

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

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

Form C-103

May 27, 2004

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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. 30-025-36509
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		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 San Simon 21 State
4. Well Location Unit Letter RE : 1650 feet from the North line and 990 feet from the West line Section 21 Township 21S Range 35E NMPM County Lea		8. Well Number 002
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3641 GR		9. OGRID Number 147179
Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/>		10. Pool name or Wildcat Osudo;Morrow, South (Gas) 82200
Pit type Drilling Depth to Groundwater 100 Distance from nearest fresh water well 1000+ Distance from nearest surface water 1650 Pit Liner Thickness: mil Below-Grade Tank: Volume bbls; Construction Material		

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 COMPL ☐

OTHER: ☐

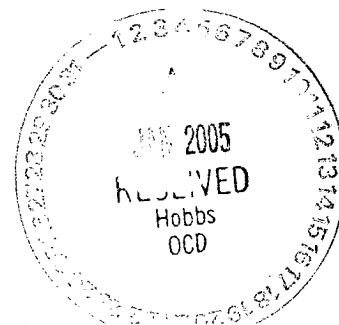
SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
 COMMENCE DRILLING OPNS. ☐ P AND A ☐  
 CASING/CEMENT JOB ☐

OTHER: Completion ☒

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.

09/16/04 RIH w/333 jts. 2 3/8" tbg..  
 09/17/04 Test csg. to 2000# - OK. Displace well w/7% KCL, pickle tbg. w/15% HCL, flush w/7% KCL. Circ. POOH w/100 jts. tbg.  
 09/18/04 RIH w/CBL/CCL/GR to PBTD 12,653'. RU perf gun, perforate morrow "Blue Sand" 12,510 - 12,520' @ 4 spf. POOH w/guns. Began flowing well.  
 09/23/04 RU Cudd Pumping Service, press. annulus to 1500#, tie onto tbg. start on acid. Pump 1,000 gals 7.5% HCL @ 3.3 BPM, 8100#, flush w/2100 gals 7% KCL @ 4.6 BPM, 7900#, ISIP 4507#, 5 min 1509#, 10 min 320#, 15 min 80#, max PSI 8350#, avg. psi 7900#, max rate 5 BPM, avg. rate 4.6 BPM. RD Swabbing.  
 09/24/04 Hooked gas line to Versado-Saunders. Began testing well.



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

SIGNATURE Brenda Coffman TITLE Regulatory Analyst DATE 12/27/2004

Type or print name Brenda Coffman  
For State Use Only

E-mail address: bcoffman@chkenegy.com Telephone No. (432)685-4310

APPROVED BY: [Signature] TITLE \_\_\_\_\_ DATE JAN 05 2005  
 Conditions of Approval (if any): \_\_\_\_\_

PETROLEUM ENGINEER