

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, 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-101
Revised June 10, 2003

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Submit to appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Chesapeake Operating, Inc. P. O. Box 18496 Oklahoma City, OK 73154-0496		² OGRID Number 147179
³ Property Code 300072	⁵ Property Name State 22	⁴ API Number 30-36812
		⁶ Well No. 2

⁷ Surface Location

UL or lot no. C	Section 22	Township 12S	Range 38E	Lot Idn	Feet from the 217	North/South line North	Feet from the 2417	East/West line West	County Lea
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⁸ Proposed 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
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⁹ Proposed Pool 1 Fonto Seven Rivers <i>Trinity, Wolfcamp</i>	¹⁰ Proposed Pool 2
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¹¹ Work Type Code N	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code State	¹⁵ Ground Level Elevation 3817'
¹⁶ Multiple N	¹⁷ Proposed Depth 9800'	¹⁸ Formation Harris	¹⁹ Contractor Big Dog 13	²⁰ Spud Date 07/15/04

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2	13-3/8	48#	0-430'	± 400	Surface
11"	8-5/8	32#	0-4500'	± 1400	Surface
7-7/8"	5-1/2	17#	0-9800'	± 700	4500'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Chesapeake Operating, Inc. proposes to drill to a T.D. of 9800' in the Harris with Big Dog 13 contractor.

BOP should consist of 11" 3M# blind & pipe rams & 11" 3M# annular (See Schematics)

Permit Expires 1 Year From Approval
Date Unless Drilling Underway

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature: *Barbara J. Bale*

Printed name: Barbara J. Bale

Title: Regulatory Analyst

E-mail Address:

Date: 05/19/04

Phone: (405) 848-8000

OIL CONSERVATION DIVISION

Approved by: *Paul E. K... ..*

Title:

PETROLEUM ENGINEER

Approval Date:

Expiration Date:

Conditions of Approval:

Attached ☐

NSL R-12176

DISTRICT I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico

Form C-102

Energy, Minerals, and Natural Resources Department

Revised August 15, 2000

DISTRICT II
1301 W. Grand Avenue, Artesia, NM 88210

OIL CONSERVATION DIVISION

Submit to Appropriate District Office

State Lease - 4 copies

Fee Lease - 3 copies

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

1220 South St. Francis Dr.

Santa Fe, New Mexico 87505

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

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-36812	² Pool Code 59470 59890	³ Pool Name Tonto Seven Rivers <i>Trinity; Wolfcamp</i>
⁴ Property Code 300072	⁵ Property Name STATE 22	⁶ Well Number 2
⁷ OGRID No. 147179	⁸ Operator Name CHESAPEAKE OPERATING, INC.	⁹ Elevation 3817'

¹⁰ Surface Location

UL or lot no. C	Section 22	Township 12 SOUTH	Range 38 EAST, N.M.P.M.	Lot Idn	Feet from the 217'	North/South line NORTH	Feet from the 2417'	East/West line WEST	County LEA
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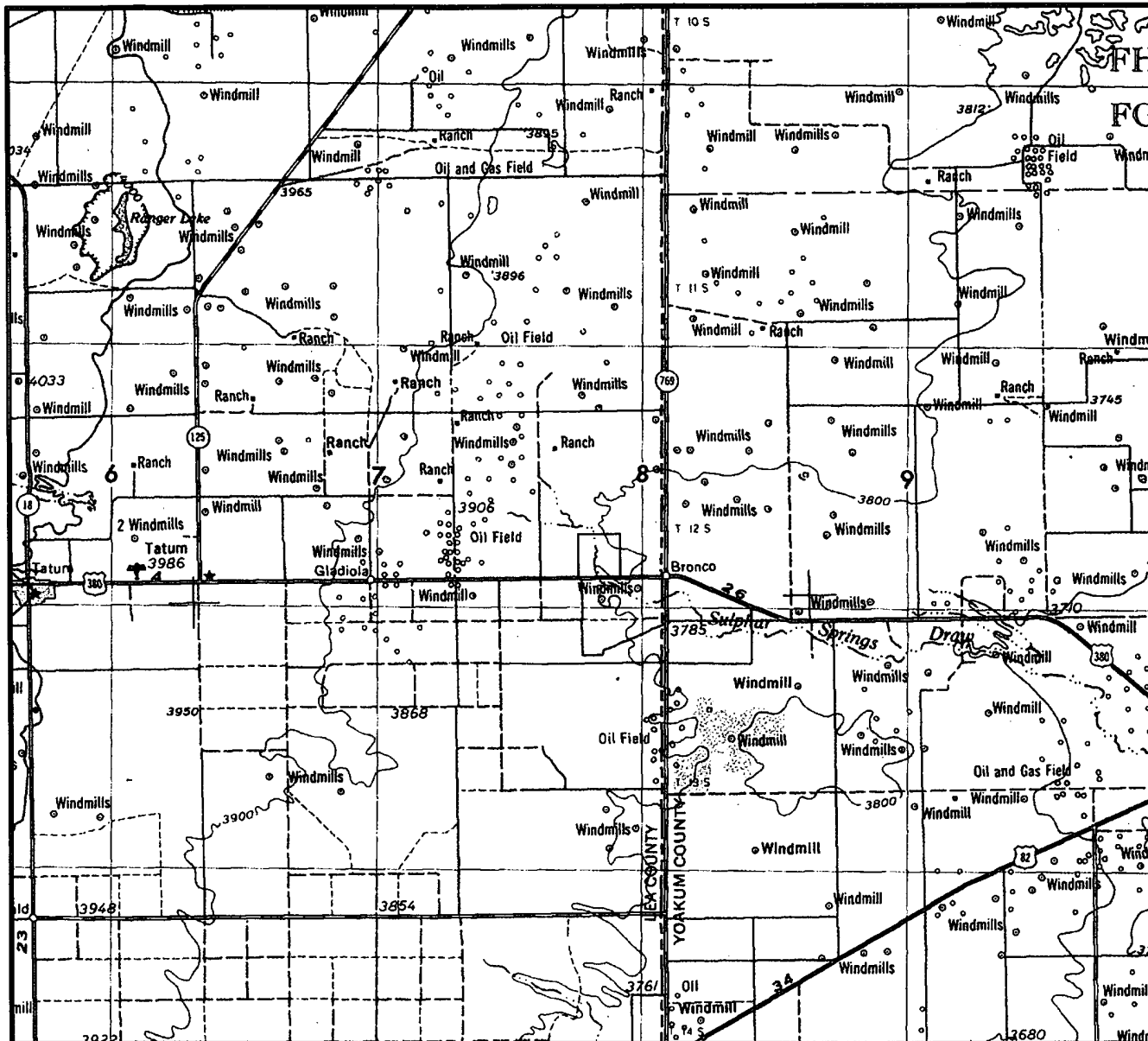
¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 40 NE NW	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. R-12176 (NSL)						

NO ALLOWABLE WELL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

¹⁶ 2417' 217'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief. <i>Lynda F. Townsend</i> Signature <i>Lynda F. Townsend</i> Printed Name Sr. Landman Title 5-18-04 Date 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. APRIL 23, 2004 Date of Survey Signature and Seal of Professional Surveyor V. L. BEZNER R.P.S. #7920 Certification Number JOB #94594 / 145 SE / E.U.O.
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VICINITY MAP



SECTION 22 TWP 12-S RGE 38-E
 SURVEY NEW MEXICO PRINCIPAL MERIDIAN
 COUNTY LEA STATE NM
 DESCRIPTION 217' FNL & 2417' FWL

OPERATOR CHESAPEAKE OPERATING
 LEASE STATE "22" #2

DISTANCE & DIRECTION FROM HWY. INT. OF HWY. 380 &
HWY. 769, GO WEST 4.2 MILES, THENCE NORTH 0.2 MILES
THENCE WEST 0.1 MILES, THENCE NORTH 0.2 MILES, THENCE
WEST 0.1 MILES TO WELL #11



TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

This location has been very carefully staked on the ground according to the best official survey records, maps, and other data available to us.

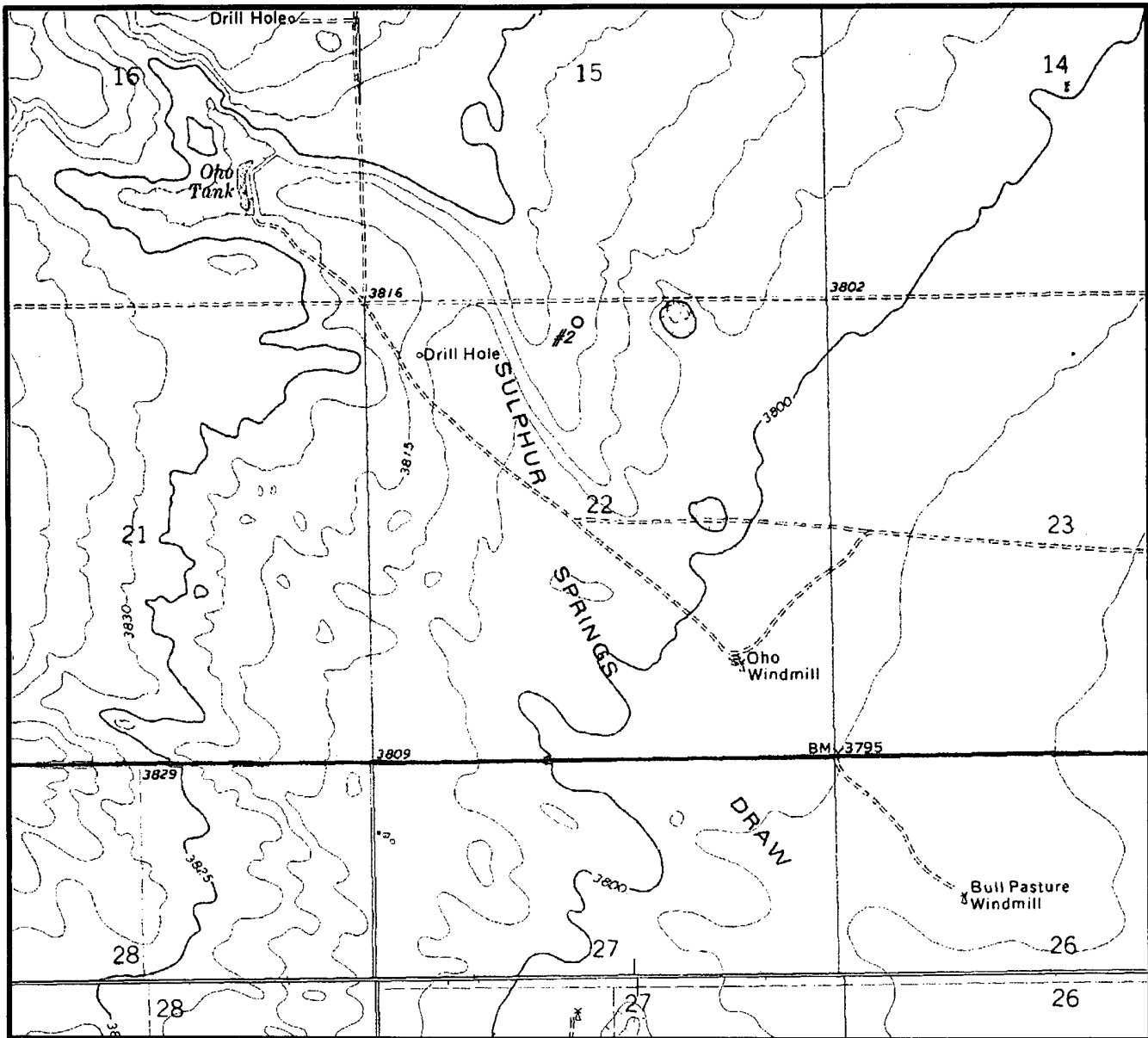
Review this plot and notify us immediately of any possible discrepancy.

1307 N. HOBART
 PAMPA, TX. 79065
 (800) 658-6382

6709 N. CLASSEN BLVD.
 OKLAHOMA CITY, OK. 73116
 (800) 654-3219

2903 N. BIG SPRING
 MIDLAND, TX. 79705
 (800) 767-1653

LOCATION & ELEVATION VERIFICATION MAP



SCALE : 1" = 2000'

CONTOUR INTERVAL 10'

SECTION 22 TWP 12-S RGE 38-E

SURVEY NEW MEXICO PRINCIPAL MERIDIAN

COUNTY LEA STATE NM

DESCRIPTION 217' FNL & 2417' FWL

ELEVATION 3817'

OPERATOR CHESAPEAKE OPERATING

LEASE STATE "22" #2

U.S.G.S. TOPOGRAPHIC MAP

PRAIRIEVIEW NE, NEW MEXICO

SCALED LAT. LAT.: N 33°15'59"

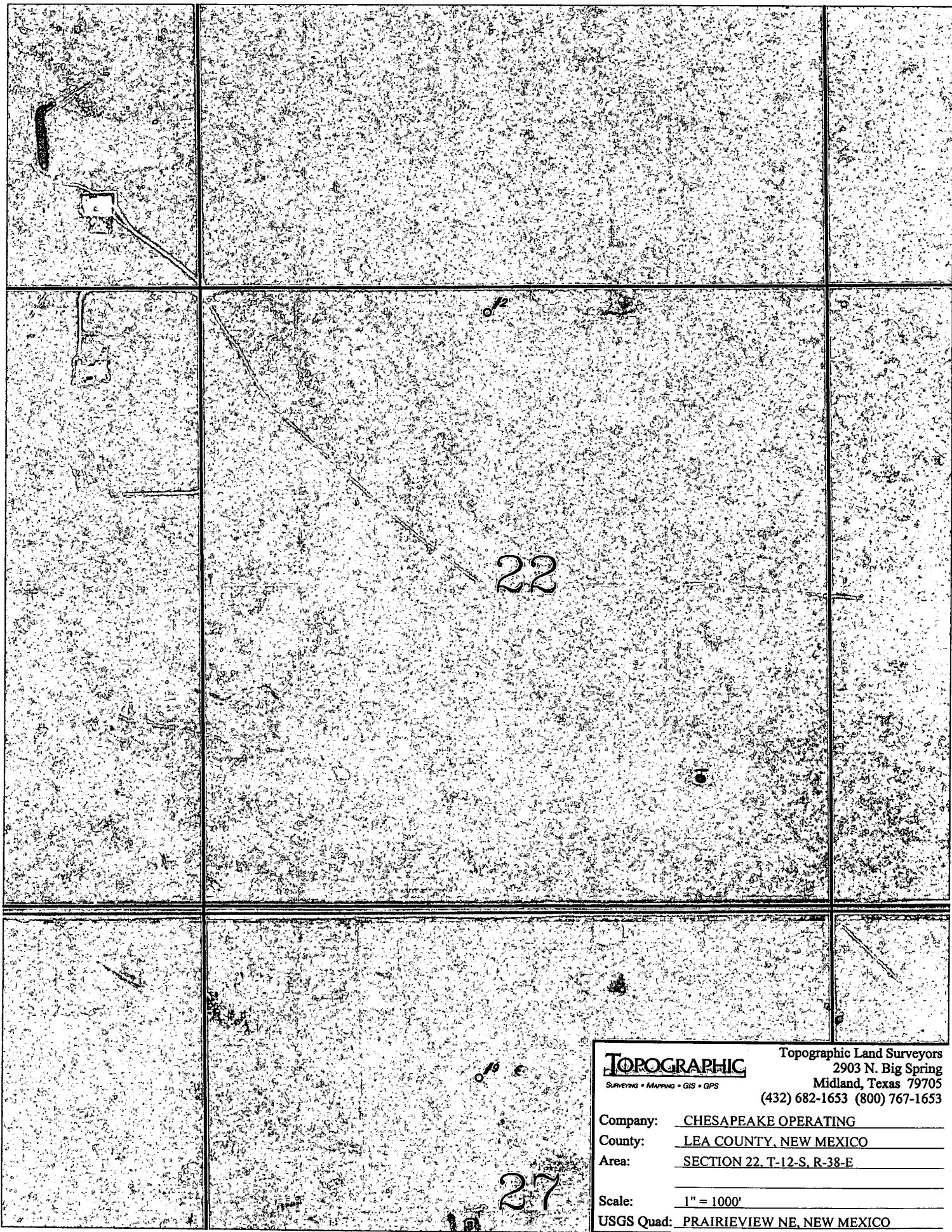
LONG. LONG.: W 103°04'54"



TOPOGRAPHIC LAND SURVEYORS

Surveying & Mapping for the Oil & Gas Industry

2903 N. BIG SPRING
MIDLAND, TX. 79705
(800) 767-1653



TOPOGRAPHIC
SURVEYING • MAPPING • GIS • GPS

Topographic Land Surveyors
2903 N. Big Spring
Midland, Texas 79705
(432) 682-1653 (800) 767-1653

Company: CHESAPEAKE OPERATING

County: LEA COUNTY, NEW MEXICO

Area: SECTION 22, T-12-S, R-38-E

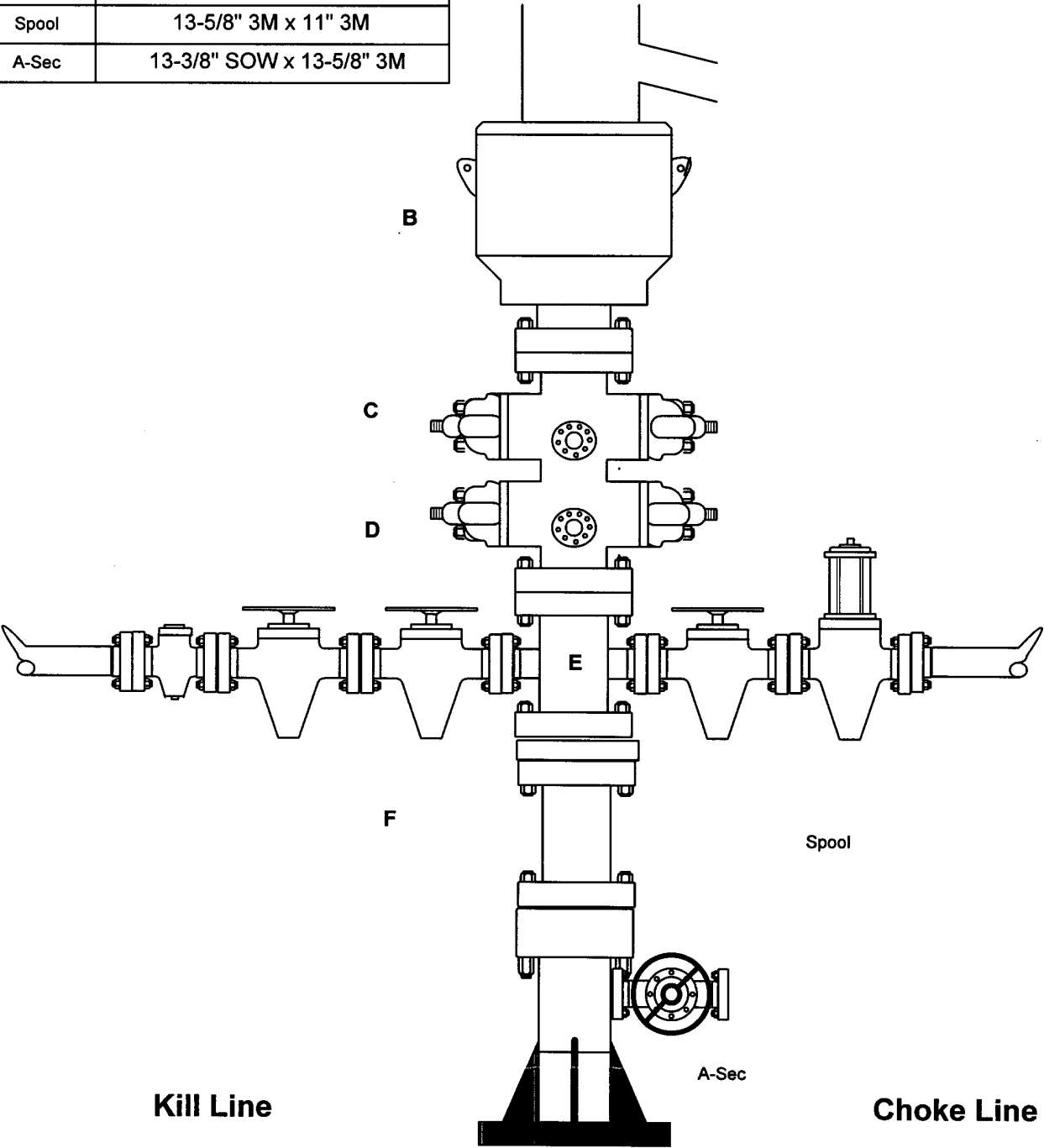
Scale: 1" = 1000'

USGS Quad: PRAIRIEVIEW NE, NEW MEXICO

BLOWOUT PREVENTOR SCHEMATIC
CHESAPEAKE OPERATING INC

WELL : State 22-2
RIG : Big Dog 13
COUNTY : Lea STATE: New Mexico
OPERATION: Drill out below 13-3/8" Casing

SIZE		PRESSURE	DESCRIPTION
B	11"	3,000#	Annular
C	11"	3,000#	Pipe Rams
D	11"	3,000#	Blind Rams
E	11"	3,000#	Mud Cross
Spool		13-5/8" 3M x 11" 3M	
A-Sec		13-3/8" SOW x 13-5/8" 3M	



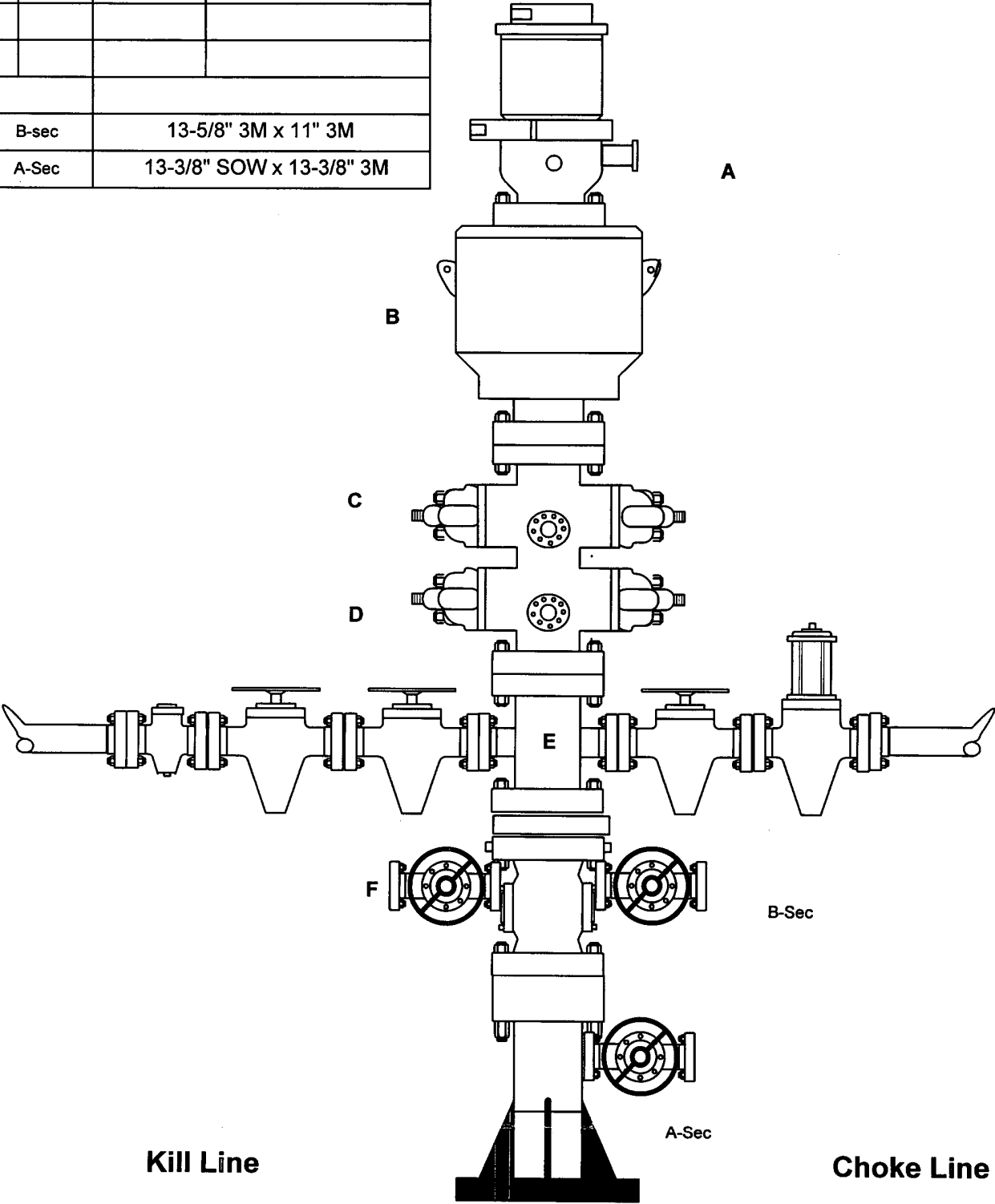
SIZE	PRESSURE	DESCRIPTION
2"	3,000#	Check Valve
2"	3,000#	Gate Valve
2"	3,000#	Gate Valve

SIZE	PRESSURE	DESCRIPTION
4"	3,000#	Gate Valve
4"	3,000#	HCR Valve

BLOWOUT PREVENTOR SCHEMATIC
CHESAPEAKE OPERATING INC

WELL : State 22 # 2
RIG : Big Dog 13
COUNTY : Lea STATE: New Mexico
OPERATION: Drill out below 8-5/8" Casing

SIZE		PRESSURE	DESCRIPTION
A	11"	3,000#	Rot Head
B	11"	3,000#	Annular
C	11"	3,000#	Pipe Rams
D	11"	3,000#	Blind Rams
E	11"	3,000#	Mud Cross
B-sec		13-5/8" 3M x 11" 3M	
A-Sec		13-3/8" SOW x 13-3/8" 3M	



SIZE	PRESSURE	DESCRIPTION
2"	3,000#	Check Valve
2"	3,000#	Gate Valve
2"	3,000#	Gate Valve

SIZE	PRESSURE	DESCRIPTION
4"	3,000#	Gate Valve
4"	3,000#	HCR Valve

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State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-144
March 12, 2004

For drilling and production facilities, submit to appropriate NMOC District Office.
For downstream facilities, submit to Santa Fe office

Pit or Below-Grade Tank Registration or Closure

Is pit or below-grade tank covered by a "general plan"? Yes ☐ No ☐

Type of action: Registration of a pit or below-grade tank ☒ Closure of a pit or below-grade tank ☐

Operator: <u>Chesapeake</u> Telephone: <u>432-693-7443</u> e-mail address: <u>mwhitefield@chkenenergy.com</u>		
Address: <u>550 W. Texas Ave. #1300 Midland, TX 79701</u>		
Facility or well name: <u>State 22-2</u>	API #: <u>36812</u>	U/L or Qtr/Qt: <u>C</u> Sec. <u>22</u> T. <u>12</u> R. <u>3E</u>
County: <u>Lea</u>	Latitude	Longitude
NAD: 1927 ☐ 1983 ☐ Surface Owner Federal ☐ State ☐ Private ☒ Indian ☐		
Pit Type: Drilling ☒ Production ☐ Disposal ☐ Workover ☐ Emergency ☐ Lined ☒ Unlined ☐ Liner type: Synthetic ☒ Thickness <u>12</u> mil <u>15948</u> bbl	Below-grade tank Volume: _____ bbl Type of fluid: _____ Construction material: _____ Double-walled, with leak detection? Yes ☐ If not, explain why not: _____	Clay ☐ Volume
Depth to ground water (vertical distance from bottom of pit to seasonal high water elevation of ground water.)	Less than 50 feet 50 feet or more, but less than 100 feet <u>100 feet or more</u>	(20 points) (10 points) (0 points)
Wellhead protection area: (Less than 200 feet from a private domestic water source, or less than 1000 feet from all other water sources.)	Yes <u>No</u>	(20 points) (0 points)
Distance to surface water: (horizontal distance to all wetlands, playas, irrigation canals, ditches, and perennial and ephemeral watercourses.)	Less than 200 feet 200 feet or more, but less than 1000 feet <u>1000 feet or more</u>	(20 points) (10 points) (0 points)
Ranking Score (Total Points)		0

If this is a pit closure: (1) attach a diagram of the facility showing the pit's relationship to other equipment and tanks. (2) Indicate disposal location: onsite ☐ offsite ☐ If offsite, name of facility: _____ (3) Attach a general description of remedial action taken including remediation start date and end date. (4) Groundwater encountered: No ☐ Yes ☐ If yes, show depth below ground surface _____ ft. and attach sample results. (5) Attach soil sample results and a diagram of sample locations and excavations.

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

Date: 6-1-04
Printed Name/Title: Mike Whitefield Field Rep. Signature: [Signature]

Your certification and NMOC District approval of this application/closure does not relieve the operator of liability should the contents of the pit or tank contaminate ground water or otherwise endanger public health or the environment. Nor does it relieve the operator of its responsibility for compliance with any other federal, state, or local laws and/or regulations.

Approval:

Date: 8/27/04

Printed Name/Title: ORIGINAL SIGNED BY
PAUL F. KAUTZ
PETROLEUM ENGINEER

Signature: [Signature]

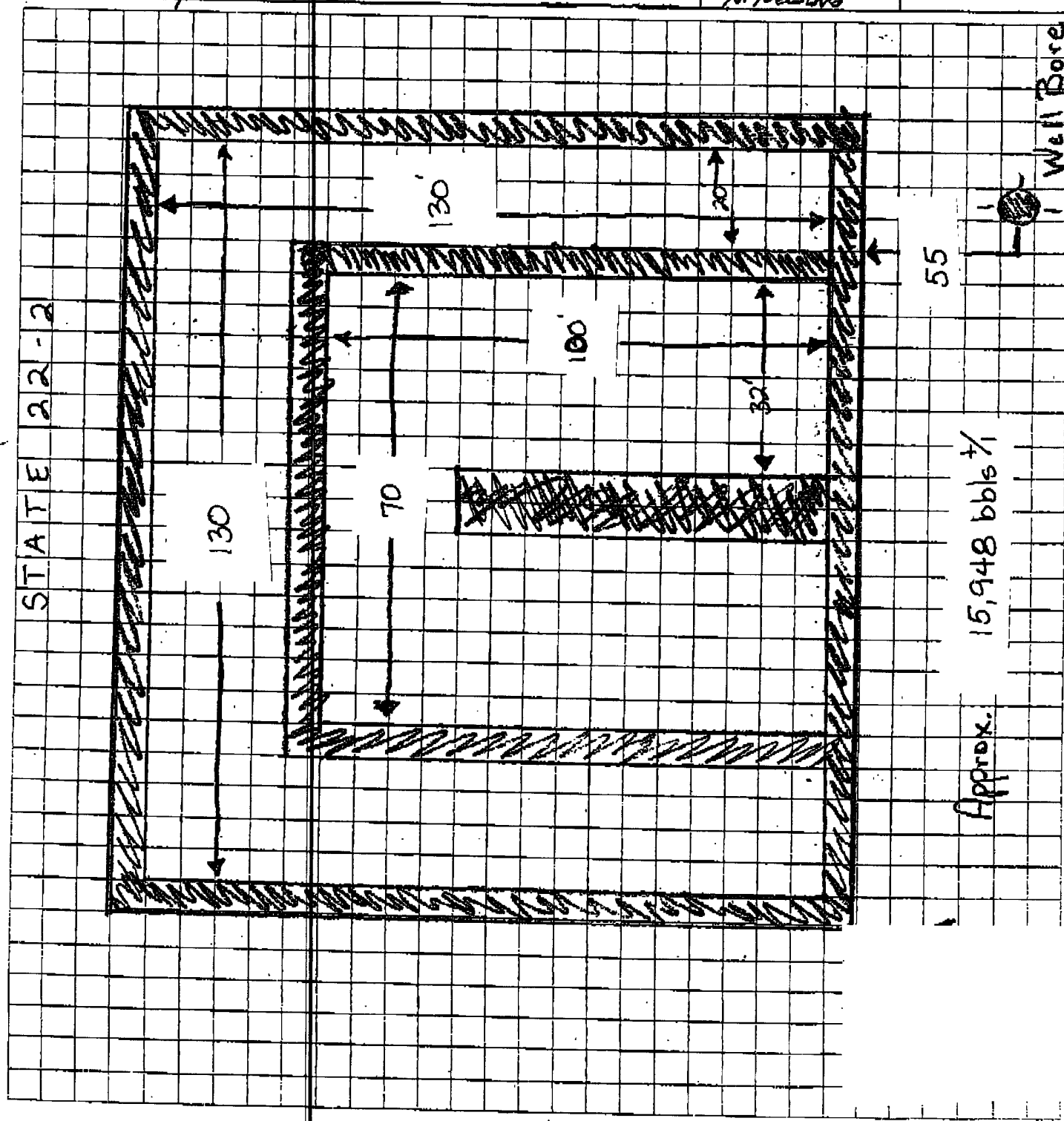
MIDLAND, TX (915) 684-7446
 OKLAHOMA CITY, OK (405) 810-0021
 VICTORIA, TX (361) 576-5297



HOUSTON, TX (281) 877-1200
 LAFAYETTE, LA (337) 237-5300
 NEW ORLEANS, LA (504) 566-0411

Dnq. Pit

Subject	<i>Chesapeake Operating, Inc</i>		Page No.	of
File			By <i>N. Newland</i>	Date



WALL BERMS DRLG PIT
STATE 22-2

08/27/2004 08:44 FAX 432 685 4399

CHESAPEAKE

004/004

AUG-27-04 FRI 07:49 AM FROM:432 685 4399

TO:

PAGE 4

