KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION
NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

Form C-1
December 2000
Form must be Typed
All blanks must be filled

DATE: October 15, 2005

OPERATOR: 
Name: Chesaapeake Operating, Inc.
Address: City/State/Zip, Oklahoma City, OK 73124-0499
Contact Person: Jim Owens
Phone: (405) 848-8300

CONTRACTOR: 
Name: Will Adair

Contractor Address: 10-205

Expected Spud Date: October 15, 2005

Well: NW, NW

Sec. 25, T. 23 S, R. 36 E

COUNTY: STEVENS

Lease Name: WESTWOOD

Field Name: MOSCOW

Target Formation: MORROW/CHESTER

Nearest Lease or unit boundary: 330

Ground Surface Elevation: 100

Water well within one-quarter mile: YES

Public water supply well within one mile: YES

Depth to bottom of fresh water: 150

Depth to bottom of usable water: 500

Distance from Well: 1,220

Length of Surface Pipe Flared in well: 1,220

Length of Conductor Pipe required: NO

Formation at Total Depth: MERMACE

Well Source for Drilling Operations: See C-1 form for details.

No DW/PM

Will Curb be taken?

If yes, proposed zone:

Date: 09/20/2005

Signature of Operator or Agent: Barbara J. Bell

Title: REGULATORY ANALYST

For KCC Use Only

API # 15

Conductor pipe certified: NO

Minimum surface depth required: 620 feet

Approved by: 20-27-06

This authorization expires: 05-21-06

File Oil P & P (Application form G-10) with intent to drill

File Completion Form ACO-1 within 120 days of spud date

File acreage distribution plan according to field jurisdictional orders.

Notify appropriate district office 48 hours prior to workover or re-entry

Submit plugging report (GR-4) after plugging is completed

Obtain written approval before disposing or injecting any water.

If this permit has expired, file an authorized expiration page before the box below and return to the address below.

Mail to: KCC - Conservation Division, 139 S. Market - Room 217, Wichita, Kansas 67202
IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW
Plat of acreage attributable to a well in a prorated or spaced field

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the prorated acreage attribution unit for oil wells.

API No. 15
Operator: Chorente Operating, Inc.
Lease: WHITE
Well Number: 7-22
Field: MOSCOW
Number of acres attributable to well: 640
QTR / QTR / QTR of acreage: ALL

<table>
<thead>
<tr>
<th>Location of Well</th>
<th>County: STEVENS</th>
</tr>
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<tbody>
<tr>
<td>330</td>
<td></td>
</tr>
<tr>
<td>1980</td>
<td></td>
</tr>
<tr>
<td>Sec. 22, Twp. 32</td>
<td>S., R., 36</td>
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<tr>
<td>Line of Section</td>
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<tr>
<td>N</td>
<td></td>
</tr>
<tr>
<td>E</td>
<td></td>
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<tr>
<td>W</td>
<td></td>
</tr>
</tbody>
</table>

In Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

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PLAT
(Show location of the well and show attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)

NOTE: In all cases locate the spot of the proposed drilling location.

In plotting the proposed location of the well, you must show:
1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: CO-7 for oil wells; CO-8 for gas wells.
NOTICE TO OPERATORS DRILLING IN THE PANAMA-COUNCIL GROVE GAS POOL SPACED AREA

The enclosed intent is located within the Panama-Council Grove gas pool space area. In May 1978, Panama-Council Grove Proportion Order (as amended), Docket No. 90-024-C (C-7058) under FINDINGS OF FACT AND LAW on page 31, the following language is stated that:

“The Commission finds that in order to prevent waste and protect correlative rights, the following stated rules pertaining to wells already completed, in the process of being drilled or for future wells to be drilled in the Panama Council Grove Gas Pool Spaced area, and for wells producing from the Council Grove Formation outside of the Panama Council Grove Gas Pool Spaced area within the Hugoton Gas Field, should be adopted.”

1. “No dual completions between the Chase (Hugoton) and Council Grove Formations will be permitted for future wells drilled.”

2. “Casing shall not be set above the top of the Council Grove Formation for a Council Grove producing well.”

3. “The production casing of all new Council Grove wells should be cemented with a calculated volume of cement sufficient to encase the casing from the bottom of the casing to a point 500 feet above the Chase Formation.”

4. “The casing shall be encased in cement in the interval between the base of the Council Grove and the top of the Chase Formation on all wells, irrespective of depth, completed below the Council Grove Formation. If they are located within the space area.”

5. “The cement coverage heretofore required shall be confirmed by the running of a recognized survey, such as a temperature survey or cement bond log.”

A copy of this survey and the cement ticket(s) showing that all cement work has been completed, must be filed with the ACO-1 Completion Report within 120 days from the wells “spud date.”

Failure to comply with these provisions may cause the well to be shut-in until compliance has been achieved.

If you have any questions, please feel free to contact the Conservation Division’s Production Department at (316) 337-7200.

Conservation Division, Kansas State Office Building, 120 S. Market, Room 2078, Wichita, KS 67202-3807 Phone: 316.337.4200 Fax: 316.337.4271 www.KS.Gov