

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

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

WELL API NO.

30-025-37855

5. Indicate Type of Lease

STATE ☐ FEE ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Hugh

8. Well Number

017

9. OGRID Number

147179

10. Pool name or Wildcat
Eunice; San Andres, South

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 2010 Rankin Hiway
Midland, TX 79701

4. Well Location

Unit Letter D : 1129 feet from the N line and 782 feet from the W line

Section 14

Township 22S

Range 37E

NMPM

County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

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: Perf, Acid, Frac ☒

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.

8/20/06 MIRU Gray WL, ran CBL/GR/CCL. TOC @ 1742'. Perf. SA 4090 - 4100' 2 spf (21 holes) RD

8/22/06 MIRU Cudd, spot 200 gals acid across SA, pull up, rev. 5 bbls, set pkr @ 4004'. Acidize SA w/1000 gals 15% neFe acid + ball sealers. Swab.

8/24/06 MIRU Gray WJL, RIH w/CIBP set @ 4080' dump bail 2 sx cmt on plug. load csg, test to 2000# 15 mins - OK Perf. San Andres 3,873 - 4,030', 1 spf (73 holes)

8/25/06 MIRU Cudd, spot 200 gals acid across San Andres perfs, pull up, reverse 5 bbls, set pkr @ 3781'. Acidize SA w/5000 gals 15% NeFe acid + ball sealers. RD Cudd, Swab.

9/01/06 MIRU csg. saver and jBJ, frac SA w/78,650 gals 10# brine containing 1110# 20/40 Brown sand.

9/02/06 Swab

9/14/06 RIH w/7 jts. 2 7/8" J-55 tbq. set @ 4032'. PU 2 1/2" x 2" x 24' RHBC pump and RIH.

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

bcoffman@chkenergy.com

Type or print name Brenda Coffman

E-mail address:

Telephone No. (432)687-2992

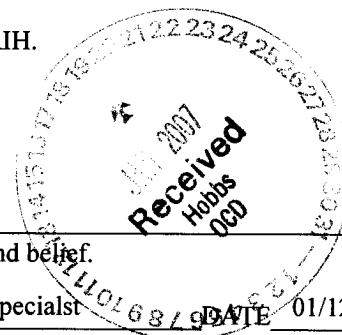
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APPROVED BY Harry W. Wink

Conditions of approval, if any

TITLE DISTRICT SUPERVISOR/GENERAL MANAGER DATE

SAN 3 1 2007



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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

<p>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.)</p>		<p>WELL API NO. 30-025-37855</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/></p>
<p>2. Name of Operator Chesapeake Operating, Inc.</p>		<p>6. State Oil & Gas Lease No.</p>
<p>3. Address of Operator 2010 Rankin Hiway Midland, TX 79701</p>		<p>7. Lease Name or Unit Agreement Name Hugh</p>
<p>4. Well Location Unit Letter <u>D</u> : <u>1129</u> feet from the <u>N</u> line and <u>782</u> feet from the <u>W</u> line Section <u>14</u> Township <u>22S</u> Range <u>37E</u> NMPM County <u>Lea</u></p>		<p>8. Well Number 017</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.)</p>		<p>9. OGRID Number 147179</p>
<p>10. Pool name or Wildcat Eunice; San Andres, South</p>		

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:

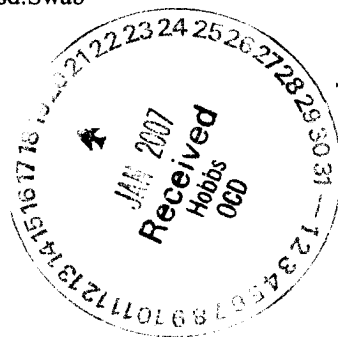
- REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ PLUG AND ABANDONMENT ☐
 CASING TEST AND CEMENT JOB ☐
 OTHER: Perf Grayburg, acid/frac ☒

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.

9/23/06 POOH w/ rods and pump. RIH w/CIBP set @ 3860' dump bail 1 sx cmt on plug.

9/30/06 MIRU Gray WL, perf Grayburg 3632 - 3829, 1 spf (75 holes) RD. Acidize w/5000 gals 15% NeFe w/ ball sealers. Swab

10/10/06 Frac GB w/84,210 gals 10# brine containing 1250# 20/40 br. sd.Swab



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 01/12/2007

Type or print name Brenda Coffman

E-mail address: bcoffman@chkenergy.com

Telephone No. (432)687-2992

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APPROVED BY Harry W. Wink TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE JAN 31 2007

Conditions of approval, if any: