

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

Form C-101

May 27, 2004

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

Submit to appropriate District Office

☐ AMENDED REPORT**APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE**

¹ Operator Name and Address Chesapeake Operating Inc. 2010 Rankin Hwy Midland, TX 79701		² GRID Number 147179
³ Property Code 46113 300114		³ API Number 30-025-32750
⁵ Property Name "SV" Sundown State		⁶ Well No 1
⁹ Proposed Pool 1 Echo; San Andres, East		¹⁰ Proposed Pool 2

Surface Location

UL or lot no M	Section 14	Township 10S	Range 37E	Lot Idn	Feet from the 477	North/South line South	Feet from the 191	East/West line West	County Lea
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Proposed Bottom Hole Location If Different From Surface

UL or lot no M	Section 14	Township 10S	Range 37E	Lot Idn	Feet from the 477	North/South line South	Feet from the 191	East/West line West	County Lea
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Additional Well Information

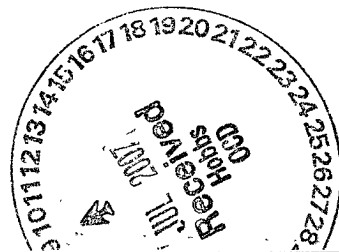
¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3941 GR
¹⁶ Multiple N	¹⁷ Proposed Depth 12100	¹⁸ Formation San Andres	¹⁹ Contractor	²⁰ Spud Date 07/06/2007
Depth to Groundwater 75		Distance from nearest fresh water well 1000		Distance from nearest surface water 1000
Pit Liner Synthetic <input checked="" type="checkbox"/> 12 milstuck Clay <input type="checkbox"/> Pit Volume 12129 bbls Drilling Method: Closed-Loop System <input type="checkbox"/> Fresh Water <input checked="" type="checkbox"/> Brine <input type="checkbox"/> Diesel/Oil-based <input type="checkbox"/> Gas/Air <input type="checkbox"/>				

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/4	13 3/8	54 1/2	350	325	circ
12 1/4	8 5/8	32	4300	1325	300
7 7/8	5 1/2	20	12100	500	9000

²² 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, respectfully, request permission to recomplete this well in the San Andres zone per the attached procedure.

Permit Expires 1 Year From Approval
Date Unless Drilling Underway
Plugback



²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief. I further certify that the drilling pit will be constructed according to NMOCD guidelines <input checked="" type="checkbox"/> , a general permit <input type="checkbox"/> , or an (attached) alternative OCD-approved plan <input type="checkbox"/> .		OIL CONSERVATION DIVISION	
Printed name. Shay Stricklin		Approved by. <i>Chris Williams</i>	
Title. Regulatory Tech.		Title. OC DISTRICT SUPERVISOR/GENERAL MANAGER	
E-mail Address sstricklin@chkenegy.com		Approval Date. JUL 1 6 2007	
Date 06/29/2007	Phone. (432)687-2992	Expiration Date.	
		Condition of Approval Attached <input type="checkbox"/>	

dm

**SV Sundown State 1
Sand Andres Re-Completion
Lea County, New Mexico**

Procedure

Hold Tailgate Safety meeting prior to beginning work each morning and as required for specific operations

1. Prep location. Check anchors and clean area for workover.
2. MIRU workover rig. Secure pumping unit and POOH w/ rods and pump.
3. ND Wellhead & NU BOP. POOH and LD tubing.
4. RIH and set CIBP at 9,400' and dump 35' cement on top.
5. RU wireline unit and perforate San Andres 4,998' – 5,012' with 23 gm charges spaced at 3 SPF (42 holes). Correlate to CN/LD/GR log run on 3/8/95. POOH w/ guns and verify all shots fired. RD wireline unit.

NOTE: See attached log section for correlation.

6. TIH w/ packer and work string to 4,950'. RU acid service and acidize San Andres perfs (4,998' – 5,012') with 5,000 gals of 15% NEFE acid and 47 BS (110%).
7. RU swab and swab back load or until early results are evaluated.
8. Release packer, POOH & LD packer and work string.
9. PU Production string and RIH setting SN at +/- 4,950'. ND BOP and NU Wellhead.
10. TIH w/ pump and rods. Fill tubing and space out pump accordingly. Verify pump action. Place well on test.

NOTE: Rod design to follow this procedure.

11. RD workover rig and clean location.

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-32750	Pool Code 97182	Pool Name Fcho; San Andres, East
Property Code 1613 300114	Property Name "SV" Sundown State	Well Number 1
OGRID No. 147179	Operator Name Chesapeake Operating Inc.	Elevation 3941 GR

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
M	14	10S	37E		477	South	191	West	Lea

¹¹ 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
M	14	10S	37E		477	South	191	West	Lea

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
40			

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.

<p>16</p>	<p>7 OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working mineral estate or holds an interest in the land on which the proposed bottom hole location is to be drilled, and that this well is being drilled pursuant to a contract with an owner of such a mineral or working interest or to a voluntary pooling agreement or a comparable pooling order heretofore entered by the division.</p> <p><i>Shay Stricklin</i> 07/16/2007 Signature Date</p> <p>Shay Stricklin Printed Name</p>
	<p>18 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.</p> <p>Date of Survey _____ Signature and Seal of Professional Surveyor _____</p> <p>Certificate Number _____</p>