

June 19, 2008

Office

Energy, Minerals and Natural Resources

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 87401

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED

NOV 24 2009

HOBBSUCD

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-23031

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

State ~~C~~ Drail Queen Unit

8. Well Number

18

9. OGRID Number

147179

10. Pool name or Wildcat

SWD; Queen

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 Injection Well

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 K : 2080' feet from the South line and 1980' feet from the West line
Section 11 Township 19 S Range 34 E NMPM County Lea11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3976' 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: ☐OTHER: Convert to Injection R -Order 12952 ☒

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 work in the converting this well to injection from 6/11/2009 through 6/16/2009 Per R-Order 12952.

MIRU pulling unit & surface equipment. NDWH & NUBOP.

RU wireline & PU 3 1/8" perf guns. TIH & perforate Queen @ 5028' - 34', 5041' - 60', 5064' - 70', 5082' - 86', 5092' - 94', 5101' - 05', 5114' - 20' 2/JSPP in 2 runs 94 total shots. RD wireline. PU pkr & TIH w/tbg to 4968', set pkr. Load & test csg to 500#.

RU service company & acidize Queen perfs (5028' - 5120') w/5000 gal 15% NE/FE HCL in 4 stages + 1600# G.R.S. to divert. ISDP 2020# (5) 1577# (10) 1275# (15) 1113#. 30 MIN. SITP 0#. Avg rate 5.5 BPM & avg pressure 3864#. Rel pkr. TOH laying down tbg. 176 total load.

Receive & tally 150 jts 2 3/8" P.C.I.D. tbg. PU 5 1/2" nickel plated arrow set pkr w/1.81 "F" profile nipple & on/off tool. TIH picking up 2 3/8" P.C.I.D. tbg to 4969'. Set pkr & release on/off tool. Displace hole w/115 bbls 2% KCL pkr fluid. Latch onto pkr. NDBOP & NUWH. Test csg to 500# for 30 min (OK).

RU & run MIT to 480# & lost 10# in 35 min.

Clean location, RDMO. MIT chart is attached.

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 06/17/2009

Type 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 11-25-09

Conditions of Approval (if any):

