

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

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. 30-015-28821
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other SWD <input type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" 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 LOTOS 11 FEDERAL
4. Well Location Unit Letter <u>B</u> : <u>1780'</u> feet from the <u>NORTH</u> line and <u>660'</u> feet from the <u>EAST</u> line Section <u>11</u> Township <u>24 S</u> Range <u>31 E</u> NMPM County <u>EDDY</u>		8. Well Number <u>2</u>
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3581' GR		9. OGRID Number 147179
		10. Pool name or Wildcat SWD; DELAWARE

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ACIDIZE WELL ☒

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 work performed in the acid clean-up on this well. A current well-bore diagram is attached. A MIT chart has already been submitted.

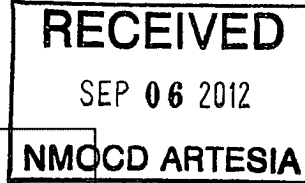
8/6/12: LOCATE LOCATION AND GET DIRECTIONS, TEST ANCHORS, CHECK WELL HEAD FOR SIZE AND PRESSURE RATING.

8/8/12: SPOT IN AND RU PU, TUBING 750 PSI, CASING 0 PSI, FLOW WELL DOWN TO FRAC TANK, FILLED THE TANK IN 3 HOURS, RIGGED UP WELL TO FLOW BACK TO TANK BATTERY FOR WATER TRUCKS TO HAUL TO DISPOSAL AND RELIEVE THE PRESSURE ON THE WELL, SECURE LOCATION, SHUT DOWN OVERNIGHT.

(CONT. PAGE 2)

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 09/05/2012

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

For State Use Only

APPROVED BY: DR Wade TITLE Dist # Supervisor DATE 9/18/12

Conditions of Approval (if any):

LOTOS 11 FEDERAL 2
Unit B, Sec. 11, T-24-S R-31-E
Eddy Co., NM
API# 30-015-28821
(Cont.)

8/9/12.

SHUT WELL IN, CHECK PRESSURE 190 PSI, OPEN WELL TO FRAC TANK, WELL FLOWING AT AN AVERAGE OF 100 BBLS PER HOUR, FLOW WELL TO REDUCE PRESSURE, WELL FLOWED DOWN TO 40 BPH AND THEN INCREASED TO 80 BPH, SHUT IN PRESSURE IS 120 PSI, NEXT READING AT 1500 HOURS TO 1600 HOURS, THE FLOW WAS 54 BBLS PER HOUR, SHUT IN PRESSURE IS 100 PSI, TURN OVER TO DRY WATCH, SHUT DOWN OVERNIGHT

8/10/12.

SHUT WELL IN AND CHECK PRESSURE, 100 PSI, OPEN WELL TO FRAC TANK, MAKING 52 BBLS PER HOUR, FLOW WELL TO REDUCE PRESSURE, TURN OVER TO FLOW BACK HAND

8/11/12.

FLOW WELL TO REDUCE PRESSURE, WELL FLOWED FROM 50 BPH DOWN TO 28 BPH AND THEN INCREASED TO 40 BPH

8/12/12.

FLOW WELL TO REDUCE PRESSURE, WELL FLOWED AT 40 BPH AND STAYED AT THIS RATE

8/13/12

CHECKED WELL CONDITIONS WELL FLOWING AT 40 BPH, (66 BPM), N/D WH, NU BOP, RELEASE PKR, TOO H, MAKE UP 5 1/2" CASING SCRAPER AND 4 3/4" BIT, TIH TO 6500', PULL ABOVE TOP PERF TO 4500', TURN FLOW TO FLOW BACK TANK, SHUT DOWN OVERNIGHT

8/14/12.

WELL FLOWING AT 40 BPM, TOO H, TIH WITH PACKER AND PLUG, SET PLUG AT 5650' AND PACKER AT 5350' (CHERRY CANYON ZONE), RU CUDD, PUMP 500 GALLONS OF XYLENE AND 5000 GALLONS OF 15% NEFE ACID WITH 200 BALL SEALERS, AVERAGE RATE WAS 5.0 BPM AVERAGE PRESSURE WAS 1500 PSI, ISIP WAS 650 PSI, FLOW WELL BACK, FLOWING AT 130 BPH, WELL FLOWED DOWN TO 80 BPH, TURN OVER TO FLOW BACK HAND, SHUT DOWN OVERNIGHT.

8/15/12.

WELL FLOWING AT 15 BPH, MOVE RBP TO 4908' & PKR TO 4497', ACIDIZE THE 3RD ZONE FROM 4570' TO 4868' WITH 500 GALLONS ON XYLENE, 5000 GALLONS OF 15% NEFE ACID WITH 100 BALLS, AVERAGE RATE WAS 4.8 BPM, AVG PRESSURE WAS 1700 PSI, ISIP WAS 980 PSI, FLOW WELL BACK, RELEASE PACKER & PLUG, LET WELL FLOW TO UNLOAD, TURN OVER TO FLOW BACK HAND, SHUT DOWN OVERNIGHT

8/16/12.

WELL FLOWING AT 15 BPH, MOVE RBP TO 4908' & PKR TO 4497', ACIDIZE THE 3RD ZONE FROM 4570' TO 4868' WITH 500 GALLONS ON XYLENE, 5000 GALLONS OF 15% NEFE ACID WITH 100 BALLS, AVERAGE RATE WAS 4.8 BPM, AVG PRESSURE WAS 1700 PSI, ISIP WAS 980 PSI, FLOW WELL BACK, RELEASE PACKER & PLUG, LET WELL FLOW TO UNLOAD, TURN OVER TO FLOW BACK HAND, SHUT DOWN OVERNIGHT.

8/17/12:

WELL FLOWING AT 55 BPH, RIG UP BIG BEAR LAYDOWN MACHINE, TOO H AND LAYDOWN WORK STRING, TIH WITH 5-1/2" ARROW SET 1-X DOUBLE GRIP PACKER RUN BY PARKER TOOL COMPANY AND SET AT 4523', CIRCULATE PACKER FLUID, LATCH ONTO PACKER, ND BOP, NU WH, PUMP DISC OFF AT 2300 PSI, RIG DOWN REVERSE UNIT, RIG DOWN PULLING UNIT AND RELEASE RIG-----FINAL REPORT



Modified Regulatory Wellbore Schematic

LOTOS 11 FEDERAL 2

Field: Poker Lake, Delaware
County: EDDY
State: NEW MEXICO
Elevation: GL 3,518.0 KB 3,536.0 KB Height: 18 0
Location: SEC 11-24S-31E, 1780 FNL & 660 FEL

Spud Date: 3/24/1996
Rig Release Date: 12/5/1996
Initial Compl. Date:
API #: 3001528821
CHK Property #: 890471
1st Sales Date:
PBTD: Original Hole - 6,801.0
TD: 8,621.0

VERTICAL - Original Hole, 9/5/2012 1 01:16 PM

Vertical schematic (actual)

