

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. | 30-025-31063 |
| 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 | BILLY 15 STATE |
| 8. Well number | 1 |
| 9. OGRID Number | 147179 |
| 10. Pool name or | Wildcat Lovington; Penn, Northeast |

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 E: 1,992' feet from the North line and 817' feet from the West line
Section 15 Township 16-S Range 37-E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3,792' GR

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 N/A

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

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.

4/29/09 Notify OCD - Mark Whitaker @ 9:37am. Move in P&A Equip.

4/30/09 R.U. Start out of hole w/ rods & tbg.

5/1/09 Pull rods & tbg. Set 5 1/2" CIBP @ 11,500'. Dump bail 35sx "H" cmt on BP @ 11,500'.

5/4/09 RIH w/ tbg to 11,465'. Circ. brine & mud. Pull tbg to 8,478'.

Spot 25sx cmt @ 8,478'-8,224'. Perf @ 5,465'. Set PKR @ 5,043'. Press. to 1500 psi & held. Run tbg to 5,516'. Spot 25sx cmt @ 5,516'-5,262'. Pull tbg to 4,034'.

Tag plug @ 5,258'. Perf @ 4,450'. Press. to 1500 psi & held. Spot 25sx cmt @ 4,507'-4,253'. Tag @ 4,281'. Perf @ 3,000'.

5/6/09 Sqz. 40sx cmt @ 3,000'-2,900'. (PKR @ 2,584')

5/7/09 Tag plug @ 2,792'. Perf @ 2,150'. Sqz. 40sx cmt @ 2,150'-2,050'. Tag @ 1,940'. Perf @ 491'. Sqz. 125sx cmt @ 491'-surf.

5/7/09 R.D. M.O.

Approved for plugging of well bore only.
Liability under bond is retained pending receipt
of C-103 (Subsequent Report of Well Plugging)
which may be found at OCD Web Page under
Forms, www.cmnrd.state.nm.us/oed.

FILE

RECEIVED

MAY 21 2009

HOBBSOCD

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 NMOC guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Randall Minear TITLE Sr. Supervisor DATE 5/14/2009

Type or print name Randall Minear

For State Use Only

APPROVED BY: Cary M. Hill TITLE DISTRICT 1 SUPERVISOR DATE MAY 22 2009

Conditions of Approval (if any)