

FORM
2

Rev
12/05

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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Document Number:

400204214

PluggingBond SuretyID

19980020

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, Recomplete and Operate

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE COMMINGLE

Refiling

Sidetrack

3. Name of Operator: CHESAPEAKE OPERATING INC

4. COGCC Operator Number: 16660

5. Address: P O BOX 18496

City: OKLAHOMA CITY State: OK Zip: 73154-0496

6. Contact Name: Christy Keith Phone: (405)935-7539 Fax: (405)849-7538

Email: christy.keith@chk.com

7. Well Name: State 7-61-16 Well Number: 1H

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 10157

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 16 Twp: 7N Rng: 61W Meridian: 6

Latitude: 40.569361 Longitude: -104.205668

Footage at Surface: 659 feet FSL 660 feet FEL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 4978 13. County: WELD

14. GPS Data:

Date of Measurement: 08/01/2011 PDOP Reading: 2.2 Instrument Operator's Name: DARREN VEAL

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____
1232 FSL 654 FEL 600 FNL 660 FEL
Sec: 16 Twp: 7N Rng: 61W Sec: 16 Twp: 7N Rng: 61W

16. Is location in a high density area? (Rule 603b)? Yes No

17. Distance to the nearest building, public road, above ground utility or railroad: 660 ft

18. Distance to nearest property line: 659 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 5280 ft

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
Niobrara	NBRR		640	All

21. Mineral Ownership: Fee State Federal Indian Lease #: 8425.5

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No

23b. If 23 is No: Surface Owners Agreement Attached or \$25,000 Blanket Surface Bond \$2,000 Surface Bond \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

ALL Sec 16-7N-61W

25. Distance to Nearest Mineral Lease Line: 600 ft 26. Total Acres in Lease: 640

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? Yes No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? Yes No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? Yes No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? Yes No

31. Mud disposal: Offsite Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: Land Farming Land Spreading Disposal Facility Other: Reliable Services

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
SURF	12+1/4	9+5/8	36	0	612	339	612	0
1ST	8+3/4	7	23	0	5,837	175	5,837	5,200
2ND	6+1/8	4+1/2	11.6	0	10,157	388	10,157	

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None

33. Comments CHESAPEAKE ACQUIRED THIS WELL FROM ANTELOPE. THIS WELL ORIGINALLY PERMITTED AS A VERTICAL WELL AND CHESAPEAKE WOULD LIKE TO DRILL AND COMPLETE THIS WELL AS A HORIZONTAL.

34. Location ID: 420176

35. Is this application in a Comprehensive Drilling Plan ? Yes No

36. Is this application part of submitted Oil and Gas Location Assessment ? Yes No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Christy Keith

Title: Regulatory Comp. Analyst Date: 9/13/2011 Email: christy.keith@chk.com

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: David S. Nashin Director of COGCC Date: 10/9/2011

API NUMBER 05 123 32487 01

Permit Number: _____ Expiration Date: 10/8/2013

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

- 1) Provide 24 hour notice of MIRU to Jim Precup at 303-469-1902 or e-mail at james.precup@state.co.us .
- 2) Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name
400204214	FORM 2 SUBMITTED
400204226	WELL LOCATION PLAT
400204227	DEVIATED DRILLING PLAN
400204856	SURFACE OWNER CONSENT

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	This well is a sidetrack and therefore requires a sundry notice detailing the sidetrack and a wellbore diagram.	9/27/2011 2:25:20 PM
Engineer	Entered surface and intermediate casing information from the Form 5. Bottom of intermediate casing in the sidetrack is the KOP.	9/27/2011 1:16:12 PM
Permit	This well was drilled as a verticle well by Antelope Energy. Chesapeake is side-tracking to complete a horizontal well.	9/16/2011 10:25:49 AM

Total: 3 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)