330' FNL & 660' FWL.
The completed interval will be at legal set back rules.

Original BHL: 100' FNL & 660' FWL
New BHL: 230' FNL & 660' FWL
Isolated Plug Back: 330' FNL & 660' FWL



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 Regulatory Specialist II DATE 06/19/2012

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

For State Use Only

APPROVED BY: T.C. Shepard TITLE Geologist DATE 6/20/2012

Conditions of Approval (if any):

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
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District IV
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Phone: (505) 476-3450 Fax: (505) 476-3462

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 August 1, 2011
Submit one copy to appropriate
District Office

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-015-40341	² Pool Code 96526	³ Pool Name FORTY-NINER RIDGE; BONE SPRING WEST
⁴ Property Code 39427	⁵ Property Name PLU REMUDA BASIN 32 23 30 STATE	
⁷ OGRID No. 147179	⁸ Operator Name CHESAPEAKE OPERATING, INC.	
		⁶ Well Number 1H
		⁹ Elevation 3241'

" Surface Location

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
M	32	23S	30E		150'	SOUTH	660'	WEST	EDDY

" Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1dn	Feet from the	North/South line	Feet from the	East/West line	County
D	32	23S	30E		230'	NORTH	660'	WEST	EDDY

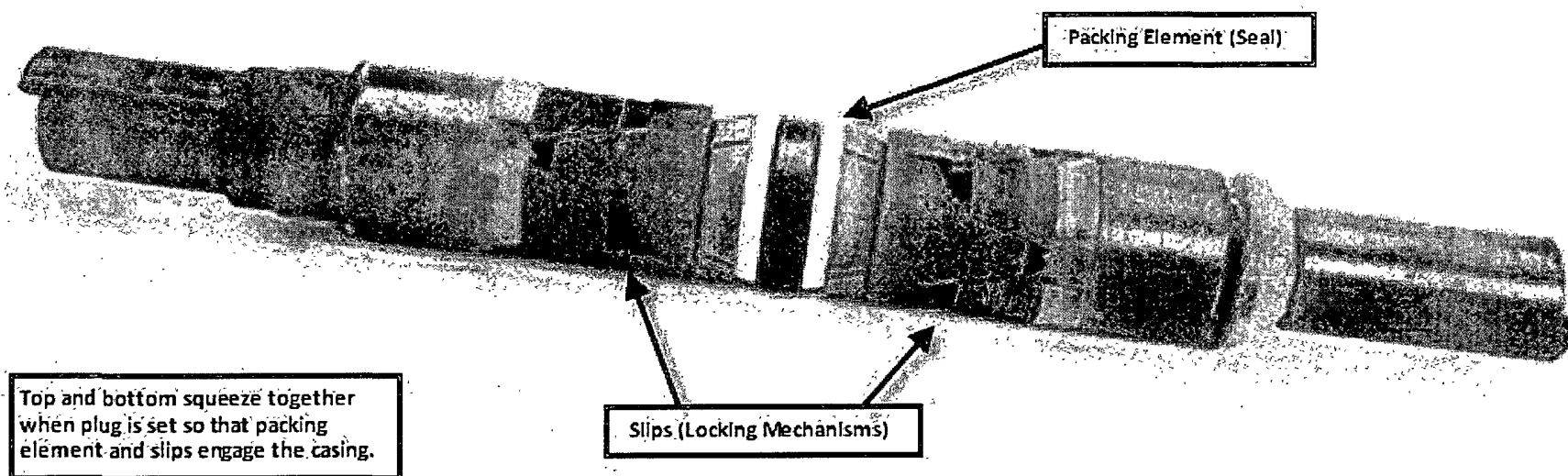
¹⁰ Dedicated Acres 162.87	¹¹ Joint or Infill	¹² Consolidation Code	¹³ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

	PROPOSED BHL 230' FNL & 660' FWL WIRELINE PLUG 330' FNL & 660' FWL	" 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 undivided 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. Signature: <i>Bryan Arrant</i> Date: 6/19/2012 Printed Name: Bryan Arrant E-mail Address: bryan.arrant@chk.com
	PLU REMUDA BASIN 32 23 30 STATE NO. 1H WELL X= 631,011 NAD 27 Y= 456,482 LAT. 32.254276 LONG. 103.909539 X= 672,194 NAD 83 Y= 455,541 LAT. 32.254398 LONG. 103.910027 ELEVATION 3241' NAD 83	"SURVEYOR 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: <i>May 22 2012</i> Signature and Seal of Professional Surveyor: <i>[Signature]</i> Certificate Number: <i>15078</i>

FIRST PROPOSED PERFORATIONS
330' FSL & 660' FWL

We'll be setting the plug using a wireline truck. There's nothing special about that, it's just a method of conveyance. The plug will be set so that only legal perforations are open while the well is being stimulated.



Just let me know if you'd like any additional information.

Thanks,

Mr. Shannon Glancy, P.E.
Production Engineer (Permian)
Chesapeake Energy Corporation
Office: (405) 935-8109
Mobile: (405) 415-5299