

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

Form C-103
June 19, 2008

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.)		WELL API NO. 30-025-36139
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Chesapeake Operating, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator P.O. Box 18496 Oklahoma City, OK 73154-0496		7. Lease Name or Unit Agreement Name Russell5 State
4. Well Location Unit Letter I : 1980' feet from the South line and 990' feet from the East line Section 5 Township 15S Range 35E NMPM County Lea		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4024' GR		9. OGRID Number 147179
		10. Pool name or Wildcat Morton; Mississippian (Gas)

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
DOWNHOLE COMMINGLE <input type="checkbox"/>			
OTHER: Squeeze Casing Leak <input checked="" type="checkbox"/>		OTHER: <input type="checkbox"/>	

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.

Dear Sirs/Madams:

Please find the procedure to re-enter this well and perform the following work.
In addition, please find NMOCD's form C-144 (CLEZ) Pit Permit.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Linda Good TITLE Sr. Regulatory Compliance Spec DATE 11/06/2008

Type or print name Linda Good E-mail address: linda.good@chk.com PHONE: (405)767-4275

For State Use Only

APPROVED BY: [Signature] TITLE PETROLEUM ENGINEER DATE NOV 12 2008
Conditions of Approval (if any):



**Russell 5 State #1
Squeeze Casing Leak
Lea County, New Mexico**

Location: Section 5, 15S-35E, 1980 FSL & 990 FEL

Production

Casing: 5 1/2" 17# L-80 0-13,800', ID=4.892", Drift=4.767", Burst=6,290#

PBTD/TD: 13,756'/13,800'

Current Perfs: Austin Lime 13,438' – 13,458'
13,468' – 13,478'

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. Rack and tally 300 joints of 2-7/8" N-80 Workstring.
3. MIRU workover rig. ND WH. NU BOP.
4. Set CBP @ 8,885'.
5. Perforate 4 squeeze holes @ 8,860'.
6. RIH w/ 5-1/2" cmt retainer @ 8,845'.
7. RIH w/ stinger on 2-7/8" WS. Sting into cmt retainer.
8. RU Service Company. Establish injection rate. Mix and pump cmt as per recommendation. Circulate to surface if possible.
9. POOH w/ stinger and 2-7/8" WS. RIH w/ drill bit and drill collars and drill out cement retainer and drill down to CBP.
10. Pressure test casing leak to 1,000#. Continue drilling out CBP and chase to bottom.
11. POOH w/ bit and 2-7/8" WS.
12. TIH with production tubing and packer. Set packer @ 13,328' (original location).
13. ND BOP. NU WH.
14. RDMO workover rig. Clean location.

Contacts

Workover Foreman

Lynard Barrera

Office: 575-391-1462

Cell: 575-631-4942

Production Foreman

Steve Serna

Office: 575-391-1462

Cell: 575-390-9053

Asset Manager

Kim Henderson

Office: 405-879-8583

Cell: 405-312-1840