

Spid: 12/8/07 Serial: 3094 WLT# 3804 105885-A11

API No. <u>42-475-35065</u>		RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION				FORM W-1 07/2004		
Application Status # <u>615464</u>		APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER				Permit Status: Pending Approval		
SWR Exception Case/Docket No. <u>0246643 (R37)</u>		<i>This facsimile W-1 was generated electronically from data submitted to the RRC. A certification of the automated data is available in the RRC's Austin office.</i>				<i>The RRC has not approved this application. Duplication or distribution of information is at the user's own risk.</i>		
1. RRC Operator No. <u>147715</u>		2. Operator's Name (as shown on form P-5, Organization Report) <u>CHESAPEAKE OPERATING, INC.</u>			3. Operator Address (include street, city, state, zip):			
4. Lease Name <u>UNIVERSITY 17-18</u>			5. Well No. <u>1 H</u>					
GENERAL INFORMATION								
6. Purpose of filing (mark ALL appropriate boxes): <input checked="" type="checkbox"/> New Drill <input type="checkbox"/> Recompletion <input type="checkbox"/> Reclass <input type="checkbox"/> Field Transfer <input type="checkbox"/> Re-Enter <input checked="" type="checkbox"/> Amended <input type="checkbox"/> Amended as Drilled (BHL) (Also File Form W-1D)								
7. Wellbore Profile (mark ALL appropriate boxes): <input type="checkbox"/> Vertical <input checked="" type="checkbox"/> Horizontal (Also File Form W-1H) <input type="checkbox"/> Directional (Also File Form W-1D) <input type="checkbox"/> Sidetrack								
8. Total Depth <u>15000</u>		9. Do you have the right to develop the minerals under any right-of-way? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			10. Is this well subject to Statewide Rule 36 (hydrogen sulfide area)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
SURFACE LOCATION AND ACREAGE INFORMATION								
11. RRC District No. <u>08</u>		12. County <u>WARD</u>		13. Surface Location <input checked="" type="checkbox"/> Land <input type="checkbox"/> Bay/Estuary <input type="checkbox"/> Inland Waterway <input type="checkbox"/> Offshore				
14. This well is to be located <u>2.4</u> miles in a <u>W</u> direction from <u>Pyote</u> which is the nearest town in the county of the well site.								
15. Section <u>18</u>		16. Block <u>17</u>		17. Survey <u>UL</u>		18. Abstract No. <u>A-</u>	19. Distance to nearest lease line: <u>467</u> ft.	20. Number of contiguous acres in lease, pooled unit, or unitized tract: <u>640.7</u>
21. Lease Perpendiculars: <u>1320</u> ft from the <u>E</u> line and <u>1435</u> ft from the <u>S</u> line.		22. Survey Perpendiculars: <u>1320</u> ft from the <u>E</u> line and <u>1435</u> ft from the <u>S</u> line.						
23. Is this a pooled unit? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		24. Unitization Docket No.:		25. Are you applying for Substandard Acreage Field? <input type="checkbox"/> Yes (attach Form W-1A) <input checked="" type="checkbox"/> No				
FIELD INFORMATION List all fields of anticipated completion including Wildcat. List one zone per line.								
26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)			29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	32. Number of Wells on this lease in this Reservoir
08	74050166	R. O. C. (ATOKA)			Oil or Gas Well	12264	0.00	1
08	77830700	RODGERS (WOLFCAMP)			Gas Well	12954	0.00	1
08	00018001	WILDCAT			Oil or Gas Well	15000	0.00	1
08	00392037	ABRAXAS (BONE SPRING)			Oil Well	10056	0.00	1
BOTTOMHOLE LOCATION INFORMATION is required for DIRECTIONAL, HORIZONTAL, AND AMENDED AS DRILLED PERMIT APPLICATIONS (see W-1H attachment)								
Remarks [FILER Jan 15, 2007 10:18 AM]: Amended to a horizontal well, Rule 37 NOA					Certificate: I certify that information stated in this application is true and complete, to the best of my knowledge.			
					Name of filer <u>Bill Spencer</u> Date submitted <u>Jan 15, 2007</u>			
RRC Use Only Data Validation Time Stamp: Jan 24, 2007 9:39 AM(Current Version)					Phone <u>(512)9181062</u> E-mail Address (OPTIONAL) <u>bgsaustin@sbcglobal.net</u>			

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Permit Status: Pending Approval
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**RAILROAD COMMISSION OF TEXAS
 OIL & GAS DIVISION**

W-1 Supplemental Field Data
 07/2004

APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

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Status # 615464
 Approved Date:

1. RRC Operator No. 147715	2. Operator's Name (exactly as shown on form P-5, Organization Report) CHESAPEAKE OPERATING, INC.	3. Lease Name UNIVERSITY 17-18	4. County WARD
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ADDITIONAL FIELD INFORMATION (continued from Page 1)						
26. RRC District No.	27. Field No.	28. Field Name (exactly as shown in RRC records)	29. Well Type	30. Completion Depth	31. Distance to Nearest Well in this Reservoir	32. Number of Wells on this lease in this Reservoir
08	09288500	BLOCK 17, SOUTHEAST (DELAWARE)	Oil or Gas Well	5003	0.00	1
08	15499380	CAPRITO (DELAWARE MIDDLE)	Oil or Gas Well	5554	0.00	1
08	74050865	R. O. C. (WOLFCAMP)	Oil Well	10389	0.00	1

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RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION

Form W-1H Supplemental Horizontal Well Information 07/2004

APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

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Status # 615464 Approved Date:

1. RRC Operator No. 147715 2. Operator's Name (exactly as shown on form P-5, Organization Report) CHESAPEAKE OPERATING, INC. 3. Lease Name UNIVERSITY 17-18 4. Well No. 1

Lateral Drainhole Location Information

5. Field as shown on Form W-1 RODGERS (WOLFCAMP) (Field # 77830700, RRC District 08)

6. Section 18 7. Block 17 8. Survey UL 9. Abstract 10. County of BHL WARD 11. Terminus Lease Line Perpendiculars 467 ft. from the N line. and 1320 ft. from the E line 12. Terminus Survey Line Perpendiculars 467 ft. from the N line. and 1320 ft. from the E line 13. Penetration Point Lease Line Perpendiculars 1535 ft. from the S line. and 1320 ft. from the E line

5. Field as shown on Form W-1 R. O. C. (ATOKA) (Field # 74050166, RRC District 08)

6. Section 18 7. Block 17 8. Survey UL 9. Abstract 10. County of BHL WARD 11. Terminus Lease Line Perpendiculars 467 ft. from the N line. and 1320 ft. from the E line 12. Terminus Survey Line Perpendiculars 467 ft. from the N line. and 1320 ft. from the E line 13. Penetration Point Lease Line Perpendiculars 1535 ft. from the S line. and 1320 ft. from the E line

5. Field as shown on Form W-1 WILDCAT (Field # 00018001, RRC District 08)

6. Section 18 7. Block 17 8. Survey UL 9. Abstract 10. County of BHL WARD 11. Terminus Lease Line Perpendiculars 467 ft. from the N line. and 1320 ft. from the E line 12. Terminus Survey Line Perpendiculars 467 ft. from the N line. and 1320 ft. from the E line 13. Penetration Point Lease Line Perpendiculars 1535 ft. from the S line. and 1320 ft. from the E line

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RAILROAD COMMISSION OF TEXAS OIL & GAS DIVISION

Form W-1H Supplemental Horizontal Well Information 07/2004

APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

This facsimile W-1 was generated electronically from data submitted to the RRC. A certification of the automated data is available in the RRC's Austin office.

Status # 615464 Approved Date:

Table with 4 columns: 1. RRC Operator No. (147715), 2. Operator's Name (CHESAPEAKE OPERATING, INC.), 3. Lease Name (UNIVERSITY 17-18), 4. Well No. (1)

Lateral Drainhole Location Information

5. Field as shown on Form W-1 ABRAXAS (BONE SPRING) (Field # 00392037, RRC District 08)

Table with 5 columns: 6. Section (18), 7. Block (17), 8. Survey (UL), 9. Abstract, 10. County of BHL (WARD). Includes 11-13 rows for Terminus and Penetration Point Lease Line Perpendiculars with distance and direction details.

5. Field as shown on Form W-1 BLOCK 17, SOUTHEAST (DELAWARE) (Field # 09288500, RRC District 08)

Table with 5 columns: 6. Section (18), 7. Block (17), 8. Survey (UL), 9. Abstract, 10. County of BHL (WARD). Includes 11-13 rows for Terminus and Penetration Point Lease Line Perpendiculars with distance and direction details.

5. Field as shown on Form W-1 CAPRITO (DELAWARE MIDDLE) (Field # 15499380, RRC District 08)

Table with 5 columns: 6. Section (18), 7. Block (17), 8. Survey (UL), 9. Abstract, 10. County of BHL (WARD). Includes 11-13 rows for Terminus and Penetration Point Lease Line Perpendiculars with distance and direction details.

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**RAILROAD COMMISSION OF TEXAS
 OIL & GAS DIVISION**

Form W-1H 07/2004
 Supplemental Horizontal Well Information

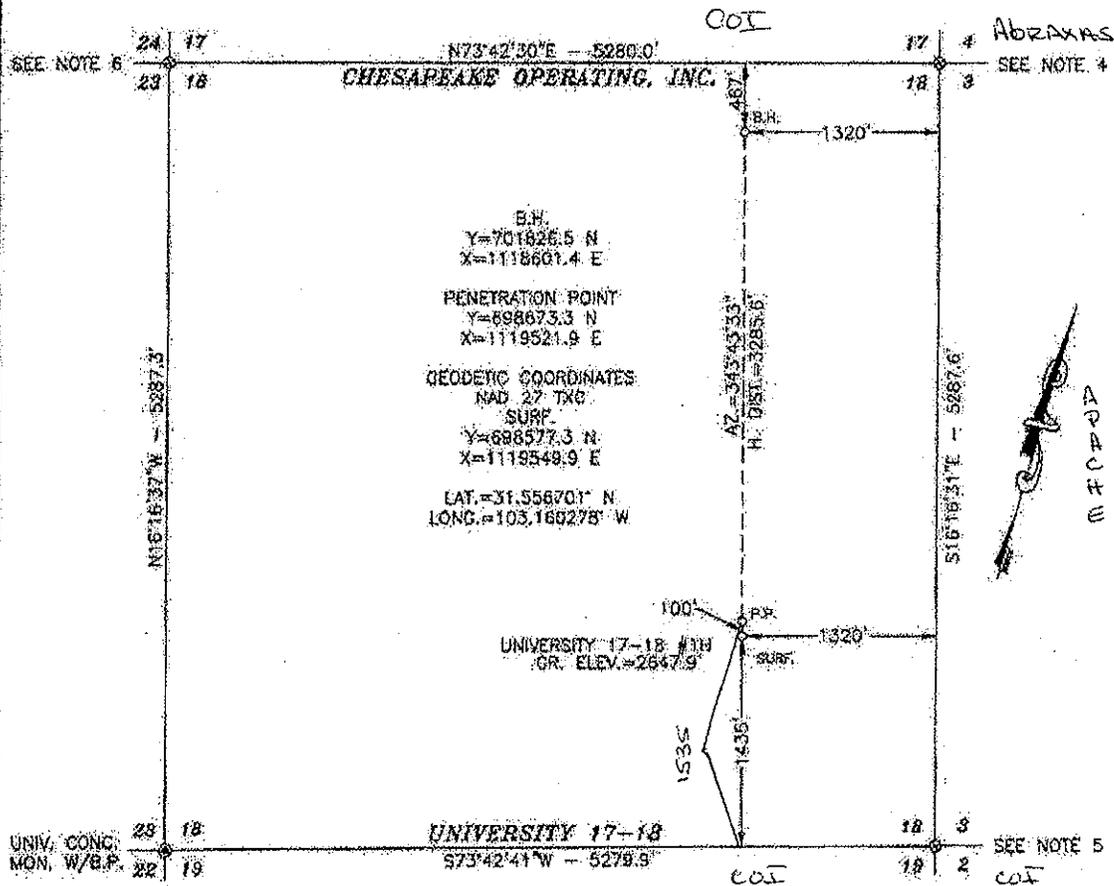
APPLICATION FOR PERMIT TO DRILL, RECOMPLETE, OR RE-ENTER

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Status # 615464
 Approved Date:

1. RRC Operator No. 147715	2. Operator's Name (exactly as shown on form P-5, Organization Report) CHESAPEAKE OPERATING, INC.	3. Lease Name UNIVERSITY 17-18	4. Well No. 1
Lateral Drainhole Location Information			
5. Field as shown on Form W-1 R. O. C. (WOLFCAMP) (Field # 74050865, RRC District 08)			
6. Section 18	7. Block 17	8. Survey UL	9. Abstract
		10. County of BHL WARD	
11. Terminus Lease Line Perpendiculars 467 ft. from the N line. and 1320 ft. from the E line			
12. Terminus Survey Line Perpendiculars 467 ft. from the N line. and 1320 ft. from the E line			
13. Penetration Point Lease Line Perpendiculars 1535 ft. from the S line. and 1320 ft. from the E line			

**SECTION 18, BLOCK 17, UNIVERSITY LAND SURVEY
WARD COUNTY TEXAS**

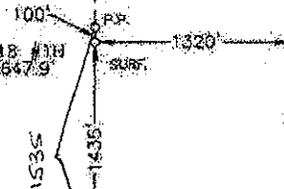


B.M.
Y=701826.5 N
X=1118601.4 E

PENETRATION POINT
Y=698673.3 N
X=1119521.9 E

GEODETIC COORDINATES
NAD 27 TX0
SURF.
Y=698677.3 N
X=1119549.9 E

LAT.=31.556701° N
LONG.=103.169278° W

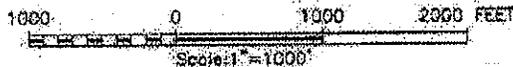


LEGEND

- DENOTES PROPOSED WELL LOCATION
- ⊙ DENOTES FOUND MONUMENT AS NOTED
- ⊙ DENOTES CALCULATED CORNER

NOTES:

1. THIS LOCATION IS APPROXIMATELY 2.4 MILES NORTHWEST OF PYOTE, TEXAS.
2. SEE DOCUMENTS FILED FOR RECORD IN THIS OFFICE, WHICH DESCRIBES THE RECONSTRUCTION OF THIS SECTION.
3. BEARINGS SHOWN HEREON ARE LAMBERT GRID AND CONFORM TO THE "TEXAS COORDINATE SYSTEM" TEXAS CENTRAL ZONE, NORTH AMERICAN DATUM 1983. DISTANCES ARE SURFACE VALUES.
4. CALC. CORNER FROM WHICH A UNIV. MON. AT THE NEc 4 BRs. N16°16'31\"/>



CHESAPEAKE OPERATING, INC.

UNIVERSITY 17-18 #1H
LOCATED 1435 FEET FROM THE SOUTH LINE
AND 1320 FEET FROM EAST LINE OF
SECTION 18, BLOCK 17,
UNIVERSITY LAND SURVEY,
WARD COUNTY, TEXAS

Survey Date: 2/17/06	Sheet 1 of 1 Sheets
W.O. Number: 07.13.0853	Drawn By: J.R. REV: 01/11/07
Date: 2/27/06	DISK:CD#6 07130053 Scale: 1"=1000'

Harold G. Smith 01/12/07

GARY G. EDSON TX R.P.L.S. No. 4735
HAROLD G. SMITH TX R.P.L.S. No. 4931

PROVIDING SURVEYING SERVICES SINCE 1946

JOHN WEST SURVEYING COMPANY
4348 DALFRISO
HOUSTON, TEXAS 77060
(800) 383-0117

APPLICATION FOR ALTERNATE SURFACE CASING PROGRAM
 Statewide Rule 13(b)(2)(g)
 RRC District 8/8A

Operator's Name and Address: CHESAPEAKE OPERATING, INC. 2010 RANKIN HWY MIDLAND, TX 79701	Lease: UNIVERSITY 17-18	Well No.: 1H
	Field: R.O.C. (ATOKA)	
	Drilling Permit No.: 615464	
	County: WARD	RRC District: 08
	Location: Sec. 18 Block 17	Sur. BL Twp.
Proposed TD:		

Distance and Direction from nearest town: 2.4 MILES WEST FROM PYOTE

Proposed injection or disposal well? Yes No NOTE: Special conditions may apply. See PROVISIONS below.

Usable-quality water strata (as determined by TCEQ "Waterboard" letter) occur to a depth of 1050 ft, and from LS ft to 300 ft, and from _____ ft to _____ ft

Note: Please submit copy of TCEQ "Waterboard" letter with this request. Request cannot be processed without this information.

Distance and direction of nearest water well (within 1/4 mile): about 1/2 mile Depth: _____
 Type of water well (domestic, public, irrigation, stock, etc.): _____

Proposed Casing and Cementing Program

Note: You may attach a wellbore diagram or cementing proposal to this application.

This application is for (check applicable boxes): Short surface casing excess surface casing no surface casing

The proposed surface casing depth: 4930' Multi-Stage tool depth (if applicable): 1500'

Intermediate or production casing depth: 14,700' (Est.) Multi-Stage tool depth (if applicable): N/A

Centralizer number and placement: 34, 3 on Shoe Track, 1 every 4 ft to DV, 1 every 300 ft to the Surf.

Does the cement across the critical zone have 72-hr compressive strength of at least 1,200 psi? Yes No

Does the filler cement have 24-hr compressive strength of at least 250 psi? Yes No

Do you plan on circulating cement to the surface on all casing strings protecting usable-quality water? Yes No

Reason for this request: Standard Well Design for CMC Water area, this well was not included in the Extension Approval earlier in the year

PROVISIONS APPLICABLE TO RULE 13 EXCEPTIONS:

1. Caution: If this well is being drilled for injection or disposal purposes, an injection or disposal well permit may be denied unless surface casing is set and cemented through all zones of usable-quality groundwater.
2. Centralizers must be used through all usable-quality waters. Refer to Rule 13(b)(2)(F).
3. Notify District Office 8 hours prior to setting casing.

Signature: Daniel C. Overgaard Print Name: Daniel C. Overgaard Date: 12/5/07 Phone: (409) 767-4118
 SR. DRILLING ENGINEER

IF CEMENT IS NOT CIRCULATED TO THE GROUND SURFACE AS REQUIRED BY THIS EXCEPTION, YOU MUST IMMEDIATELY CONTACT THE DISTRICT 8/8A OFFICE AT 432-684-5581, AND FOLLOW THE PROCEDURES AS SET OUT IN RULE 13(B)(2)(g)(III) OR AS RECOMMENDED BY THE DISTRICT OFFICE.

RRC District Office Action:

<input type="checkbox"/> Approved	<input type="checkbox"/> Approved as Modified	<input type="checkbox"/> Denied	By: _____	Date: _____
Remarks/Modifications:				

RECEIVED
 RRC OF TEXAS
 DEC 07 2007
 OGC
 MIDLAND

copy

DEPTH OF SAFE QUALITY GROUND WATER AC - PROTECTED

PLEASE DO NOT STAPLE

PLEASE READ ALL INSTRUCTIONS

Be requested or essential in order for the agency to provide an appropriate response. Please allow for receipt of this form in our offices at least two weeks before...

Surface Casing - MC 151
TCEQ
P.O. Box 13087
Austin, TX 78711-3088

Date 03/06/2008

TCEQ File No.: SC-

Ms. Sophia Logan
Name of person preparing this request & phone No. (with area code)

Chesapeake Operating, Inc.
Company operator's name as on RRC form W-1)

P.O. Box 11050
Mailing address

Midland, Texas 79702-8050
City State ZIP Code

FOR TCEQ USE ONLY

ALWAYS INCLUDE A MAP SHOWING YOUR WELL SITE AND ALL SURROUNDING SURVEYS

FOLO

TYPE OR PRINT IN INK

Form with fields for Survey Name, Block, Township, Section or Survey No., Well No., Lease Name, Distances, Direction, APN, GP, Elevation, Total Depth, Purpose of Request, Is this recommended request?, and Location of same or nearby well.

ALWAYS attach the electric log of any well that is to be reentered.
Additional remarks:

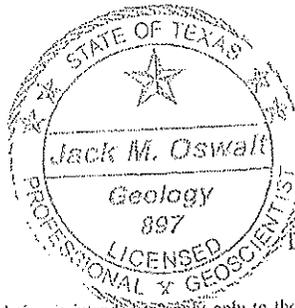
To protect usable-quality ground water at this location, the TEXAS COMMISSION ON ENVIRONMENTAL QUALITY recommends:

FOLO

DO NOT WRITE HERE FOR TCEQ USE ONLY

Very truly yours,

Handwritten signature of Jack M. Oswalt



Date

March 6, 2008
typed by TCEQ

RECEIVED
RRC OF TEXAS
DEC 07 2007
OBS
MILLAND

Geology: Surface Casing, TCEQ
NOTE: Unless stated otherwise, this recommendation is intended to apply only to the subject well and not for area-wide use. Approval of the well completion method for protection of this ground water falls under the jurisdiction of the Railroad Commission of Texas. This recommendation is intended for the normal drilling, production and plugging operations only. It does not apply to saltwater disposal operations into a nonproductive zone (RRC W-14)