

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
May 27, 2004

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

WELL API NO.	30-025-37945
5. Indicate Type of Lease STATE ☒ FEE ☐	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name A M York	
8. Well Number	3
9. OGRID Number	147179
10. Pool name or Wildcat Wildcat; San Andres	

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 ☐ Other ☐	
2. Name of Operator Chesapeake Operating Inc.	
3. Address of Operator P. O. Box 11050 Midland, TX 79702-8050	
4. Well Location Unit Letter <u>A</u> : <u>1150</u> feet from the <u>North</u> line and <u>1180</u> feet from the <u>East</u> line Section <u>20</u> Township <u>21S</u> Range <u>37E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3489 GR	
Pit 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: ☐

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, respectfully, request permission to change the bottom location on this well from 965' FNL & 965' FEL TO: 863' FNL & 851' FEL, which is still a standard location. We plan to spud around July 7, 2006. Attached, for your review is a copy of the Directional Drill plan.



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 06/30/2006

Type or print name Brenda Coffman
For State Use Only

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

JUL 2 1 2006

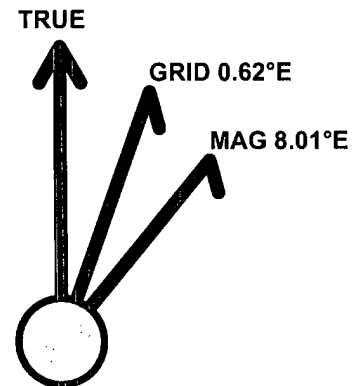
APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE _____
Conditions of Approval (if any):

WinSURV3D GeoDetic and Magnetics Report

Latitude : 32° 28.0000' 12.7391"
Decimal Lat.: 32.4702052999157°
Longitude : -103° 10.0000' 44.9175"
Decimal Long. : -103.179143736374°
Projection: NM-27E
Group: US-SPC27
X-Coordinate: 855965.00
Y-Coordinate: 536699.00
Datum: 'NAD27
Units: 'USFEET

MAGNETICS INFORMATION

Magnetic Model: C:\WinSURV3D\IGRF2005.MIF
Date : 6/28/2006 = 2006.490
Dip Angle : 60.61°
Declination : 8.01°
Grid Correction (True to Grid): 0.62°
Total Correction : 7.39°
Field Strength : 49351.58 (nT)
B-X component : 23981.85 (nT)
B-Y component : 3374.60 (nT)
B-Z component : 43000.71 (nT)
B-Horz component : 24218.12 (nT)



Methods of Correction

To correct from Magnetic North to True North use :

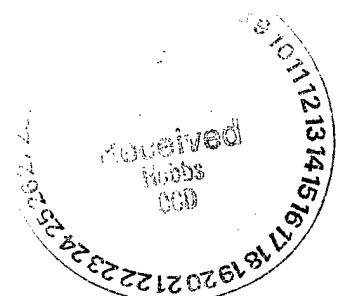
8.01°E --> $TN = MN + 8.01$: Magnetic to True

To correct from True North to Grid North use:

0.62°E --> $GN = TN - 0.62$: True to Grid

To correct from Magnetic North to Grid North use:

7.39°E --> $GN = MN + 7.39$: Magnetic to Grid

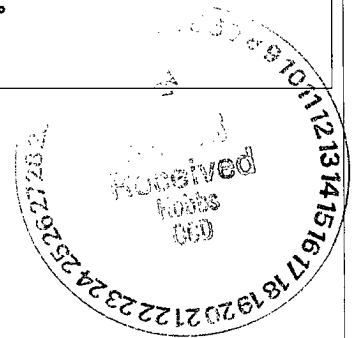


Job Number: York A.M. # 3
 Company: Chesapeake Energy
 Lease/Well: York A.M. # 3
 Location: (NM27E) Lea County
 Rig Name: Lea County
 RKB: 0.00 Ft
 Vertical Datum:

State/Country:
 Declination:
 Grid:
 Project name: Lea County
 Date/Time: 28-Jun-06 / 11:15
 Well Name: York A.M. #3- Plan # 2 - 06-27-06
 North Reference: True North
 Convergence: 0.6197°

WinsURV3D SURVEY CALCULATIONS
 Minimum Curvature Method
 Vertical Section Plane 48.90°
 Vertical Section Referenced to Wellhead
 Local Coordinates Referenced to Wellhead

Direction referenced to True North



Measured Depth Ft	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	LOCALS		Vertical Section Ft	Dogleg Severity Deg/100
N-S Ft				E-W Ft			
SHL							
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
KOP - Build @ 450MD ,1.00°/ 100 Ft							
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00
480.00	0.30	48.90	480.00	0.05	0.06	0.08	1.00
510.00	0.60	48.90	510.00	0.21	0.24	0.31	1.00
540.00	0.90	48.90	540.00	0.46	0.53	0.71	1.00
570.00	1.20	48.90	569.99	0.83	0.95	1.26	1.00
600.00	1.50	48.90	599.98	1.29	1.48	1.96	1.00
630.00	1.80	48.90	629.97	1.86	2.13	2.83	1.00
660.00	2.10	48.90	659.95	2.53	2.90	3.85	1.00
690.00	2.40	48.90	689.93	3.30	3.79	5.03	1.00
720.00	2.70	48.90	719.90	4.18	4.79	6.36	1.00
750.00	3.00	48.90	749.86	5.16	5.92	7.85	1.00
780.00	3.30	48.90	779.82	6.25	7.16	9.50	1.00
810.00	3.60	48.90	809.76	7.43	8.52	11.31	1.00
840.00	3.90	48.90	839.70	8.72	10.00	13.27	1.00
870.00	4.20	48.90	869.62	10.11	11.60	15.39	1.00
900.00	4.50	48.90	899.54	11.61	13.31	17.66	1.00
930.00	4.80	48.90	929.44	13.21	15.14	20.09	1.00
960.00	5.10	48.90	959.33	14.91	17.09	22.68	1.00
990.00	5.40	48.90	989.20	16.72	19.16	25.43	1.00
1020.00	5.70	48.90	1019.06	18.62	21.35	28.33	1.00
1050.00	6.00	48.90	1048.90	20.63	23.65	31.39	1.00
1080.00	6.30	48.90	1078.73	22.75	26.07	34.60	1.00
1110.00	6.60	48.90	1108.54	24.96	28.61	37.97	1.00
Begin Hold @ 6.70°, 48.90° Azm							
1120.01	6.70	48.90	1118.48	25.72	29.49	39.13	1.00
1220.01	6.70	48.90	1217.80	33.39	38.28	50.80	0.00
1320.01	6.70	48.90	1317.12	41.06	47.07	62.46	0.00

Measured Depth Ft	Incl Angle Deg	Drift Direction Deg	True Vertical Depth	LOCALS		Vertical Section Ft	Dogleg Severity Deg/100
				N-S Ft	E-W Ft		
1420.01	6.70	48.90	1416.43	48.73	55.86	74.13	0.00
1520.01	6.70	48.90	1515.75	56.40	64.66	85.80	0.00
1620.01	6.70	48.90	1615.07	64.07	73.45	97.47	0.00
1720.01	6.70	48.90	1714.38	71.74	82.24	109.13	0.00
1820.01	6.70	48.90	1813.70	79.41	91.03	120.80	0.00
1920.01	6.70	48.90	1913.02	87.08	99.82	132.47	0.00
2020.01	6.70	48.90	2012.34	94.75	108.62	144.14	0.00
2120.01	6.70	48.90	2111.65	102.42	117.41	155.80	0.00
2220.01	6.70	48.90	2210.97	110.09	126.20	167.47	0.00
2320.01	6.70	48.90	2310.29	117.76	134.99	179.14	0.00
2420.01	6.70	48.90	2409.60	125.43	143.78	190.80	0.00
2520.01	6.70	48.90	2508.92	133.10	152.58	202.47	0.00
2620.01	6.70	48.90	2608.24	140.77	161.37	214.14	0.00
2720.01	6.70	48.90	2707.56	148.44	170.16	225.81	0.00
2820.01	6.70	48.90	2806.87	156.11	178.95	237.47	0.00
2920.01	6.70	48.90	2906.19	163.78	187.74	249.14	0.00
3020.01	6.70	48.90	3005.51	171.45	196.54	260.81	0.00
3120.01	6.70	48.90	3104.82	179.12	205.33	272.47	0.00
3220.01	6.70	48.90	3204.14	186.79	214.12	284.14	0.00
3320.01	6.70	48.90	3303.46	194.46	222.91	295.81	0.00
3420.01	6.70	48.90	3402.77	202.13	231.70	307.48	0.00
3457.49	6.70	48.90	3440.00	205.00	235.00	311.85	0.00
3557.49	6.70	48.90	3539.32	212.67	243.79	323.52	0.00
3657.49	6.70	48.90	3638.63	220.34	252.58	335.18	0.00
3757.49	6.70	48.90	3737.95	228.01	261.38	346.85	0.00
3857.49	6.70	48.90	3837.27	235.68	270.17	358.52	0.00
3957.49	6.70	48.90	3936.59	243.35	278.96	370.19	0.00
4057.49	6.70	48.90	4035.90	251.02	287.75	381.85	0.00
4157.49	6.70	48.90	4135.22	258.69	296.54	393.52	0.00
4257.49	6.70	48.90	4234.54	266.36	305.34	405.19	0.00
4357.49	6.70	48.90	4333.85	274.03	314.13	416.85	0.00
4457.49	6.70	48.90	4433.17	281.70	322.92	428.52	0.00
PBHL @ 4500 Ft TVD							
4524.78	6.70	48.90	4500.00	286.86	328.84	436.37	0.00



Company Name: Chesapeake Energy
 Location: (NM27E) Lea County
 Well name: York A.M. # 3
 Rig Name: Lea County
 Report Date: Tuesday, June 27, 2006
 State/Province : New Mexico
 Job Number: York A.M. # 3



Critical Points for York A.M. #3- Plan # 2 - 06-27-06

MD Ft	INC Deg	Azm Deg	TVD Ft	NS Ft	EW Ft	VS Ft	DLS	Comments
0.00	0.00	0.00	0.00	0.00	0.00	0.00		SHL
450.00	0.00	0.00	450.00	0.00	0.00	0.00	0.00	KOP - Build @ 450MD 1.00°/ 100 Ft
1120.01	6.70	48.90	1118.48	25.72	29.49	39.13	1.00	Begin Hold @ 6.70°, 48.90° Azm
4524.78	6.70	48.90	4500.00	286.86	328.84	436.37	0.00	PBHL @ 4500 Ft TVD

MAGNETICS
 Decl Date: Wednesday, June 28, 2006
 Declination: 8.01°E → TN = MN + 8.01 : Magnetic to True
 Convergence: 0.62°E → GN = TN - 0.62 : True to Grid
 Total Correction: 7.39°E → GN = MN + 7.39 : Magnetic to Grid
 Latitude: 32° 28' 12.73" N
 Longitude: -103° 10' 44.9175" W
 Field Strength: 49352 nT
 Mag Dip Angle: 60.51°
 Bx, By, Bz (nT): Bx=29982, By=3375, Bz=43001

GEODETICS
 Grid System: NAD-27E
 Datum: NAD27
 Group: US-SPC27
 Units: USFEET
 Surface Location: X=850965.00, Y=536699.00
 Latitude: 32° 28' 12.73" N
 Longitude: -103° 10' 44.9175" W
 Convergence: 0.62°E
 Scale Factor: 1.0001



True North

SURFACE LOCATION

Datum Reference: ' , RKB: '

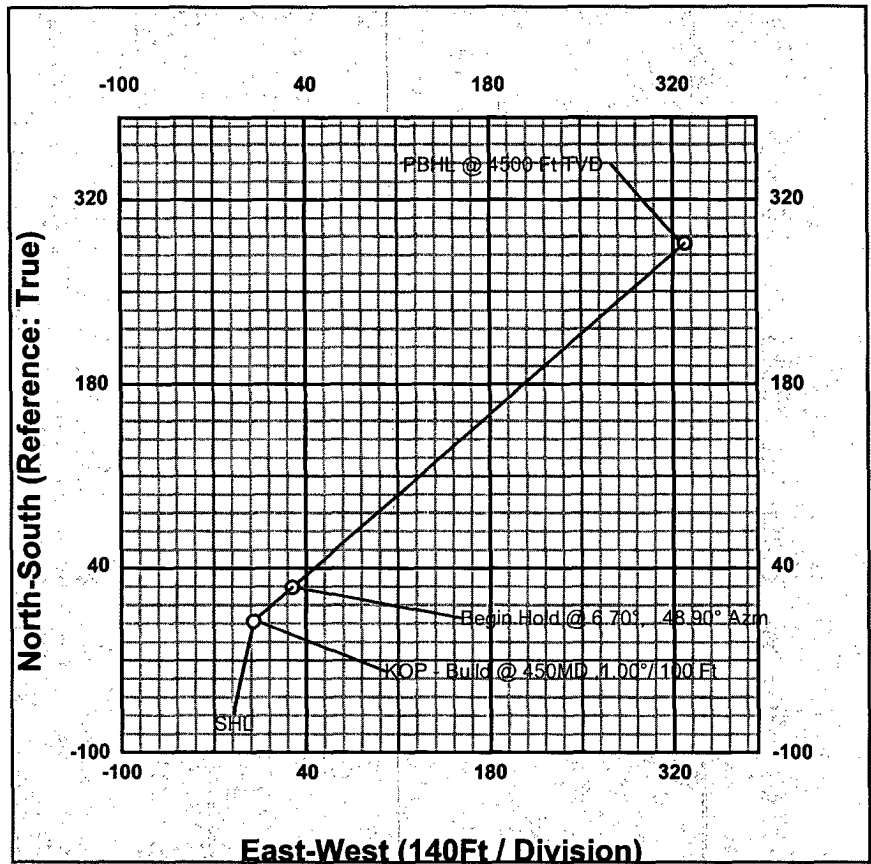
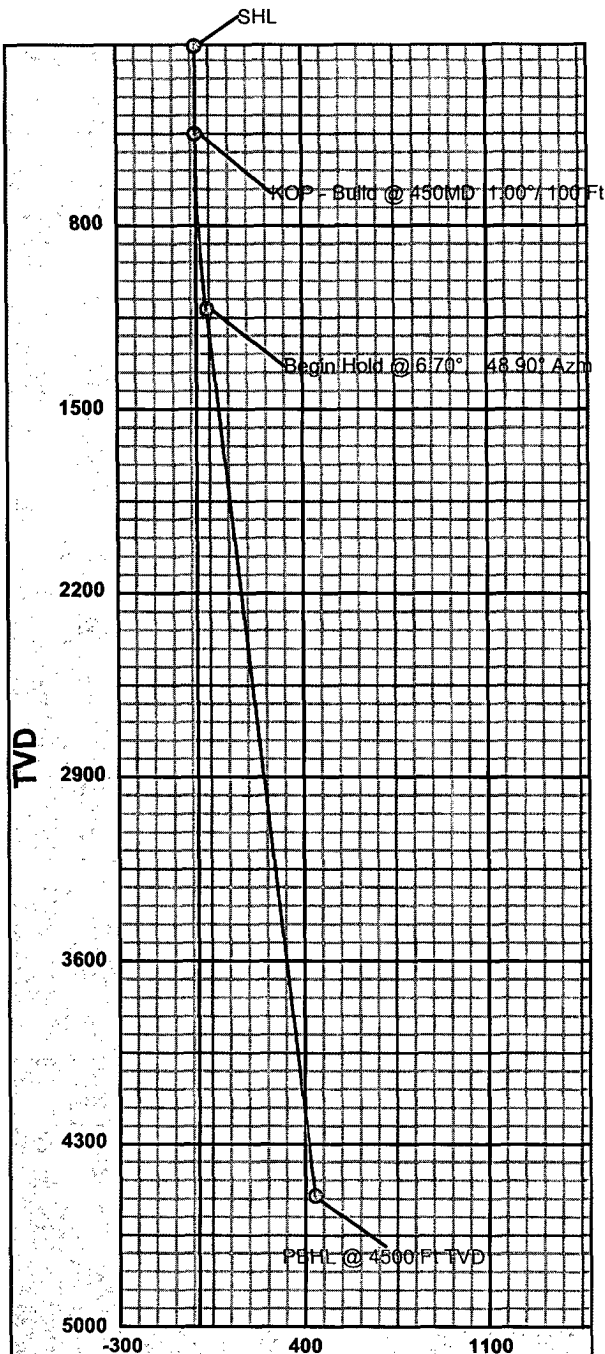
1150.00' FNL 1180.00' FEL

PBHL @ 4500' TVD

436.37' @ 48.90°

N:286.86' E:328.84'

863.14' FNL 851.16' FEL



Vertical Section @ 48.90° (700Ft / Division)