

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

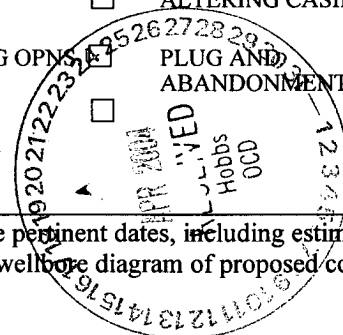
District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

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

<p>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.)</p> <p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>WELL API NO. 30-025-22350</p>
<p>2. Name of Operator Chesapeake Operating Inc.</p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>3. Address of Operator P. O. Box 11050 Midland, Texas 79705</p>		<p>6. State Oil & Gas Lease No.</p>
<p>4. Well Location Unit Letter <u>N</u> : 660 feet from the <u>South</u> line and <u>1980</u> feet from the <u>West</u> line Section <u>5</u> Township <u>11S</u> Range <u>33E</u> NMPM County <u>Lea</u></p>		<p>7. Lease Name or Unit Agreement Name Candy Com</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4307 GR</p>		<p>8. Well Number 1</p>
<p>12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data</p>		<p>9. OGRID Number 147179</p>
<p>10. Pool name or Wildcat Bagley Permo Penn North</p>		

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/></p> <p>TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/></p> <p>PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPLETION <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>		<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/></p> <p>COMMENCE DRILLING OPNS <input checked="" type="checkbox"/> PLUG AND ABANDONMENT <input checked="" type="checkbox"/></p> <p>CASING TEST AND CEMENT JOB <input type="checkbox"/></p> <p>OTHER: <input type="checkbox"/></p>	
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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.

2-11-04 MIRU plugging unit. POH w/80 rods to rod part & SDON

2-12-04 SI due to weather.

2-16-04 Finished stripping OOH w/tbg. & rods. SDON.

2-17-04 Cont. POH w/tbg. RU WL. TIH & set 5 1/2" CIBP @ 9121'. RD WL. TIH w/2 7/8". Tag CIBP. Circ hole w/10# mud & SDON.

2-18-04 Load hole w/80 bbls 10# mud. Spot 25 sx cmt. plug @ 9121'. POH w/tbg. ND BOP & ND WH. RU csg. jacks & SDON.

2-19-04 RU csg jacks. Freepoint csg. @ 3748'. Call OCD. Will spot plug @ 6200' per OCD. SD due to high winds.

2-20-04 RIH w/tbg & spot 25 sx cmt @ 6202' - 5962'. POH & cut csg. @ 3780'. Work & pump loose & LD 10 jts.

2-23-04 LD 96 jts. - total of 5 1/2" csg. RIH & spot 50 sx cmt @ 3843'. POH & WOC.

2-24-04 RIH & tag @ 3690'. POH & spot 35 sx @ 1800' - 1677'. POH & spot 35 sx @ 427'. POH & SDFW.

2-25-04 RIH & tag @ 290'. POH & spot 20 sx @ 60' to surf. RD & cut off WH & anchors. Install dry hole marker. Level pit & cellar & MO. Well P & A.

Approved as to plugging of the Well Bore.
Liability under bond is retained until
surface restoration is completed.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Brenda Coffman TITLE Regulatory Analyst DATE 04/14/2004

Type or print name _____ E-mail address: _____ Telephone No. _____

(This space for State use)

APPROVED BY Gary W. Wink TITLE _____ DATE MAY 03 2004
Conditions of approval, if any _____

DC FIELD REPRESENTATIVE II/STAFF MANAGER