

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

Form C-103

May 27, 2004

WELL API NO. 30-025-36749
30-253-6749

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
TCB 36 State

8. Well Number 002

9. OGRID Number 147179

10. Pool name or Wildcat
D-K;Drinkard

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 ☒ Gas Well ☐ Other2. Name of Operator
Chesapeake Operating, Inc.3. Address of Operator P. O. Box 11050
Midland, TX 79702-8050

4. Well Location

Unit Letter C : 660 feet from the North line and 1650 feet from the West line
Section 36 Township 20S Range 38E NMPM County Lea11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3565 GRPit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

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: Complete Drinkard and DHC ☒

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.

10-21-04 RIH and set CP @ 7,210', load csg w/130 bbls 2% KCL, pressure CP to 2000# - OK. POOH w/WL, RIH w/ 2 7/8" SN and 230 jts. tbg to 7,029', circ 2% KCL, spot 200 gals inhibited 15% neFe acid. POOH w/tbg and SN, load hole w/2%. RU WL, RIH w 3 1/8" csg. guns, perforate Drinkard 6,955 - 6,972, 6,977 - 6,981, 6,988 - 6,999, 7,004 - 7,012 @ 2 spf (80 holes)

10-22-04 RIH w/ 2 7/8" x 5 1/2" Arrow Set 1X pkr, 2 7/8" SN and 226 jts. 2 7/8" L-80 tbg to 6,900', rev. 10 bbls 2% KCL, pull 2 jts 2 7/8" tbg, set pkr @ 6,850', pressure pkr to 2000#, OK. RU Cudd, press csg to 1000#, load tbg w/2 bbls 2% Pump into @ 1.7 BPM, press. broke from 2400# back to 2230#, acidize Drinkard w/5,000 gals 15% neFe acid, launch 120 ball sealers, little ball action, flush w/30 bbls 2% KCL. RD Cudd. Swabbing.

10-29-04 Frac w/11,000 gals Lightening 3000 pad, load csg w/73 bbls pad and 19,000 gals sand laden gel w/59,000# 20/40 sand. Flush w/163 bbls 30# linear gel. Swab

11-04-04 POOH w/20 jts. 2 7/8" tbg to 6,927'. Pump 30 bbls 2% KCL down tbg to kill, rel. pkr, POOH w/224 jts 2 7/8" tbg, SN and pkr. RIH w/4 3/4" bit, BS, 6 - 3 1/2" DC's and 228 jts. 2 7/8" tbg, tag sand @ 7,175', RU rev. unit and swivel, break circ w/100 bbls 2% KCL, clean out 35' sand to CBP @ 7,210', drill through BP. RIH w/tbg. tag @ 7,510'.

11-05-04 RIH tag @ 7,510' break circ w/70 bbls 2% KCL, circ bottoms up 3 times, POOH w/240 jts. 2 7/8" tbg, 6 - 3 1/2" DC's and 4 3/4" bit, RIH w 2 7/8" MA, 4' PS, 4' sub, SSN, MSN w/GA, 19 jts. 2 7/8" tbg, 2 7/8" x 5 1/2" TAC and 208 jts 2 7/8" tbg, TAC @ 6,364' SN @ 6,947', ND BOP, set TAC w/14,000# tension, NU wellhead.

11-06-04 RIH w/2 1/2" x 1 1/2" x 30' RHB pump.

11-07-04 Began testing

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 05/09/2005

Type or print name Brenda Coffman

E-mail address: bcoffman@chkenergy.com Telephone No. (432)687-2992

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE MAY 13 2005

Conditions of Approval (if any):