

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.	30-025-33806
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name	SV Chipshot
8. Well Number	2
9. OGRID Number	147179
10. Pool name or Wildcat	Lovington; Wolfcamp, North

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
P.O. Box 18496
Oklahoma City, OK 73154-0496

4. Well Location
Unit Letter M : ~~996~~ 966 feet from the South line and 481' feet from the West line
Section 11 Township 16S Range 36E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3887' G.L.

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type Steel 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: ☐

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.

Chesapeake Operating, Inc. plans to re-enter well bore.
Acidize existing perfs at 10,584'-608' and set submersible pump.
Please see attached procedure and well-bore diagram w/pump.

RECEIVED

MAY 27 2008

HOBBS OCD

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 Linda Weeks TITLE Reg. Compl. Sp. DATE 05/20/2008

Type or print name Linda Weeks E-mail address: linda.weeks@chk.com Telephone No. (405)879-6854

For State Use Only

APPROVED BY: Chris Williams OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE JUN 05 2008

Conditions of Approval (if any):



**SV Chipshot 2
Install ESP
Lea County, New Mexico**

Date: February 22, 2008

Location: 966' FSL & 481' FWL Sec. 11-T16S-R36E

Prod. Casing: 5 1/2", 17#, N-80, 0-11,980', ID-4.892", Drift-4.767", Burst-7,740#

Tubing/BHA: 2-7/8", N-80 tubing, Arrowset 1-X packer and jet pump assembly, packer set at 10,544' and the EOT at 10,647'

PBTD/TD: 10,685' / 11,980'

Existing Perfs: Wolfcamp 10,584' – 10,608'

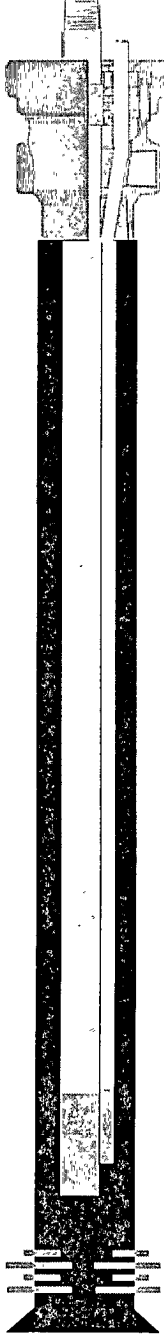










Procedure

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 and surface equipment. ND WH. NU BOP and test.
3. Unset Arrowset 1-X packer and TOH w/ 2-7/8" tubing, jet pump assembly and packer. Hydro-test tubing out of hole and to determine if any joints need replacement and replace as necessary.
4. MIRU acid service. TIH w/5-1/2" treating packer on 2-7/8" tubing to bottom perf (10,608') and spot 15% HCl acid across perforated interval (Wolfcamp 10,584' – 10,608'). PUH and set packer at 10,500'.
5. Acidize Wolfcamp perfs (10,584' – 10,608') with 2,500 gals 15% HCl acid, using rock salt for diversion. SI for ISIP, 5 min, 10 min and 15 min pressures. RDMO acid service.

6. Open well to flow back and blow down pressure as needed. Unset treating packer and TOH w/ packer and tubing, LD packer.
7. PU and RIH with ESP, motor and cable on 2-7/8" tubing. Land pump just above top perf (10,584'). *Note: ESP design will be provided once finalized.*
8. ND BOP. NU WH. RDMO workover rig. Clean location.
9. Turn on ESP and return well to production.

NOTE: The ESP will initially be run as a production test to determine productivity. Pending well performance, the ESP could be purchased from the service company.

Chesapeake Energy		Weatherford		
Lease: SV Chip Shot Well: #2				
VFD Operating Range 54 - 68 hz Hz		400 Series Bolt on Head		0 60
Penetrator Type Well Head, 5.5 x 2 875		400-450, 95 Stg, 50 Hsg, FP, SA, MS, Std, MFS		7.80
Power Cable 10550 ft #4 Solid AWG SL-450-EE-Flat		400-450, 191 Stg, 100 Hsg, FP, SA, MS, Std, MFS		14.80
		400-450, 191 Stg, 100 Hsg, FP, SA, MS, Std, MFS		14 80
		400 Rotary, CS, MS, MFS		2 60
		400 Series 66L, HL, MS, STD, MFS		5 90
		400 - 400 Seal Adapter, MFS		0.50
		400 Series 66L, HL, MS, STD, MFS		5 90
		400 - 400 Seal Adapter, MFS		0 50
				
Tubing 2 7/8" x 6 5 (lb/ft)				
Casing 5 1/2" x 17 (lb/ft)				
Pump Setting Depth 10450 ft				
MLE 456 Series, #6 AWG 70 ft				
Perforations WolfCamp 10,584 - 10,608 ft				