

District I
1625 N French Dr, Hobbs, NM 88240

District II
1301 W Grand Avenue, Artesia, NM 88201

District III
1000 Rio Brazos Road, 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-101
June 16, 2008

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

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

¹ Operator Name and Address Chesapeake Operating, Inc P.O. Box 18496 Oklahoma City, OK 73154-0496		² OGRID Number 147179
		³ API Number 30 - 025-26707
⁴ Property Code 33718	⁵ Property Name Wainoco State	⁶ Well No 3
⁹ Proposed Pool 1 SWD, Queen (Quail Queen Unit)		¹⁰ Proposed Pool 2

7 Surface Location

UL or lot no A	Section 11	Township 19 South	Range 34 East	Lot Idn	Feet from the 990'	North/South line N	Feet from the 990'	East/West line E	County Lea
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8 Proposed Bottom Hole Location If Different From Surface

UL or lot no	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code I	¹³ Cable/Rotary	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3969'
¹⁶ Multiple N	¹⁷ Proposed Depth 6200'	¹⁸ Formation Queen	¹⁹ Contractor	²⁰ Spud Date ASAP

21 Proposed Casing and Cement Program

Current Well Bore

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
11"	8 5/8"	23#	1831'	700 sxs	0'
7 7/8"	4 1/2"	10.5#	6200'	787 sxs	2800'

²² Describe the proposed program If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone
Describe the blowout prevention program, if any Use additional sheets if necessary
Please find the procedure to convert this well to an injection well for the Quail Queen Unit
Included is a Convert to Injection Procedure, Current Well Bore Diagram, NMOCD's C-102 and C-144(CLEZ) Pit Permit

R Order 12952

**Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Plugback**

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief

Signature

Printed name Bryan Arrant

Title Senior Regulatory Compliance Specialist

E-mail Address bryan.arrant@chk.com

Date 6/2/2009

Phone (405) 935-3782

OIL CONSERVATION DIVISION

Approved by

Title

Approval Date

Expiration Date

JUN 23 2009

Conditions of Approval Attached ☐

District I
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State of New Mexico

Energy, Minerals & Natural Resources Department

RECEIVED
HOBBS
JUN 03 2009
CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-26707	² Pool Code 96117	³ Pool Name SWD; Queen (Quail Queen Unit)
⁴ Property Code	⁵ Property Name Wainoco State	⁶ Well Number 3
⁷ OGRID No. 147179	⁸ Operator Name Chesapeake Operating, Inc.	⁹ Elevation 3969'

¹⁰ Surface Location

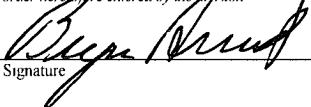
UL or lot no. A	Section 11	Township 19S	Range 34E	Lot Idn	Feet from the 990'	North/South line North	Feet from the 990'	East/West line East	County Lea
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¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
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¹² Dedicated Acres	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No. R-12952
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶				<div><div>990'</div><div>990'</div></div>	¹⁷ OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division</i> <div><div></div><div>6/01/2009</div><div>Signature</div><div>Date</div></div> <div><div>Bryan Arrant</div><div>Printed Name</div></div>	
						¹⁸ SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief</i>
						<div>Date of Survey</div> <div>Signature and Seal of Professional Surveyor</div> <div>Please Refer to Original Plat</div> <div>Certificate Number</div>



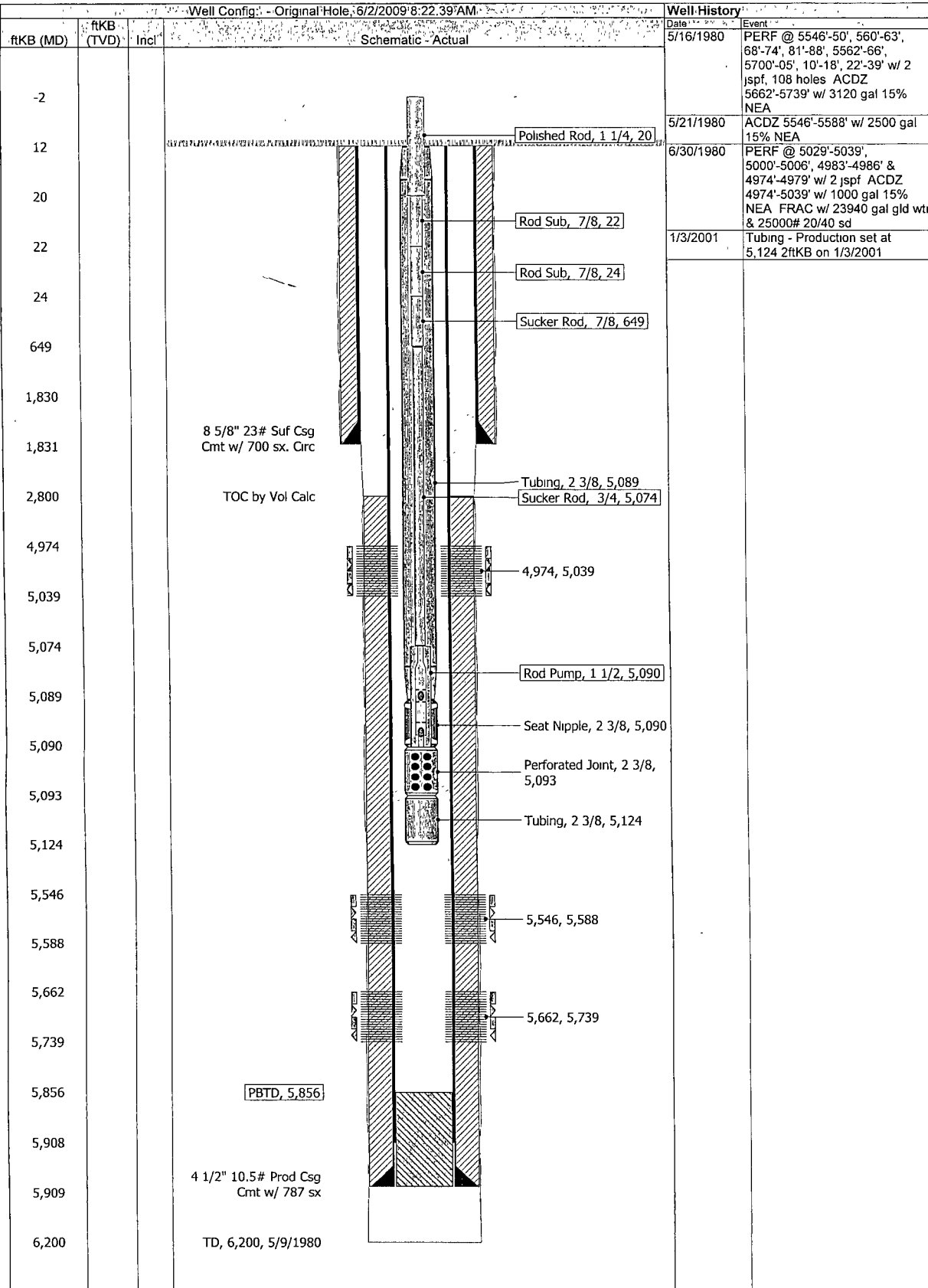
Current Wellbore Schematic with Survey Tracks

WAINOCO STATE 3

Field: QUAIL QUEEN
County: LEA
State: NEW MEXICO
Elevation: GL 3,969.00 KB 3,981.00
KB Height: 12.00

Location: SEC 11, 19S-34E, 990 FNL & 990 FEL

Spud Date: 4/20/1980
Initial Compl. Date:
API #: 3002526707
CHK Property #: 891069
1st Prod Date: 7/1/1980
PBTD: Original Hole - 5856.0
TD: 6,200.0





**Wainoco State 3
Convert to Injection
Lea County, New Mexico**

Date: November 13, 2007

Location: 990' FNL & 990' FEL Sec. 11-T19S-R34E

Production Casing: 4-1/2" 10.5# 0-5,909', ID-4.052", Drift-3.927", Burst-4,790#

PBTD/TD: 5,856' / 6,200'

Existing Perfs: Queen 4,974' – 5,036'
Queen 5,548' – 5,588'
Queen 5,662' – 5,739'

Procedure

1. MIRU workover rig. TOH w/7/8" and 3/4" rods and 1-1/2" pump and BHA. ND WH. NU BOP. TOH w/2-3/8" production tubing.
2. MIRU wireline unit. PU 4-1/2" CIBP, RIH and set at ~5,530'. Tag plug to verify. POH. PU bailer and RIH and bail 35' cmt on top of CIBP set at 5,530'. POH.
3. RIH and perforate Queen as follows:

Queen	5,057' – 5,060'	3'	2 SPF	6 holes
Queen	5,029' – 5,039'	10'	2 SPF	20 holes
Queen	5,014' – 5,018'	4'	2 SPF	8 holes
Queen	5,000' – 5,006'	6'	2 SPF	12 holes
Queen	4,983' – 4,986'	3'	2 SPF	6 holes
Queen	4,974' – 4,979'	5'	2 SPF	10 holes
		31'		62 holes

Correlate to CD/CN log from 5/10/80. RDMO Wireline unit.

4. PU 4-1/2" x 2-3/8" treating packer and 2-3/8" tubing and TIH to 5,060' and spot 15% HCl acid across Queen interval (4,974' – 5,060'). PUH and set packer at ~4,950'.
5. MIRU acid service and acidize Queen (4,974' – 5,060') with 3,000 gals of 15% HCl acid using rock salt as diversion. Shut down and record ISIP, 5 min, 10 min and 15 min pressures. RDMO acid service.
6. Flow back well to recover spent acid. Once well is dead, unset treating packer and TOH.
7. TIH w/4-1/2" x 2-3/8" injection packer and 2-3/8" TK-99 plastic coated tubing to ~4,930'. Circulate packer fluid and set packer. Test backside to 500 psi for 15 minutes.
8. ND BOP. NU WH. RDMO workover rig.
9. Once injection permit is received, begin injection.