

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. 30-025-37294		5. Indicate Type of Lease STATE ☒ FEE ☐	
		State Oil & Gas Lease No.			
WELL COMPLETION OR RECOMP LETION REPORT AND LOG					
1a Type of Well OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____				7 Lease Name or Unit Agreement Name Sims 13 State	
b Type of Completion. NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF WELL OVER BACK RESVR ☐ OTHER					
2 Name of Operator Chesapeake Operating, Inc.				8. Well No 1	
3 Address of Operator 2010 Rankin Hiway Midland, TX 79701				9. Pool name or Wildcat Osudo;Morrow, jWest (Gas)	
4. Well Location Unit Letter <u>L</u> <u>1980</u> Feet From The <u>South</u> Line and <u>1140</u> Feet From The <u>West</u> Line Section <u>13</u> Township <u>20S</u> Range <u>35E</u> NMPM <u>Lea</u> County					
10. Date Spudded 06/12/2006	11 Date T.D Reached 07/28/2006	12 Date Compl (Ready to Prod.) 08/30/2006	13. Elevations (DF& RKB, RT, GR, etc.) 3660	14. Elev. Casinghead	
15 Total Depth 13080	16. Plug Back T D. 13033	17. If Multiple Compl. How Many Zones? 2	18. Intervals Drilled By	Rotary Tools 0-13080	Cable Tools
19. Producing Interval(s), of this completion - Top, Bottom, Name 12788 - 12949				20. Was Directional Survey Made Yes	
21. Type Electric and Other Logs Run Gr/CBL/CCL				22. Was Well Cored No	
23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB/FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8	48	448	17 1/2	400 sx C	
9 5/8	40	4024	12 1/4	1400 sx C	
7	26	11200	8 3/4	1155 sx H	
4 1/2	15.1	13080	6 1/4	200 sx C Poz	
24. LINER RECORD			25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE
					2 3/8
			DEPTH SET 10057 12788		
			PACKER SET		
26 Perforation record (interval, size, and number) 12788 - 12949 2 spf (39 holes)			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.		
			DEPTH INTERVAL		
			AMOUNT AND KIND MATERIAL USED		
			12788 - 12949 Frac w/40# 70Q foam		
28 PRODUCTION					
Date First Production 08/31/2006		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing		Well Status (Producing, Shut-in) producing	
Date of Test 08/31/2006	Hours Tested 24	Choke Size 24/64	Prod'n For Test Period	Oil - Bbl 15	Gas - MCF 1100
				Water - Bbl 113	Gas - Oil Ratio 7333
Flow Tubing Press	Casing Pressure 505	Calculated 24-Hour Rate	Oil - Bbl 15	Gas - MCF 1100	Water - Bbl. 113
					Oil Gravity - API (Gross) 27.91
29 Disposition of Gas (Sold, used for fuel, vented, etc.) Sold					Test Witnessed By
30. List Attachments Logs, inclination report, C104, C102					
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		Title Sr. Regulatory Comp. Specialist	
E-mail Address bcoffman@chkenergy.com		Date 01/11/2007			

INSTRUCTIONS

This form is to be filed with the appropriate District Office of the Division not later than 20 days after the completion of any newly-drilled or deepened well. It shall be accompanied by one copy of all electrical and radio-activity logs run on the well and a summary of all special tests conducted, including drill stem tests. All depths reported shall be measured depths. In the case of directionally drilled wells, true vertical depths shall also be reported. For multiple completions, items 25 through 29 shall be reported for each zone. The form is to be filed in quintuplicate except on state land, where six copies are required. See Rule 1105.

INDICATE FORMATION TOPS IN CONFORMANCE WITH GEOGRAPHICAL SECTION OF STATE

Southeastern New Mexico			Northwestern New Mexico	
T. Anhy	T. Canyon		T. Ojo Alamo	T. Penn "B"
T. Salt	T. Strawn 11897		T. Kirtland-Fruitland	T. Penn. "C"
B. Salt	T. Atoka 12079		T. Pictured Cliffs	T. Penn. "D"
T. Yates 3758	T. Miss		T. Cliff House	T. Leadville
T. 7 Rivers	T. Devonian		T. Menefee	T. Madison
T. Queen 4710	T. Silurian		T. Point Lookout	T. Elbert
T. Grayburg	T. Montoya		T. Mancos	T. McCracken
T. San Andres	T. Simpson		T. Gallup	T. Ignacio Otzte
T. Glorieta	T. McKee		Base Greenhorn	T. Granite
T. Paddock	T. Ellenburger		T. Dakota	T.
T. Blinebry	T. Gr. Wash		T. Morrison	T.
T. Tubb	T. Delaware Sand		T. Todilto	T.
T. Drinkard	T. Bone Springs 7078		T. Entrada	T.
T. Abo	T. Morrow 12352		T. Wingate	T.
T. Wolfcamp 11084	T.		T. Chinle	T.
T. Penn 11539	T.		T. Permian	T.
T. Cisco (Bough C)	T.		T. Penn "A"	T.

OIL OR GAS SANDS OR ZONES

No. 1, from.....to..... No. 3, from.....to.....
 No. 2, from.....to..... No. 4, from.....to.....

IMPORTANT WATER SANDS

Include data on rate of water inflow and elevation to which water rose in hole.

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

LITHOLOGY RECORD (Attach additional sheet if necessary)

From	To	Thickness In Feet	Lithology	From	To	Thickness In Feet	Lithology
0	2064	2064	Redbeds				
2064	3758	1694	Salt & Anhy.				
3758	5801	2043	Sd/Sh/Anhy/lm				
5801	7078	1277	Sd				
7078	9211	2133	Lm				
9211	11084	1873	Sd/Lm/Dold				
11084	11539	455	Lm				
11539	11897	358	Sh				
11897	12079	182	Lm/Sh				
12079	12352	273	Sh				
12352	12578	226	Lm				
12578	12991	472	Sd/Sh				

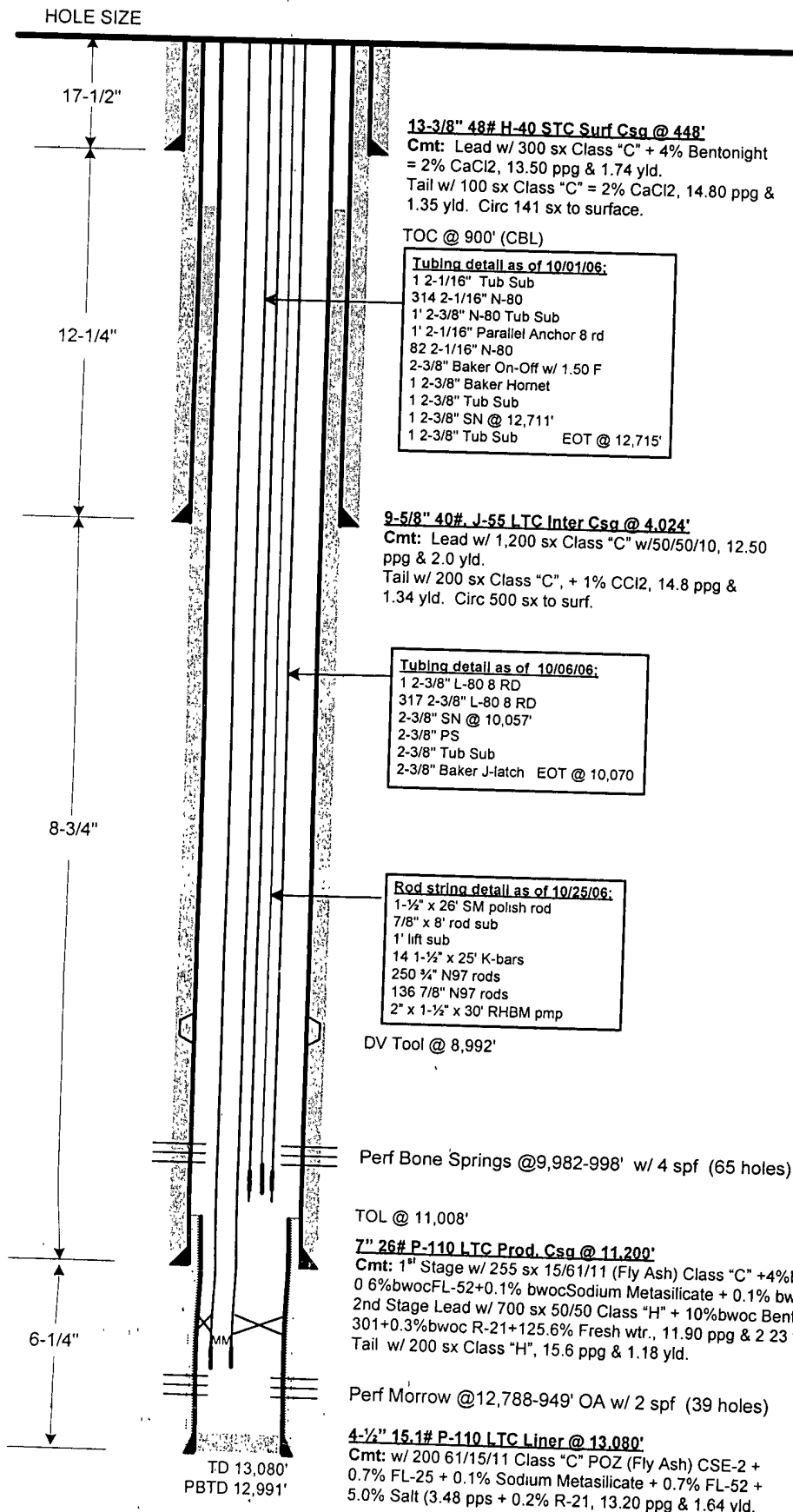
CURRENT WELLBORE SCHEMATIC

CHESAPEAKE OPERATING, INC



WELL : SIMS 13 STATE 1
 FIELD : OSUDO W. (MORROW) FIELD
 COUNTY : LEA STATE : NM
 LOCATION : 1,980' FSL & 1,140' FWL Sec 13, T20S, R35E
 ELEVATION : GL 3,660' KB 3,680'

API #: 30-025-37294
 SPUD DATE: 6/13/06
 RIG RELEASE: 8/05/06
 FIRST SALES: (Morrow) 8/31/06
 FIRST SALES: (Bone Sp) 9/17/06
 CHK #: 819652



Well History:

Completion

8/16/06: Pickle tbq w/ 500 gals 15% HCL, rev out, @ 1 BPM, dsplace hole w/ 440 bbls 7% KCL wtr w/ additives.
8/23/06: Perf Morrow @ 12,788-794, 849-853, 906 909, 924-926 & 947-949', w/ 2 spf & 39 shots. Acdz perms w/ 2500 gals 7-1/2% HCL w/ additives + 60 7/8" ball sealers to divert.
8/29/06: Frac Morrow w/ 40# 70Q foam in 7 stages, 25# - 2#, 18/40 Ultraprop 36,000# proppant, 154 tons CO₂ & 420 BW, ISDP 5715#, 5 min 5553#, 10 min 5510#, 15 min 5483#, avg rate 37 BPM, avg PSI 10,000#, 1.5 hrs SICP 5350#, flow 148 BW & 0 BO in 9.5 hrs on 20/64", FCP 680#, est rate 1,661 MCFPD, 75% CO₂.
8/31/06: First sales. Flow 24 hrs on 24/64", 15 BO, 113 BW, est 1,100 MCFPD, FCP 505#.
9/15/2006: Run GR/CBL/CCL TOC @ 900'. Perf Bone Springs @ 9982'-9998' w/ 4 jspf, 65 shots.
9/16/06: Acdz Bone Springs w/ 2,300 gals 15% NeFe HCL in 1 stage + 100 - 7/8" ball sealers to divert 5 BPM, 5 BPM, 5 BPM @ 5038#, 4650#, 5800#, ball off, surge off balls, finish flush. First Sales on 9/17/06.
9/23/06: Flow 24 hrs on 21/64", 88 BO, 25 BW, rate 1205 MCFPD, FTP 650#.
10/01/06: RIH w/ 2-1/16" tbq POOH w/ tbq & on-off took, found pieces of rubber in on-off tool.
10/04/06: RIH w/ 2-1/16" tbq & parallel anchor to 12,694'. Set plug in pkr and finished running tbq.
10/06/06: RIH w/ 2-3/8" tbq to 9,980'. ND BOP, latch into parallel anchor, land short side hanger.
10/10/06: Build wellhead on Morrow side. Swab Bone Springs side, swab 0 BO & 60 BW in 6.5 hrs. FI 7,500' & steady, last hr, 0 BO, 11 BW, SIW.
10/11/06: Flow Morrow 16 BW & 6 BO in 2.5 hrs dwn sales line & to tank battery, tbq loaded up w/wtr, open to test tank on wide open choke, FTP 50#, flow 36 BW & 0 BO in 6 hrs, swab Bone Springs 93 BW & 0 BO in 10 hrs, FL 7,500' and steady, last hr, 9 BW & 0 BO, SIW.
10/22/06: Set Darco/LS C640-365-168 pmp unit. Set stub pole & control panel, hook up elec.
10/25/06: RIH w/ pmp & rods place to flow line.
10/31/06: Morrow 24 hrs on 18/64", 13 BO 8 BW, 583 MCFG, TP 400#, CP 0#.
 Bone Springs 24 hrs, 22 BO, 138 BW, 315 MCFG, TP 280#, CP 70#.

PREPARED BY: Renee Thomas
 UPDATED BY:

DATE: 8/08/06 / 9/08/06
 DATE: JGF

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				WELL API NO. 30-025-37294	
				5. Indicate Type of Lease STATE ☒ FEE ☐	
				State Oil & Gas Lease No.	
WELL COMPLETION OR RECOMP LETION REPORT AND LOG					
1a Type of Well. OIL WELL ☐ GAS WELL ☒ DRY ☐ OTHER _____				7. Lease Name or Unit Agreement Name Sims 13 State	
b. Type of Completion. NEW ☒ WORK ☐ DEEPEN ☐ PLUG ☐ DIFF. WELL OVER BACK RESVR ☐ OTHER					
2 Name of Operator Chesapeake Operating, Inc.				8. Well No. 1	
3. Address of Operator 2010 Rankin Hiway Midland, TX 79701				9. Pool name or Wildcat Featherstone; Bone Spring, East	
4 Well Location Unit Letter <u>L</u> <u>1980</u> Feet From The <u>South</u> Line and <u>1140</u> Feet From The <u>West</u> Line Section <u>13</u> Township <u>20S</u> Range <u>35E</u> NMPM <u>Lease 3031-12345678</u> County _____					
10 Date Spudded 06/12/2006	11 Date T.D. Reached 07/28/2006	12 Date Compl. (Ready to Prod) 08/30/2006	13 Elevations (DF& RKB, B, GR, etc.) 3660	14 Elev. Casinghead	
15 Total Depth 13080	16 Plug Back T.D. 13033	17. If Multiple Compl. How Many Zones? 2	18. Intervals Drilled By	19. Producing Interval(s), of this completion - Top, Bottom, Name 9982 - 9998 Bone Spring	20. Directional Survey Made
21 Type Electric and Other Logs Run			22. Well Cored		
23. CASING RECORD (Report all strings set in well)					
CASING SIZE	WEIGHT LB / FT	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
13 3/8	48	448	17 1/2	400 sx C	
9 5/8	40	4024	12 1/4	1400 sx C	
7	26	11200	8 3/4	1155 sx H	
4 1/2	15.1	13080	6 1/4	200 sx C Poz	
24. LINER RECORD			25. TUBING RECORD		
SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE
					DEPTH SET
					10067- OK
26 Perforation record (interval, size, and number) 9982 - 9998 4 spf (65 holes)			27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.		
			DEPTH INTERVAL		
			AMOUNT AND KIND MATERIAL USED		
			9982 - 9998		
			Acidz w/2300 gals 15% NeFe HCL		
			+ 100 BS		
28 PRODUCTION					
Date First Production 09/17/2006		Production Method (Flowing, gas lift, pumping - Size and type pump) Flowing		Well Status (Prod. or Shut-in) producing	
Date of Test 12/11/2006	Hours Tested 24	Choke Size 18/64	Prod'n For Test Period	Oil - Bbl 178	Gas - MCF 408
				Water - Bbl 25	Gas - Oil Ratio 2292
Flow Tubing Press	Casing Pressure	Calculated 24-Hour Rate	Oil - Bbl 178	Gas - MCF 408	Water - Bbl 25
				Oil Gravity - API - (Corr.)	
29. Disposition of Gas (Sold, used for fuel, vented, etc.) Sold					Test Witnessed By
30. List Attachments C104, C102					
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 <u>Brenda Coffman</u>		Printed Name Brenda Coffman		Title Sr. Regulatory Comp. Specialist Date 01/11/2007	
E-mail Address bcoffman@chkenergy.com					