

District I

1625 N. French Dr., Hobbs, NM 88240
Phone:(505) 393-6161 Fax:(505) 393-0720

District II

1301 W. Grand Ave., Artesia, NM 88210
Phone.(505) 748-1283 Fax:(505) 748-9720

District III

1000 Rio Brazos Rd., Aztec, NM 87410
Phone.(505) 334-6178 Fax:(505) 334-6170

District IV

1220 S. St Francis Dr., Santa Fe, NM 87505
Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources

Form C-140
Permit 55474
Revised June 10, 2003

Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505
(505) 476-3440

APPLICATION FOR
WELL WORKOVER PROJECT

I. Operator and Well:

| | | | | | | | | |
|--|---------------|-----------------|--------------|--------------------|------------------|----------------------------|----------------|----------------|
| Operator name & address CHESAPEAKE OPERATING, INC. P. O. BOX 18496 OKLAHOMA CITY OK 731540496 | | | | | | OGRID Number 147179 | | |
| Contact Party Greg Pichler | | | | | | Phone 405-767-4783 | | |
| Property Name TELEDYNE 17 | | | | Well Number 001 | | API Number 30-015-22553 | | |
| UL - Lot N | Section 17 | Township 23S | Range 29E | Feet From The | North/South Line | Feet From The | East/West Line | County Eddy |
| | | | | 660 | S | 1980 | W | |

II. Workover:

| | |
|---------------------------------------|---|
| Date Workover Commenced: 6/17/2006 | Previous Producing Pool(s) (Prior to Workover): HARROUN RANCH;DELAWARE, NE , LAGUNA SALADO; BONE SPRING , HARROUN RANCH;DELAWARE , LAGUNA SALADO;ATOKA (GAS) |
| Date Workover Completed: 6/18/2006 | |

III. Attach a description of the Workover Procedures performed to increase production.

IV. Attach a production decline curve or table showing at least twelve months of production prior to the workover and at least three months of production following the workover reflecting a positive production increase

III. Attach a description of the Workover Procedures performed to increase production.

V. Signature:

| | | | |
|--|----------------|---------------|--|
| I hereby certify that the information above is true and complete to the best of my knowledge and belief. | | | |
| Signature | Title | Date | |
| Type or print name | E-mail address | Telephone No. | |

FOR OIL CONSERVATION DIVISION USE ONLY:**VI. CERTIFICATION OF APPROVAL:**

This Application is hereby approved and the above-referenced well is designated a Well Workover Project and the Division hereby verifies the data shows a positive production increase. By copy hereof, the Division notifies the Secretary of the Taxation and Revenue Department of this Approval and certifies that this Well Workover Project was completed on: 6/18/2006

Signature District Supervisor:

FER
BRYAN G. ARRAUT
DISTRICT II GEOLOGIST

TS

District

Date

JUL 03 2007**VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:**

DHC required for commencing
[Signature]