

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 87001
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

RECEIVED

DEC 05 2008

HOBBSOCD

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

WELL API NO. 30-025-21147
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 Kemnitz SWD
8. Well Number 1
9. OGRID Number 147179
10. Pool name or Wildcat SWD; Wolfcamp

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 <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other SWD	
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 <u>E</u> : 1980' feet from the <u>North</u> line and <u>660'</u> feet from the <u>West</u> line Section <u>27</u> Township <u>16 S</u> Range <u>34 E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 4090' GR	

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 ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

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

OTHER: Squeeze Casing Leak



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.

Dear Sirs/Madams:

Please find the following procedure for this well.

In addition (if needed) please find NMOCD's 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. Reg Compl. Specialist DATE 12/03/2008

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

For State Use Only

APPROVED BY: Tammy D. Hill TITLE OC DISTRICT SUPERVISOR/GENERAL MANAGER DATE DEC 15 2008

Conditions of Approval (if any):

Condition of Approval: Notify OCD Hobbs
office 24 hours prior to running MIT Test & Chart.



Kemnitz #1
Squeeze Casing Leak
Lea County, New Mexico

Location: Section 27, 16S-34E, 1980 FNL & 660 FWL

Production

Casing: 5 1/2" 17# 0-10,850', ID=4.892", Drift=4.767"

PBTD/TD: 10,821'/10,850'

OIH: RBP @ 8,750'

Current Perfs: Wolfcamp 10,756' – 10,768'
 10,784' – 10,812'

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 358 joints of 2-3/8" J-55 Workstring.
3. MIRU workover rig. ND WH. NU BOP.
4. Dump sand into well bore from PBTD @ 10,821' to 10,736'. Then set a 10' cement plug on top of the sand. Let set for 24 hours or until cement has cured.
5. RIH w/ 4-1/2" flush joint and run from 10,726' to surface and cement in place.
6. RU drill bit and collars and drill out cement plug @ 10,736' and continue to clean out to 10,821'.
7. TIH w/ 2-3/8" plastic-coated tubing and set packer @ 10,676'.
8. ND BOP. NU WH.
9. RDMO workover rig. Clean location.