

June 19, 2008

Office

District I

1625 N. French Dr., Hobbs, NM 88241

District II

1301 W. Grand Ave., Artesia, NM 88211

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM

87505

RECEIVED**OCT 19 2009****HOBBSOCD**

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-04879 ✓

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Pech State

8. Well Number 1 ✓

9. OGRID Number

147179 ✓

10. Pool name or Wildcat

Eunice; Seven Rivers-Queen, South ✓

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 L : 1650' feet from the South line and 990' feet from the West line
Section 32 Township 21S Range 36E NMPM County Lea

11. Elevation (Show whether DR, RKB, RT, GR, etc)
3631' 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 ☐

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.

Please find the following information in plans to plug and abandon this well:

Plug and abandonment procedure, actual and proposed well bore diagram and NMOCD's C-144 Pit Permit.

***NOTE CHANGES TO PROCEDURE**

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 Bryan Arrant TITLE Senior Regulatory Compl. Sp. DATE 10/16/2009Type or print name Bryan Arrant E-mail address: bryan.arrant@chk.com PHONE: (405)935-3782**For State Use Only**APPROVED BY: Mark Whitaker TITLE Compliance Officer DATE 10/29/2009

Conditions of Approval (if any):

Oil Conservation Division - Hobbs office: **Must be Notified**
24 hours prior to the beginning of Plugging Operations begin



**Pech State #1
Plug and Abandonment
Lea County, NM**

Current Wellbore Information

TD: 3,890' PBTD: 3,885'

Casing	OD	Weight	Grade	Depth Set	TOC
Surface	8-5/8"	32#	J-55	1,532'	Surface
Production	5-1/2"	15.5#	J-55	3,450'	1,891'
Liner	4-1/2"	9.5#	NA	3,890'	3,418'

Perfs	Top Perf	Bottom Perf	Status
Yates	3,300'	3,445'	Squeezed
Seven Rivers-Queen	3,790'	3,879'	Open

Formation Tops	Location
Top of Salt	1,800'
Bottom of Salt	3,110'
Top of Yates	3,255'

GL: 3,623' KB: 8' KB Height: 3,631'

Procedure

1. Notify the NM OCD 24 hours in advance prior to commencing plug and abandonment operations.
2. Hold Tailgate Safety meeting prior to beginning work each morning and as required for specific operations.
3. Rack and tally 130 joints of 2-3/8" N-80 workstring.
4. Prepare location. Test anchors.
5. MIRU PU. NDWH. POH w/ pump and rods. NU BOP. POH w/ tubing.
6. RIH to 3,750' and spot a ^{25 SX.}100' cement plug. PUH, wait on cement and tag plug.
7. Load well with plugging mud and pressure up to 500# and test for leak-off.
8. RIH to 3,160' and spot a ^{25 SX}100' cement plug. Pull up hole, wait 4 hours and tag plug. (Base of salt @ 3,110')
9. Perforate casing w/ 4 squeeze holes @ ^{1750'}1,850' and spot a 100' cement plug inside and out. Wait on cement and tag plug. (Top of salt @ 1,800'). MIN 25 SX
10. Perforate casing w/ 4 squeeze holes @ 1,582' and squeeze a 100' cement plug inside and out. Wait on cement and tag plug. (8-5/8" Casing shoe @ 1,532') MIN 25 SX
11. Perforate casing w/ 4 squeeze holes @ 68' and squeeze a cement plug to surface inside and out. POH w/ tubing. Top off casing.
12. RDMO. Install dry hole marker and cut off dead man. Restore location.

Perf @ 400'. SQZ w/25 SX. WOL + TAG

Contacts

Production Foreman
Greg Skiles
Office: 575-391-1462
Cell: 575-631-1663

Asset Manager
Kim Henderson
Office: 405-935-8583
Cell: 405-312-1840



Proposal - Workover

PECH STATE 1

Field: EUNICE SOUTH (7 RIVERS-QUEEN)
County: LEA
State: NEW MEXICO
Location: SEC 32, 21S-36E, 1650 FSL & 990 FWL
Elevation: GL 3,623.00 KB 3,631.00
KB Height: 8.00

Spud Date: 8/15/1955
Initial Compl. Date:
API #: 3002504879
CHK Property #: 891037
1st Prod Date: 1/31/1970
PBDT: Original Hole - 3885.0
TD: 3,890.0

