

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
Revised June 10, 2003

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

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. 30-025-25117
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Chesapeake Operating, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator P. O. Box 11050 Midland, TX 79702-8050		7. Lease Name or Unit Agreement Name Union State
4. Well Location Unit Letter <u>K</u> : 1650 feet from the <u>South</u> line and 1650 feet from the <u>West</u> line Section <u>3</u> Township <u>19S</u> Range <u>34E</u> NMPM County <u>Lea</u>		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4000' GR		9. OGRID Number 147179
		10. Pool name or Wildcat Wildcat; Wolfcamp

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 COMPLETION ☐
OTHER: Temporarily Abandon ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
CASING TEST AND CEMENT JOB ☐
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 Operating respectfully requests permission of TA this well.

Subsequent Report of Work Done

5-04-04 Set 5 1/2" Baker 10,000# CIBP @ 11,400'. Test plug to 500# - ok. Dump bail 35' cmt on top. Perforate 4 holes from 9720 - 9721', pump 365 BFW down csg @ 2 BPM, 2000# w/partial returns out 5 1/2" annulus, RD pump truck, SDFN
5-05-04 Finish POOH w/tbg. Ran 3 1/8" csg. gun & perforate Bone Springs 9685 - 9686. Test pkr and csg to 1000# - ok
5-7-04 RU kill truck, pump into squeeze perfs 9685 - 9686', 1 BPM @ 1500#, 2 BPM @ 1700#, pump 20 bbls to 1500#, flow well down. RD kill truck Mix and pump 250 sx 50/50/2 POZ H + 5% salt + 1% FL-25 + 3/10% SMS + 2% EC-1, 53.7 bbls slurry, 3 BPM @ 1200#, wash up, catch cmt w/16 bbls flush @ 2.2 BPM, 100# w/30 bbls flush gone @ 2.1 BPM, 1810# w/45 bbls flush, 2.1 BPM @ 2270# w/54 bbls, sting out CICR, pull 10', reverse circ BF, cmt out tbg, continue rev. circ 2% KCL, RD.
5-08-04 Run CBL/VDL/GR/CCL from 9672 - 8300' good bond. TOC @ 8490'
5-11-04 RU Baker, perf Bone springs 9490 - 9510, 9484 - 9490', 9460 - 9468' @ 2 spf w/3 1/8" slick gun, 120 deg. phasing, 23 gram charges, 70 holes. RD. RIH w/pkr & SN & tbg.. RU Cudd & spot 500 gals 15% NeFe acid w/51.7 bbls 2% KCL behind. LD 6 jts tbg, reverse circ 12 bbls down annulus, set pkr @ 9358' w/25,000# compression. Test pkr to 1000# - OK. Broke down perfs, began swabbing

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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 05/27/2004

bcoffman@chkenenergy.com

Type or print name Brenda Coffman

E-mail address:

Telephone No. (432)685-4373

(This space for State use)

APPROVED BY Harry W. Wink
Conditions of approval, if any:

TOC FIELD REPRESENTATIVE II/STAFF MANAGER

JUN 08 2004

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UNION STATE #1

- 5-13-04 Acidize Bone Springs w/2000 gals 15% NeFe HCL + 5 BS every 2 bbls – 100 balls. Swabbing.
- 5-16-04 Set 5 ½" CIBP @ 9455'. Test to 1000# for 5 mins – ok. Spot 500 gals 15% NeFe HCL Perf 9425 – 9442 @ 2 spf 35 holes Acidize w/2000 gals 15% NeFe HCL + BS. Swabbing
- 5-21-04 Acidize perfs 9425 – 9442 w/10,000 gals 20% gelled acid. Swabbing
- 5-27-04 RU Baker Atlas, set CIBP to 9400', dump 35' cmt on top.

Prepare to TA well.