

Submit To Appropriate District Office State Lease - 6 copies Fee Lease - 5 copies District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, 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-105 Revised June 10, 2003 WELL API NO. 30-025-37730 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/> State Oil & Gas Lease No. 3
WELL COMPLETION OR RECOMPLETION REPORT AND LOG		
1a. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/> b. Type of Completion: NEW <input checked="" type="checkbox"/> WORK <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. <input type="checkbox"/> WELL OVER BACK RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/>		7. Lease Name or Unit Agreement Name Keller 34 State
2. Name of Operator Chesapeake Operating Inc.		8. Well No. 3
3. Address of Operator P. O. Box 11050 Midland, TX 79702-8050		9. Pool name or Wildcat Bell Lake; Delaware, East 96322
4. Well Location Unit Letter E 1730 Feet From The North Line and 660 Feet From The West Line Section 34 Township 23S Range 34E NMPM Lea County		
10. Date Spudded 03/14/2006	11. Date T.D. Reached 03/28/2006	12. Date Compl. (Ready to Prod.) 08/18/2006
13. Elevations (DF& RKB, RT, GR, etc.) 3475 GR		14. Elev. Casinghead
15. Total Depth 8800	16. Plug Back T.D. 7285	17. If Multiple Compl. How Many Zones? 0 - 8800
18. Intervals Drilled By Rotary Tools		Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name 7203 - 8562 Delaware		20. Was Directional Survey Made Yes
21. Type Electric and Other Logs Run CBL/CCL/GR		22. Was Well Cored No
23. CASING RECORD (Report all strings set in well)		
CASING SIZE	WEIGHT LB./FT.	DEPTH SET
13 3/8	48#	559
8 5/8	32#	5050
5 1/2	17#	8800
24. LINER RECORD		25. TUBING RECORD
SIZE	TOP	SIZE
		2 7/8"
BOTTOM	SACKS CEMENT	DEPTH SET
		8561
		PACKER SET
26. Perforation record (interval, size, and number) 8442 - 8562 1 spf (48 holes); 8287 - 301 2 spf (29 holes); 7203 - 7227 2 jsfp (36 holes) #27 cont. 7203-7227, acidw/1500g 7/5%HCL+45BS.Frac w/2000 g 30# linear gel pre pad, 8000gal Medallion 3000 pad, 16450 g 30# linear gel w/35,320#16/30 wh sd.		27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL AMOUNT AND KIND MATERIAL USED 8442 - 562 1500 gals 7.5% NeFe+75BS 8287- 301 Fracw/2000g30#linear gel+8000g Med.3000pad, 14550g30#lineragel
28. PRODUCTION		
Date First Production 05/23/2006		Production Method (Flowing, gas lift, pumping - Size and type pump) 2 1/2" x 1.75" x 26' RHBM pump
		Well Status (Prod. or Shut-in) producing
Date of Test 08/31/2006	Hours Tested 24	Choke Size
		Prod'n For Test Period
		Oil - Bbl 125
		Gas - MCF 93
		Water - Bbl. 426
		Gas - Oil Ratio 744
Flow Tubing Press.	Casing Pressure	Calculated 24-Hour Rate
		Oil - Bbl. 125
		Gas - MCF 93
		Water - Bbl. 426
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold		Test Witnessed By
30. List Attachments C-104, C-102, Inclination Report NOTE: Logs were submitted previously and held for record.		
31. I hereby certify that the information shown on both sides of this form as true and complete to the best of my knowledge and belief		
Signature Brenda Coffman		Printed Name Brenda Coffman
E-mail Address bcoffman@chkenergy.com		Title Regulatory Analyst
		Date 09/14/2006

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico	Northwestern New Mexico
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OIL OR GAS SANDS OR ZONES

IMPORTANT WATER SANDS

No. 1, from.....to.....feet.....
 No. 2, from.....to.....feet.....
 No. 3, from.....to.....feet.....

Lithology	From	To	Thickness In Feet
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From	To	Thickness In Feet	Lithology
0	5000	5000	Permian Red Beds
5000	5065	65	Salt/Anhydrite
5065	8579	3514	Sand/Silt/Shale
8579	8800	221	Limeston