

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

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

Form C-103
Revised June 10, 2003

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.)		WELL API NO. 30-025-38530
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		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 2010 Rankin Hiway Midland, TX 79701		7. Lease Name or Unit Agreement Name Keller 11 State
4. Well Location Unit Letter <u>E</u> : 1980 feet from the <u>North</u> line and <u>330</u> feet from the <u>West</u> line Section <u>11</u> Township <u>23S</u> Range <u>34E</u> NMPM County <u>Lea</u>		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3368 GR		9. OGRID Number 147179
		10. Pool name or Wildcat Antelope Ridge; Bone Springs, North

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 COMPLETION ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐

CASING TEST AND 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.

Possible lost hole due to unexpected water flow below ground. Per Gary Wink with the OCD, should we have to, below is his recommendation for plugging this well.

Remove fish (drill pipe) down to at least 650' and spot a continuous cement plug (50:50 Poz:C "lead" cement, 12.0 ppg or heavier, with a yield of 2.4 cu. ft/sk. or less) from at least 650' to surface. The surface casing shoe is at 600'. We would place the drill pipe down to 650', circulate cement until returns are seen at surface (unknown, unpredictable amount due to extreme open hole washout below the 13 3/8" surface casing), and then pull DP and fill the csg. back up to ground level. We would then cut off, weld on cap and mark as per local (OCD) requirements.

**THE OIL CONSERVATION DIVISION MUST
BE NOTIFIED 24 HOURS PRIOR TO THE
BEGINNING OF PLUGGING OPERATIONS.**



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

SIGNATURE Brenda Coffman TITLE Sr. Regulatory Comp. Specialist DATE 12/15/2006

Type or print name Brenda Coffman

E-mail address: bcoffman@chkenergy.com

Telephone No. (432)687-2992

(This space for State use)

APPROVED BY Gary Wink

Conditions of approval, if any:

TITLE OC FIELD REPRESENTATIVE II/STAFF MANAGER

DATE DEC 19 2006