

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
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

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

Form C-101
June 16, 2008

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		² OGRID Number 147179
		³ API Number 30 - 025-39053
³ Property Code 37274	³ Property Name Cattleman 4 State	⁶ Well No. 3
⁹ Proposed Pool 1 Osado; Wolfcamp		¹⁰ Proposed Pool 2

⁷ Surface Location

UL or lot no. Lot 3	Section 4	Township 21S	Range 35E	Lot Idn	Feet from the 660'	North/South North	Feet from the 1720'	East/West line West	County Lea
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⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no. Lot 3	Section 4	Township 21S	Range 35E	Lot Idn	Feet from the 481'	North/South North	Feet from the 1700'	East/West line West	County Lea
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Additional Well Information

¹¹ Work Type Code P	¹² Well Type Code O	¹³ Cable/Rotary R	¹⁴ Lease Type Code S	¹⁵ Ground Level Elevation 3630'
¹⁶ Multiple No	¹⁷ Proposed Depth PBD 10,525'	¹⁸ Formation Wolfcamp	¹⁹ Contractor TBD	²⁰ Spud Date ASAP

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17 1/2"	13 3/8"	48#	425'	445 sxs	0'
12 1/4"	9 5/8"	40#	5338'	1755 sxs	0'
8 3/4"	7"	26#	10,100'	1250 sxs	0'
6 1/4"	4 1/2"	15.10#	11,565'	200 sxs	9500'

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.

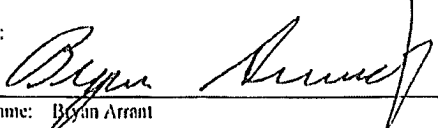
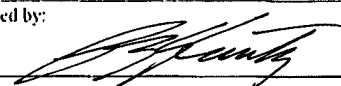
Chesapeake Operating, Inc. respectfully request approval to re-complete this well to the Wolfcamp.
Please find the recompletion procedure, NMOCD's C-102 land plat & C-144(CLEZ) pit permit.

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Plugback

RECEIVED

DEC 16 2009

HOBBSCO

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: 		Approved by: 	
Printed name: Bryan Arrant		Title: PETROLEUM ENGINEER	
Title: Senior Regulatory Compliance Specialist		Approval Date: DEC 17 2009	Expiration Date:
E-mail Address: bryan.arrant@chk.com			
Date: 12/09/2009	Phone: (405) 935-3782	Conditions of Approval Attached <input type="checkbox"/>	

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State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 15, 2009
Submit one copy to appropriate
District Office

☒ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-39053		² Pool Code 48140	³ Pool Name Osudo; Wolfcamp
⁴ Property Code 37274	⁵ Property Name Cattleman 4 State		⁶ Well Number 3
⁷ OGRID No. 147179	⁸ Operator Name Chesapeake Operating, Inc.		⁹ Elevation 3630' GR

¹⁰ Surface Location

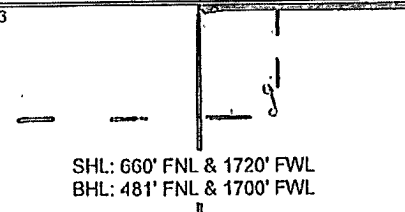

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
3	4	21S	35E		660'	North	1720'	West	Lea

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
3	4	21S	35E		481'	North	1700'	West	Lea

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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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  <p>SHL: 660' FNL & 1720' FWL BHL: 481' FNL & 1700' FWL</p>	¹⁷ OPERATOR CERTIFICATION 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.  Signature Date 12/09/2009 Bryan Arrant Printed Name		
	¹⁸ SURVEYOR CERTIFICATION 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. Date of Survey Signature and Seal of Professional Surveyor.		
	Please refer to Original Plat		
	Certificate Number		

**Cattleman 4 State 3
Lea County, New Mexico
Wolfcamp Recompletion Procedure**

Date: December 8, 2009

Location: 660' FNL & 1720' FWL Sec. 4-T21S-R35E

Casing: 4 1/2" 15.1# P-110 0-11,556' ID - 3.826", Drift - 3.701", Burst - 14,420 psi

PBTD/TD: 11,462'/11,556'

Current Perfs: Strawn 10,557-66', 10,572-88'
Morrow 11,260-70', 11,280-90' (below CIBP)

Proposed Perfs: Wolfcamp 10,143-260'

Recommended Procedure:

1. MIRU PU. ND WH/NU BOP.
2. PH w/ rods, pump and tubing.
3. RU wireline co. RIH w/ gauge ring and junk basket to 10,550'. Set CIBP @ 10,525'. Dump bail 35' of cement on top of CIBP. Pressure test casing to 2,000 psi.
4. Perforate Wolfcamp 2 spf:
 - 10,143-45' (2')
 - 10,152-58' (6')
 - 10,163-73' (10')
 - 10,187-90' (3')
 - 10,204-13' (9')
 - 10,227-31' (4')
 - 10,255-60' (5') (39' total, 78 holes)
5. RIH w/ packer and on/off tool on 2 3/8" tubing to 10,275'. Spot acid across perfs, and pull packer up to 10,050' and set.
6. Acidize Wolfcamp w/ 4,000 gal 15% NEFE acid dropping 115 perf balls evenly throughout job. Displace acid to perfs. SI 1 hour. Swab well back and test.
7. If necessary, re-acidize Wolfcamp with 10,000 gal Ultragel job. Swab back Ultragel and test.
8. If well dies, POH w/ packer. RIH w/ 2 3/8" tubing w/ standard BHA. ND BOP/NU WH. RIH w/ pump and rods.
9. Rig down.