

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

Form C-103
May 27, 2004

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

| | |
|---|-----------------------------|
| WELL API NO. | 30-025-24955 ✓ |
| 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> | |
| 6. State Oil & Gas Lease No. | |
| 7. Lease Name or Unit Agreement Name State FQ Gas Com | ✓ |
| 8. Well Number | 1 ✓ |
| 9. OGRID Number | 147179 ✓ |
| 10. Pool name or Wildcat | Antelope Ridge; Atoka (Gas) |

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 Hwy
Midland, TX 79701

4. Well Location
Unit Letter N : 660 feet from the SOUTH line and 1980 feet from the WEST line
Section 26 Township 23S Range 34E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3441 GR

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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 COMPL ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ch Perfs ☐

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.

11/15/07. CIBP @ 13050 w/2 sx cmt on top. Perforate Atoka 12410-12448, 2spf, 68 holes, acidize Atoka w/ 2500 gals 15% HCL w/ 4 gpt iron control.

RECEIVED

JAN 24 2008

HOBBS CCD

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE

Shay Stricklin

TITLE Regulatory Tech.

DATE 01/23/2008

Type or print name Shay Stricklin
For State Use Only

E-mail address: sstricklin@chkenergy.com Telephone No. (432)687-2992

OC DISTRICT SUPERVISOR/GENERAL MANAGER

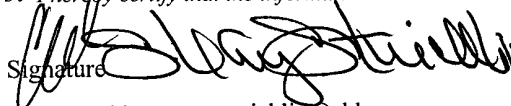
APPROVED BY:

Chris Williams

TITLE

DATE MAR 04 2008

Conditions of Approval (if any):

| | | | | | |
|---|--|---|--|---|--|
| 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 | | RECEIVED State of New Mexico Energy, Minerals and Natural Resources JAN 24 2008 Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505 | | Form C-105 Revised June 10, 2003 | |
| | | WELL API NO. 30-025-24955 | | | |
| | | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> | | | |
| | | State Oil & Gas Lease No. | | | |
| WELL COMPLETION OR RECOMPLETION REPORT AND LOG | | | | | |
| 1a. Type of Well: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ b. Type of Completion: NEW <input type="checkbox"/> WORK <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG <input type="checkbox"/> DIFF. WELL <input type="checkbox"/> OVER BACK RESVR <input type="checkbox"/> OTHER _____ | | | | 7. Lease Name or Unit Agreement Name STATE FQ GAS COM | |
| 2. Name of Operator Chesapeake Operating Inc. | | | | 8. Well No. 1 | |
| 3. Address of Operator 2010 Rankin Hwy Midland, TX 79701 | | | | 9. Pool name or Wildcat ANTELOPE RIDGE; ATOKA (GAS) | |
| 4. Well Location Unit Letter N 660 Feet From The NORTH-South Line and 1980 Feet From The WEST Line Section 26 Township 23S Range 34E NMPM LEA County _____ | | | | | |
| 10. Date Spudded 02/19/1975 | | 11. Date T.D. Reached 08/27/1975 | | 12. Date Compl (Ready to Prod) 09/30/2007 | |
| 13. Elevations (DF& RKB, RT, GR, etc) 3441 GR | | 14. Elev Casinghead | | | |
| 15. Total Depth 13910 | | 16. Plug Back T.D. 13850 | | 17. If Multiple Compl. How Many Zones? NO | |
| 18. Intervals Drilled By R | | Rotary Tools 0-13910 | | Cable Tools | |
| 19. Producing Interval(s), of this completion - Top, Bottom, Name ATOKA 12410-12448 | | | | | 20. Was Directional Survey Made NO |
| 21. Type Electric and Other Logs Run N/A | | | | | 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 | |
| 16 | | 65 | | 792 | |
| 20 | | 440 SX | | | |
| 10 3/4 | | 51 | | 5160 | |
| 14 3/4 | | 4500 SX | | | |
| 7 5/8 | | 33.7 | | 12085 | |
| 9 1/2 | | 2450 SX | | | |
| | | | | | |
| | | | | | |
| 24. LINER RECORD | | | | | |
| SIZE | | TOP | | BOTTOM | |
| SACKS CEMENT | | SCREEN | | | |
| 25. TUBING RECORD | | SIZE | | DEPTH SET | |
| PACKER SET | | 2 7/8 | | 11679 | |
| | | | | | |
| | | | | | |
| 26. Perforation record (interval, size, and number) 13380-13479 CIBP @ 13050 W/ 2 SX CMT ATOKA 12410-12448, 2 SPF, 68 HOLES | | | | | |
| 27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC. DEPTH INTERVAL 12410-12448 AMOUNT AND KIND MATERIAL USED 2500 gals 15% HCL w/4gpt iron control | | | | | |
| 28. PRODUCTION | | | | | |
| Date First Production 09/30/2007 | | Production Method (Flowing, gas lift, pumping - Size and type pump) FLOWING | | | Well Status (Prod. or Shut-in) PRODUCING |
| Date of Test 11/28/2007 | | Hours Tested 24 | | Choke Size 20/64 | |
| Flow Tubing Press. 400 | | Casing Pressure 300 | | Calculated 24-Hour Rate 2 | |
| Oil - Bbl 2 | | Gas - MCF 46 | | Water - Bbl. 0 | |
| Gas - Oil Ratio 23000 | | Oil Gravity - API - (Corr) 47.1 | | | |
| 29. Disposition of Gas (Sold, used for fuel, vented, etc) SOLD | | | | | Test Witnessed By |
| 30. List Attachments C-104, C-102, C-103 | | | | | |
| 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  | | Printed Name Shay Stricklin | | Title Regulatory Tech. | |
| E-mail Address sstricklin@chkenergy.com | | Date 01/23/2008 | | | |

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State of New Mexico
Energy, Minerals & Natural Resources

Form C-104
Revised Feb. 26, 2007

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

Submit to Appropriate District Office
5 Copies

☐ AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

| | | |
|--|--|---|
| ¹ Operator name and Address Chesapeake Operating Inc. 2010 Rankin Hwy Midland, TX 79701 | | ² OGRID Number 147179 |
| | | ³ Reason for Filing Code/ Effective Date RC 11/28/07 |
| ⁴ API Number 30 -025-24955 | ⁵ Pool Name ANTELOPE RIDGE; ATOKA (GAS) | ⁶ Pool Code 70360 |
| ⁷ Property Code 300018 | ⁸ Property Name STATE FQ GAS COM | ⁹ Well Number 1 |

II. ¹⁰ Surface Location

| | | | | | | | | | |
|---------------------------|----------------------|------------------------|---------------------|---------|-----------------------------|----------------------------------|------------------------------|-------------------------------|----------------------|
| UL or lot no. N | Section 26 | Township 23S | Range 34E | Lot Idn | Feet from the 660 | North/South Line NORTH | Feet from the 1980 | East/West line WEST | County LEA |
|---------------------------|----------------------|------------------------|---------------------|---------|-----------------------------|----------------------------------|------------------------------|-------------------------------|----------------------|

¹¹ Bottom Hole Location

| | | | | | | | | | |
|---------------------------|----------------------|------------------------|---------------------|---------|-----------------------------|----------------------------------|------------------------------|-------------------------------|----------------------|
| UL or lot no. N | Section 26 | Township 23S | Range 34E | Lot Idn | Feet from the 660 | North/South line SOUTH | Feet from the 1980 | East/West line WEST | County LEA |
|---------------------------|----------------------|------------------------|---------------------|---------|-----------------------------|----------------------------------|------------------------------|-------------------------------|----------------------|

| | | | | | |
|------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|-------------------------------------|
| ¹² Lse Code S | ¹³ Producing Method Code | ¹⁴ Gas Connection Date | ¹⁵ C-129 Permit Number | ¹⁶ C-129 Effective Date | ¹⁷ C-129 Expiration Date |
|------------------------------------|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------------|-------------------------------------|

III. Oil and Gas Transporters

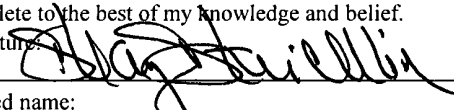
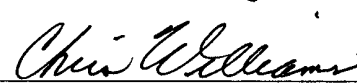
| | | |
|---------------------------------|--|---------------------|
| ¹⁸ Transporter OGRID | ¹⁹ Transporter Name and Address | ²⁰ O/G/W |
| 20809 | SID RICHARDSON ENERGY SERVICES LTD 201 MAIN STE 3000 FT WORTH, TX | GAS |
| 33927 | SEMCRUDE, LP ONE GREENWAY PLAZA STE 700 HOUSTON, TX | OIL |
| | | |
| | | |
| | | |
| | | |
| | | |

IV. Well Completion Data

| | | | | | |
|--|---|----------------------------------|------------------------------------|--|-----------------------|
| ²¹ Spud Date 02/19/1975 | ²² Ready Date 09/30/2007 | ²³ TD 13910 | ²⁴ PBSD 13850 | ²⁵ Perforations 12410-12448 | ²⁶ DHC, MC |
| ²⁷ Hole Size | ²⁸ Casing & Tubing Size | ²⁹ Depth Set | ³⁰ Sacks Cement | | |
| 20 | 16 | 792 | 440 SX | | |
| 14 3/4 | 10 3/4 | 5160 | 4500 SX | | |
| 9 1/2 | 7 5/8 | 12085 | 2450 SX | | |
| | 2 7/8 | 11679 | | | |

V. Well Test Data

| | | | | | |
|---|--|--|--|---|---|
| ³¹ Date New Oil 09/30/2007 | ³² Gas Delivery Date 09/30/2007 | ³³ Test Date 11/28/2007 | ³⁴ Test Length 24 | ³⁵ Tbg. Pressure 400 | ³⁶ Csg. Pressure 300 |
| ³⁷ Choke Size 20/64 | ³⁸ Oil 2 | ³⁹ Water 0 | ⁴⁰ Gas 46 | | ⁴¹ Test Method FLOWING |

| | | | |
|--|--------------------------------|---|--|
| ⁴² I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature:  | | OIL CONSERVATION DIVISION | |
| Printed name: Shay Stricklin | | Approved by:  | |
| Title: Regulatory Tech. | | Title: OC DISTRICT SUPERVISOR/GENERAL MANAGER | |
| E-mail Address: sstricklin@chkenergy.com | | Approval Date: MAR 04 2008 | |
| Date: 01/23/2008 | Phone: (432)687-2992 | | |