

• Submit 3 Copies 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
May 27, 2004

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

WELL API NO.	30-015-33211
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Limestone Draw Federal	
8. Well Number	001
9. OGRID Number	147179
10. Pool name or Wildcat	

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 11050
Midland, TX 79702-8050

4. Well Location
Unit Letter A : 650 feet from the North line and 448 feet from the East line
Section 35 Township 20S Range 25E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3578' GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 ☐

SUBSEQUENT REPORT OF:

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

OTHER: Change well to a directional drill ☒ 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.

Chesapeake, respectfully, request permission to directional drill this well. The bottom hole location is 710' FNL and 710' FEL. A C-102 is attached showing both locations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Brenda Coffman TITLE Regulatory Analyst DATE 01/05/2006

Type or print name Brenda Coffman E-mail address: bcoffman@chkenergy.com Telephone No. (432)687-2992

For State Use Only
APPROVED BY Jim W. Gurn TITLE District II Supervisor DATE JAN 11 2006
Conditions of Approval (if any): _____

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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 October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-015-33211		Pool Code	Pool Name Undes Bubbling spring; Morrow, West
Property Code	Property Name Limestone Draw Federal		Well Number 1
OGRID No. 147179	Operator Name Chesapeake Operating Inc.		Elevation 3578 GR

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
A	35	20S	25E		650	North	448	East	Eddy

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	35	20S	25E		710	North	710	South	Eddy
Dedicated Acres 360		Joint or Infill		Consolidation Code		Order No.			

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.

<p>16</p>	<p>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 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.</p> <p><i>Brenda Coffman</i> 01/05/2006 Signature Date</p> <p>Brenda Coffman Printed Name</p>
	<p>18 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.</p> <p>Date of Survey Signature and Seal of Professional Surveyor:</p>
	<p>Certificate Number</p>
	<p>RECEIVED JAN 09 2006 JULIA MATEO</p>

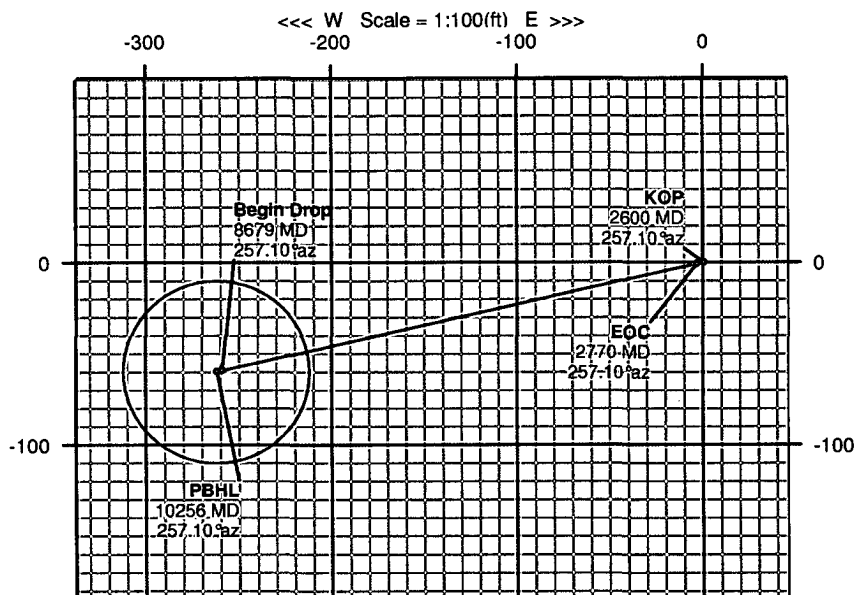
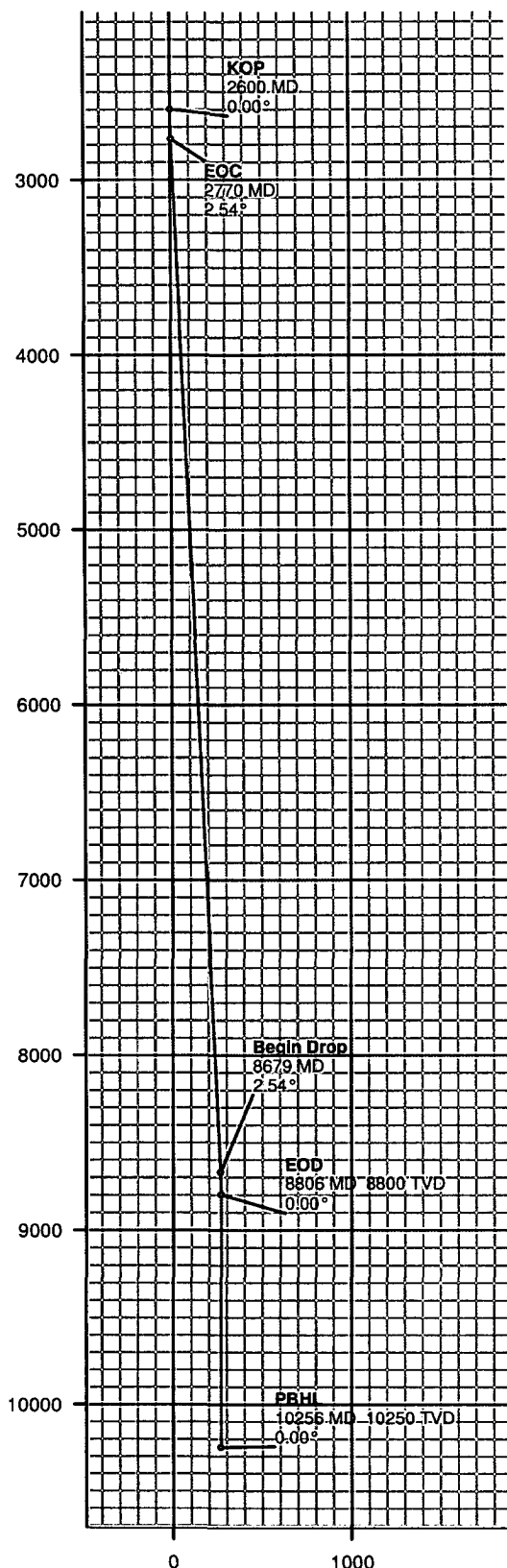
Proposal

Report Date: January 5, 2006 Client: Chesapeake Energy Corp. Field: Eddy County, NM Structure / Slot: Limestone Draw 35 Fed #1 / Limestone Draw 35 Fed #1 Well: Limestone Draw 35 Fed #1 Borehole: Limestone Draw 35 Fed #1 UWI/API#: Survey Name / Date: Limestone_r1 / December 15, 2005 Tort / AHD / DDI / ERD ratio: 5.086° / 268.78 ft / 3.136 / 0.026 Grid Coordinate System: NAD27 New Mexico State Planes, Eastern Zone, US Feet Location Lat/Long: N 32 27 58.536, W 104 17 54.240 Location Grid N/E Y/X: N 533340.441 ftUS, E 510773.991 ftUS Grid Convergence Angle: +0.01875231° Grid Scale Factor: 0.99990922	Survey / DLS Computation Method: Minimum Curvature / Lubinski Vertical Section Azimuth: 257.100° Vertical Section Origin: N 0.000 ft, E 0.000 ft TVD Reference Datum: RKB TVD Reference Elevation: 0.0 ft relative to Sea Bed / Ground Level Elevation: 0.000 ft relative to Magnetic Declination: 8.577° Total Field Strength: 49268.913 nT Magnetic Dip: 60.417° Declination Date: December 14, 2005 Magnetic Declination Model: IGRF 2005 North Reference: Grid North Total Corr Mag North -> Grid North: +8.558° Local Coordinates Referenced To: Well Head
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Comments	Measured Depth (ft)	Inclination (deg)	Azimuth (deg)	TVD (ft)	Vertical Section (ft)	NS (ft)	EW (ft)	Closure (ft)	Closure Azimuth (deg)	DLS (deg/100 ft)	Tool Face (deg)
Tie-In	0.00	0.00	257.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-102.90M
KOP	2600.00	0.00	257.10	2600.00	0.00	0.00	0.00	0.00	0.00	0.00	-102.90M
	2700.00	1.50	257.10	2699.99	1.31	-0.29	-1.28	1.31	257.10	1.50	-102.90M
EOC	2769.54	2.54	257.10	2769.49	3.76	-0.84	-3.67	3.76	257.10	1.50	-102.90M
Begin Drop	8678.76	2.54	257.10	8672.89	265.96	-59.37	-259.25	265.96	257.10	0.00	-102.90M
	8700.00	2.12	257.10	8694.11	266.82	-59.56	-260.09	266.82	257.10	2.00	-102.90M
	8800.00	0.12	257.10	8794.08	268.78	-60.00	-261.99	268.78	257.10	2.00	-102.90M
EOD	8805.92	0.00	257.10	8800.00	268.78	-60.00	-262.00	268.78	257.10	2.00	-102.90M
PBHL	10255.92	0.00	257.10	10250.00	268.78	-60.00	-262.00	268.78	257.10	0.00	0.00M

Chesapeake Energy Corp.

WELL	Limestone Draw 35	FIELD	Eddy County, NM	STRUCTURE	Federal #1
Magnetic Parameters Model: IGRF 2005 Dip: 60.417° Date: December 14, 2005 Surface Location Lat: N32 27 58.536 Northing: 533340.44 NUS Grid Conv: -0.01875231° Miscellaneos Mag Dec: +8.577° FS: 49268.9 nT Lon: W104 17 54.240 Easting: 510773.99 NUS Scale Fact: 0.999902238 Slot: Limestone Draw 35 Fed #1 TVD Ref: RKB (0.00 ft above) Plan: Limestone r1 Srv Date: Thu 04:08 PM December 15, 2005					



Critical Points								
Critical Point	MD	INCL	AZIM	TVD	VSEC	N(+) / S(-)	E(+) / W(-)	DLS
Tie-In	0.00	0.00	257.10	0.00	0.00	0.00	0.00	0.00
KOP	2600.00	0.00	257.10	2600.00	0.00	0.00	0.00	0.00
EOC	2769.54	2.54	257.10	2769.49	3.76	-0.84	-3.67	1.50
Begin Drop	8678.76	2.54	257.10	8672.89	265.96	-59.37	-259.25	0.00
EOD	8805.92	0.00	257.10	8800.00	268.78	-60.00	-262.00	2.00
PBHL	10255.92	0.00	257.10	10250.00	268.78	-60.00	-262.00	0.00

Departure (ft) Azim = 257.1°, Scale = 1:1000 Origin = 0 N/-S, 0 E/-W

INTREPID
Directional Drilling Specialists

