

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

WELL API NO.	30-015-37805
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 Skeen 34 State Com.	
8. Well Number	1H
9. OGRID Number	147179
10. Pool name or Wildcat Wildcat; Bone Spring	

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"/>	RECEIVED AUG - 5 2010 NMOCD ARTESIA
2. Name of Operator Chesapeake Operating, Inc.	
3. Address of Operator P.O. Box 18496 Oklahoma City, OK 73154-0496	
4. Well Location Unit Letter <u>Lot 3</u> : <u>315'</u> feet from the <u>South</u> line and <u>1670'</u> feet from the <u>East</u> line Section <u>34</u> Township <u>26S</u> Range <u>28E</u> NMPM County <u>Eddy</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3052'	

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: Amend depth of pilot hole/set cement plug <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.

The planned pilot hole TD for Skeen 34 State Com 1H is being revised from 9,050' to 9,400' in order to fully evaluate the Bone Spring formation. The pilot hole would be logged and plugged back with one cement plug from 8,750' to TD at 9,400'. Thereafter, an 8" OD open hole whipstock would be set at ~6,166' (Kick Off Point) and the planned sidetrack would be initiated via the whipstock (see attached wellbore diagram for further details).

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 Senior Regulatory Compl. Sp. DATE 08/03/2010

Type or print name Bryan Arrant E-mail address: bryan.arrant@chk.com PHONE: (400)935-3782

For State Use Only

APPROVED BY: Jacqui R TITLE Geologist DATE 8/11/2010

Conditions of Approval (if any):

GAH