

**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

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

Form C-101  
Revised March 17, 1999

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**

<sup>1</sup> Operator Name and Address Chesapeake Operating, Inc. P. O. Box 18496 Oklahoma City, OK 73154-0496		<sup>2</sup> OGRID Number 147179
		<sup>3</sup> API Number 30-025-36369
<sup>4</sup> Property Code 32698	<sup>5</sup> Property Name Caud111 7	<sup>6</sup> Well No. 1

**<sup>7</sup> Surface Location**

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
I	7	16S	37E		1310	South	500	East	Lea

**<sup>8</sup> 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
<sup>9</sup> Proposed Pool 1 Northeast Lovington Upper Penn					<sup>10</sup> Proposed Pool 2				

<sup>11</sup> Work Type Code N	<sup>12</sup> Well Type Code G/O	<sup>13</sup> Cable/Rotary R	<sup>14</sup> Lease Type Code P	<sup>15</sup> Ground Level Elevation 3844
<sup>16</sup> Multiple N	<sup>17</sup> Proposed Depth 11,700'	<sup>18</sup> Formation Strawn	<sup>19</sup> Contractor Nabors #311	<sup>20</sup> Spud Date 07/15/03

**<sup>21</sup> Proposed Casing and Cement Program**

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	<sup>22</sup> Estimated TOC
17-1/2"	13-3/8"	48#	0-440'	±500	Surf
11"	8-5/8"	32#	0-4,900'	±1400	Surf
7-7/8"	5-1/2"	17#	0-11,700'	±1100	4,400'

**<sup>22</sup> 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 11,700' in the Strawn formations w/Nabors #311 as the drilling contractor.

BOP consists of 13-5/8" 10M# blind & pipe rams & 13-5/8" 5M# Annular (see schematic)

Permit Expires 1 Year From Approval  
Date Unless Drilling Underway

<sup>23</sup> I hereby certify that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>Barbara J. Bale</i>		<b>OIL CONSERVATION DIVISION</b>	
Printed name: Barbara J. Bale		Approved by: <i>[Signature]</i>	
Title: Regulatory Analyst		Title: PETROLEUM ENGINEER	
Date: 08/12/03		Approval Date: <b>AUG 15 2003</b> Expiration Date:	
Phone: (405) 848-8000		Conditions of Approval: Attached <input type="checkbox"/>	

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88241-1980

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised February 10, 1994  
Submit to Appropriate District Office  
State Lease - 4 Copies  
Fee Lease - 3 Copies

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88211-0719

OIL CONSERVATION DIVISION  
P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

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

DISTRICT IV  
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number <b>30-025-36369</b>	Pool Code <b>40760</b>	Pool Name <b>Northeast Lovington Upper Penn</b>
Property Code <b>32698</b>	Property Name <b>CAUDILL "7"</b>	Well Number <b>1</b>
OGRID No. <b>147179</b>	Operator Name <b>CHESAPEAKE OPERATING, INC.</b>	Elevation <b>3844'</b>

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
<b>1</b>	<b>7</b>	<b>16-S</b>	<b>37-E</b>		<b>1310'</b>	<b>SOUTH</b>	<b>500'</b>	<b>EAST</b>	<b>LEA</b>

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
Dedicated Acres <b>80</b>	Joint or Infill	Consolidation Code	Order No. <b>NSL-4912</b>						

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

LOT 1				
51.46 AC				
LOT 2				
			GEODETIC COORDINATE NAD 27 NME Y.= 704703.9 X.= 822572.9 LAT.= 33°55'58.49"N LONG.= 103°16'55.19"W	
51.36 AC				
LOT 3				
51.28 AC				
LOT 4				
51.18 AC				

**OPERATOR CERTIFICATION**

I hereby certify the information contained herein is true and complete to the best of my knowledge and belief.

*Barbara J. Bale*  
Signature  
Barbara J. Bale  
Printed Name  
Regulatory Analyst  
Title  
08/12/03  
Date

**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, 2003

Date Surveyed  
Signature & Seal of Professional Surveyor  
*Ronald J. Edson*  
03.11.0425  
Certificate No. RONALD J. EDSON 3239  
GARY EDSON 12641

10'

500'

1310'