District 1 - (505) 393-6161 1625 N. French Dr, Hobbs, NM 88240 District II - (505) 748-1283 1361 W. Granc Avenue, Artesia, NM 88210 District III - (505) 334-6178 1000 Rio Brazos Road, Aztec, NM 87410 District IV - (505) 476-3440 1220 S. St. Francis Dr., Santa Fe, NM 87505	New M Minerals and Natur Oil Conservat 1220 South St Santa Fe, New (505) 47 <u>APPLICAT</u> WELL WORKOV	ral Resources Dep tion Division t. Francis Dr. Mexico 87505 6-3440	a .ent	Form C-140 Revised 06/99 SUBMIT ORIGINAL PLUS 2 COPIES TO APPROPRIATE DISTRICT OFFICE
I. Operator and Well		( '		
Operator name & address			OGRID Nu	mber
CHESAPEAKE OPERATING INC			147179	
Contact Party			Phone	
GREG	SMALL	Alol Mumber	A DL Number	(405) 848-8000 EXT. 372
Property Name RUNNELS 1-8		Well Number 812182	API Numbe	30 025 34264
ULSectionTownshipRangeFeet From TN816S36E780	he North/South Line SOUTH	Feet From The Ea 1510	st/West Line WEST	County LEA
II. Workover Date Workover Commenced: 06/14/01 Date Workover Completed: 06/27/01	Pool(s) (Prior to Workover	): NE SHOE BAR - STR	AWN	
County of	table showing at least the workover reflectin ss. st duly sworn, upon o	t twelve months of p og a positive product	roduction prid tion increase.	
Well. 3. To the best of my knowled for this Well are complete	ge, this application ar			easonably available for this roduction curve and/or table
Signature	Title	TAX MANAGER	۲	Date//0/02/
SUBSCRIBED AND SWORN TO before m My Commission expires:	e this <u>10</u> day of <u>Mu</u> Not <del>ar</del> y	June, 2 <u>ver J. Od</u> Public	002. Van 1002. 100	21×25272825303
	V·		0	11/p 3 (5)
FOR OIL CONSERVATION DIVISION USE ONL VI. CERTIFICATION OF APPROVAL: This Application is hereby approved Division hereby verifies the data sho of the Taxation and Revenue Depart	and the above-referent ws a positive production	ion increase. By co	py hereof, the	or rover Project and the Division hereines the Secretary
Signature District Superviso	OCD Dist	rict	Date	
an ghady		1	6/	18/02

VII. DATE OF NOTIFICATION TO THE SECRETARY OF THE TAXATION AND REVENUE DEPARTMENT:

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## CHESAPEAKE OPERATING, INC.

P. O. Box 18496 OKLAHOMA CITY, OKLAHOMA 73154-0496 405/848-8000 405/879-9573 FAX

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## Operated Daily Activity Report Well-RUNNELS 1-8;

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RUNNELS 1-8 Well #: 812182		AFE: 712182 Footage Cost		8-16S-36E Permian LEA, NM WI: 90.750000 NRI: 73.734375
Date Da	ay	Depth		Present Operation
01/22/01		0' 0'		POOH w/ rods & pump RU to pull tbg, ND wellhead, NU BOP, POOH w/ 22 jts 2 7/8" tbg, swab tbg to fish, POOH w/ 220 tjs tbg, unseat pump, POOH w/ rods and pump, turn to tanks, SDON.
06/13/01		0' 0'		Replace clutch plates on unit RUPU, attempt to unseat pump, rods parted, TOOH w/ 156 - 7/8" rods to fish 7/8" pin, pulled out of worn box, TIH w/ overshot, unable to catch fish, TOOH, ND wellhead, release TAC, NU BOP, pull 3 jts 2 7/8" tbg, 90,000#, clutch went out on pulling unit, replace clutch plates on unit.
00144/04				Replace parted Rods / Acidize
06/14/01		0' 0'	\$5,330 \$10,050	TOOH LD tbg, tAC, SN, perf sub & mud jt, total 346 jts TOOH w/ 140 jts 2 7/8" tbg to rod fish, TOOH w/ rods and pump, approximately 51 bad 7/8" boxes, TOOH LD 2 7/8" tbg, TAC, 4 jts tbg, SN, perforated sub and mud jt, total 346 jts 2 7/8" tbg.
06/15/01		0' 0'		TOOH w/ 287 jts 2 7/8" tbg PU, TIH w/ Halliburton collar locator, pkr SN and 367 jts 2 7/8" tbg, stack out tbg @ 11,448', top perforation @ 11,458', unable to work tbg down, pull up to 11,391', set pkr, pump 900 GALS 15% HCL acid down tbg, caught pressure @ 37 BBLS, pressure went to 4200# @ 2 BPM, broke back to 200# @ 5 BPM, pump 100 GALS Xylene and displaced to perfs on vaccum, TIH to 11,450', tbg stack out, TOOH w/ 287 jts 2 7/8" tbg.
06/16/01		0' 0'	\$3,925 \$23,860	TIH w/ Halliburton collar locator, pkr, 60 jts 2 7/8" tbg TIH w/ 4 7/8" bit, sub, x-over, 2 jts 2 7/8" tbg, csg scraper and 370 jts 2 7/8" to 11,606', unable to feel anything, PU, run scraper through perfs 3 times, TOOH w/ tbg, bit, TIH w/ Halliburton collar locator, pkr, 60 jts 2 7/8" tbg.
06/17/01		0' 0'	\$2,680 \$26,540	Left pkr hanging @ 11,442' prepare f/ acid job Bled off in 20 min, TIH w/ 309 jts 2 7/8", pull 3 jts, left pkr hanging @ 11, 422', prepare for acid job.
06/18/01		0'		SD 24 hrs, no activity
00140104		0'	\$26,540	Z 104
06/19/01		0'		LD 180 jts of 2 7/8" tbg Bled off in 40 mins, TIH, found 5 1/2" collar @,11,524', bull up to 11,454', set pkr, drop STD V, pump 62 BBLS 2% KCL, unable to load, release pkr, bull up to 11,422', load w/ 45 BBLS 2% pressure to 850#, SD bled to pkr, load w/ 21 BBLS pressure to 1000#, SD, bled to 0#, open bypass, on form on pkr, pressure to 1000#, bled to 800# in 1 min, put 35,000# comp on pkr, pressure to 1000#, bled to 800# in 1 min, put 35,000# comp on pkr, pressure to 1000#, bled to 900# 2 min, level out @ 600#, release pkr, TIH to 1 ± 156" 11,458', dro fluid control valve, load w/ 48 BBLS 2% KCL pressure to 3000#, pump through start acid displace to btm of perfs, pressure to 3000#, broke back to 1750#, treated all perfs in 9 settings, max PSI 3770#, max rate 2.3 BPM, ISIP 0# PSI, FCIP vacuum, release pkr, fish fluid contro valve, TOOH, LD 180 jts of 2 7/8" tbg.
06/20/01		0' 0'		Run 247 jts 2 7/8' tbg, tag sand TOOH, LD 189 jts 2 7/8", WO string, pipe pkr, PU, TIH w/ mud jt, perforate sut SN, 3 jts 2 7/8" tbg, tag sand.
06/21/01		0' 0'		TIH w/ rods stacked out in same place TIH w/ 95 jts 2 7/8" tbg, ND BOP, set anchor w/ 15,000#, NU wellhead, TIH w/ 2 1/2" x 1 1/4" x 24' pump, 7 K-bars, 285 3/4" and 152 7/8" rods, stacked out @ 11,124', TOOH w/ 152 7/8" and 225 3/4" rods, found two rod guides jammed on top of each other, could have caused stack out, TIH w/ rods stacked out in same place.

06/06/02 THE INFORMATION IN THIS REPORT IS PROPRIETARY, CONFIDENTIAL AND NOT FOR PUBLIC DISSEMINATION. THIS INFORMATION MAY NOT BE SHARED WITH UNAUTHORIZED PERSONS WITHOUT THE WRITTEN CONSENT OF CHESAPEAKE.

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## CHESAPEAKE OPERATING, INC.

P. O. Box 18496 OKLAHOMA CITY, OKLAHOMA 73154-0496 405/848-8000 405/879-9573 FAX

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MASHING

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## Operated Daily Activity Report Well-RUNNELS 1-8;

Status:	PRODUC	ING			JNNELS 1	-0,	
RUNNEL Well #:	<b>.S 1-8</b> 812182	AFE: 5 Footage		8-16S-36E LEA, NM t WI: 90.750000		70 70 /07-	Permian
Date	Day	Depth	Cum Cos	t Present Operation	NRI:	73.734375	
06/22/01		0' 0'	\$3,270 \$52,109		nd pump its tbg, S tbg, TIH	w/ swab on s	ND wellhead, NU BOP, TOOH w/ 342 jt nud jt, TIH w/ mud jt, perf sub SN, 3 jts and line, unable to feel anything, TIH w
06/23/01		0' 0'	\$3,420 \$55,529	tbg w/ 38 BF, pre pump action, pur	C w/ 16,0 285 - 3/ ssure to np up to	000#, NU wei 4" and 167 - 7 500#, well bl 340# and pur	lhead, TIH w/ 2 1/2" x 1 1/4" x 24' pump 7/8" rods, space out, hang well on, load ed off to 200#, start pumping unit, good np through hole, long stroke pump, I, TOOH w/ rods and pump.
06/24/01		0'	\$2,125	ND WH, NU BOF	P, TOOH	w/ 2 7/8" tbg	, TAC, SN, perf sub & mud jt
06/25/01		0' 0' 0'	\$57,654 \$0 \$57,654			-	
06/26/01		0' 0'		and TAC, test 342	forated oke off ji 2 jts 2 7/8 set anch	SN and 1 jt 2 t, dropped mu 8" tbg in hole 10r w/ 16 000#	7/8" tbg, RU Hydrostatic Hesters, slips d jt, perforated sub, SN, 3 jts 2 7/8" tbg to 6000#, found 8 bad jts and 3 bad <sup>t</sup> , NU wellhead, TIH w/ 2 1/2 x 1 1/4 x
6/27/01		0' 0'	<b>400,404</b>	RIH w/ pump, rod. RIH w/ 2 1/2 x 1 1 rods, replace botto	s, load w /4 x 24' µ om 125 c w/ 35 B	// 35 BW, RDI pump, 7 - 1 1/ couplings w/ s W, pressure t	MO, FINAL REPORT 2" K-bars on 6/25/01, RIH w/ 285 - 3/4" perry metal, 167 - 7/8" rods, space out, o 500#, OK, start well pumping,
0/20/01		0' 0'	\$3,820 \$3,820	POOH w/ rods, pu	mp & tb	g	
				Hydro Test Tbg			
)/21/01		0' 0'	\$0	SI 24 hrs, no activ	ty		
)/22/01		0' 0'	\$3,820 \$0 \$3,820	SI 24 hrs, no activi	ty		
/23/01		0' 0'	\$6,340 \$10,160 ;	ND BOP, set anch 7 - 1 1/2 K-bars, 28	s, SN, 3 t in hole or w/ 16, 55 - 3/4"	jts, anchor an to 7000#, spli 000#, NU wel and 167 - 7/8	ad 342 jts 2 7/8" tbg, replace split jt 14 t 4 jts, 80, 83, 85 and 334 above TAC, lhead, TIH $G_{W}$ 24 $G_{X}$ x 1 1/4 x 24' pump "fods, hang on, load w/ 38 BBLS, inp back up to 400#, RDPU
/24/01		0'	\$0 2	24 hrs, 2 BO, 98 BI	N, 0 MC	FG, TP 40#. (	CP 40# 6.5 spm
/25/01		0' 0'	\$10,160 \$0 2 \$10,160	24 hrs, 27 BO, 99 E	3W, 37 N	ICFG, FTP 4	0#, CP 40#, 9 5, sprt 110
/26/01		0'	φ0 4	24 hrs, 29 BO, 87 E	3W, 89 N	ICFG, PTP 4	0#, CP 40#, FIN RPT
20/01		0' 0' 0'	\$3,400 F \$13,560 N 13,560 P	RIH w/ pump & rods AIRU Pole unit, PO ump, RIH w/ 2 1/2	s OH w/ ro ' x 1 1/4'	ods to fish, RI ' x 24' pump	H, fish rods, POOH w/ rods and 7 - 1 1/2" Kbars, 285 - 3/4" rods and pressure up, held OK.
21/01		0' 0'		orop report one day	behind		

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