KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

1275635

Form CP-1
March 2010
This Form must be Typed
Form must be Signed
All blanks must be Filled

WELL PLUGGING APPLICATION

Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, MUST be submitted with this form.

OPERATOR: License #: 32334
Name: Chesapeake Operating, LLC
Address 1: 6100 N WESTERN AVE
Address 2: PO BOX 18496
City: OKLAHOMA CITY State: OK Zip: 73118 + 1046
Contact Person: Sara Everett
Phone: (405) 935-2408

API No. 15 - 15-075-10120-00-00
If pre 1967, supply original completion date:
Spot Description:
NE - NE - NE - SW Sec. 31 Twp. 23 S. R. 40 ☐ East ☑ West
2569 Feet from ☐ North / ☑ South Line of Section
2711 Feet from ☑ East / ☐ West Line of Section
Footages Calculated from Nearest Outside Section Corner:
☐ NE ☐ NW ☑ SE ☐ SW
County: Hamilton
Lease Name: OSBORNE Well #: 1-31

Check One: ☐ Oil Well ☑ Gas Well ☐ OG ☐ D&A ☐ Cathodic ☐ Water Supply Well ☐ Other:
☐ SWD Permit #: ☐ ENHR Permit #: ☐ Gas Storage Permit #:

Conductor Casing Size: Set at: Cemented with: Sacks
Surface Casing Size: 7.000 Set at: 294 Cemented with: 150 Sacks
Production Casing Size: 4.500 Set at: 2432 Cemented with: 60 Sacks

List *(ALL)* Perforations and Bridge Plug Sets:
Attached

Elevation: 3298 (☑ G.L. / ☐ K.B.) T.D.: 2432 PBTD: Anhydrite Depth:
(Stone Corral Formation)
Condition of Well: ☑ Good ☐ Poor ☐ Junk in Hole ☐ Casing Leak at: -
(Interval)
Proposed Method of Plugging *(attach a separate page if additional space is needed)*:
Please see attached

Is Well Log attached to this application? ☐ Yes ☐ No Is ACO-1 filed? ☑ Yes ☐ No
If ACO-1 not filed, explain why:

Plugging of this Well will be done in accordance with K.S.A. 55-101 et. seq. and the Rules and Regulations of the State Corporation Commission

Company Representative authorized to supervise plugging operations: Bud Neff
Address: 4532 W. Jenes Ave. City: Garden City State: Kansas Zip: 67846 + __ __ __ __
Phone: (620) 2770803
Plugging Contractor License #: 33961 Name: Consolidated Oil Well Services LLC
Address 1: 1322 S GRANT Address 2: PO BOX 884
City: CHANUTE State: KS Zip: 66720 + __ __ __ __
Phone: (620) 431-9210

Proposed Date of Plugging *(if known)*:

Payment of the Plugging Fee (K.A.R. 82-3-118) will be guaranteed by Operator or Agent

Submitted Electronically

Mail to: KCC - Conservation Division, 130 S. Market - Room 2078, Wichita, Kansas 67202

[redacted] 1275635

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1
January 2014
Form Must Be Typed
Form must be Signed
All blanks must be Filled

CERTIFICATION OF COMPLIANCE WITH THE KANSAS SURFACE OWNER NOTIFICATION ACT

This form must be submitted with all Forms C-1 (Notice of Intent to Drill); CB-1 (Cathodic Protection Borehole Intent); T-1 (Request for Change of Operator Transfer of Injection or Surface Pit Permit); and CP-1 (Well Plugging Application). Any such form submitted without an accompanying Form KSONA-1 will be returned.

Select the corresponding form being filed: ☐ **C-1** (Intent) ☐ **CB-1** (Cathodic Protection Borehole Intent) ☐ **T-1** (Transfer) ☒ **CP-1** (Plugging Application)

OPERATOR: License # 32334
Name: Chesapeake Operating, LLC
Address 1: 6100 N WESTERN AVE
Address 2: PO BOX 18496
City: OKLAHOMA CITY State: OK Zip: 73118 + 1046
Contact Person: Sara Everett
Phone: (405) 9352785 Fax: ( )
Email Address:

Well Location:
NE - NE - NE - SW Sec. 31 Twp. 23 S. R. 40 ☐ East ☑ West
County: Hamilton
Lease Name: OSBORNE Well #: 1-31

If filing a Form T-1 for multiple wells on a lease, enter the legal description of the lease below:

Surface Owner Information:
Name: Scott Keith Family Trust
Address 1: 3903 Bellaire Blvd
Address 2:
City: Houston State: TX Zip: 77025 + 1119

When filing a Form T-1 involving multiple surface owners, attach an additional sheet listing all of the information to the left for each surface owner. Surface owner information can be found in the records of the register of deeds for the county, and in the real estate property tax records of the county treasurer.

If this form is being submitted with a Form C-1 (Intent) or CB-1 (Cathodic Protection Borehole Intent), you must supply the surface owners and the KCC with a plat showing the predicted locations of lease roads, tank batteries, pipelines, and electrical lines. The locations shown on the plat are preliminary non-binding estimates. The locations may be entered on the Form C-1 plat, Form CB-1 plat, or a separate plat may be submitted.

Select one of the following:

☒ I certify that, pursuant to the Kansas Surface Owner Notice Act (House Bill 2032), I have provided the following to the surface owner(s) of the land upon which the subject well is or will be located: 1) a copy of the Form C-1, Form CB-1, Form T-1, or Form CP-1 that I am filing in connection with this form; 2) if the form being filed is a Form C-1 or Form CB-1, the plat(s) required by this form; and 3) my operator name, address, phone number, fax, and email address.

☐ I have not provided this information to the surface owner(s). I acknowledge that, because I have not provided this information, the KCC will be required to send this information to the surface owner(s). To mitigate the additional cost of the KCC performing this task, I acknowledge that I must provide the name and address of the surface owner by filling out the top section of this form and that I am being charged a $30.00 handling fee, payable to the KCC, which is enclosed with this form.

If choosing the second option, submit payment of the $30.00 handling fee with this form. If the fee is not received with this form, the KSONA-1 form and the associated Form C-1, Form CB-1, Form T-1, or Form CP-1 will be returned.

Submitted Electronically

Form	CP1 - Well Plugging Application
Operator	Chesapeake Operating, LLC
Well Name	OSBORNE 1-31
Doc ID	1275635

Perforations And Bridge Plug Sets

Perforation Top	Perforation Base	Formation	Bridge Plug Depth
2397	2403	Winfield	

Chesapeake Operating, Inc.
Interoffice Memorandum

TO: **Jesse Allen**

CC: **John Hudson, Doug Martin, Ryan Jordan, Bud Neff**

FROM: **Matthew Anakwue (CM)**

DATE: **9-23-2015**

RE: **Plug and Abandon**

Osborne 1-31 **Property No: 218375**
SEC 31-T23S-R40W
Hamilton County, Kansas

Chesapeake Energy **GWI = 100%** **NRI = 87.5%**

Recommendation
The referenced well is recommended for plugging and abandonment.

Discussion
The Osborne 1-31 was drilled and completed in November 1963 to a total depth of 2,432'. Initially, the Winfield was completed from 2397'-2403'. Chesapeake acquired the well from Hugoton in 1998.

The well has produced a cumulative 117.8 MMCF and has no remaining reserves (3Q15). Geology has determined no uphole potential and the well has been temporarily abandoned. The lease has expired and Chesapeake has plugging liability.

The gross estimate AFE cost to P&A the well is $23M ($23M net to COI). Partner approval will not be necessary to commence operations.

Your approval is respectfully requested.

Osborne 1-31
P&A
9-23-2015

Well Data

Well Name: Osborne 1-31 W.I. = 100.00 N.R.I. = 87.50

Location: NE NE NE SW, Section 31-T23S-R40W 2569 FSL & 2711 FEL

County: Hamilton County, KS

API #: 15-075-10120 PN: 218375 AFE#: 803627

TD: 2,432' PBTD: unknown Elevations: KB – 3,311' (8'), GL – 3,303'

Formations

Name	Type	Top	Bottom	Perforations	Comments
Winfield				2397-2403'	

Tubulars

Surface Casing: unknown jts 7" 0' – 294'
Cemented with 150 sacks cement, circulated to surface.

Production Casing: unknown jts 4 ½" 0' - 2,432'
Cemented with 60 sacks cement
(TOC – unknown) No info in well file- Info from IHS

Production Tubing: 2 3/8" tbg subs & 1 ¼" tbg w/ SN & 7' MA set @ 2404'; 8/21/2004.

Rods/Pump: 1/2" rods & pump w/ GA set @ 2398'; 8/21/2004

Pipe	ID	Drift	Bbls/ft	Burst	Collapse	%
7", 23#, J-55	**6.366**	**6.241**	**0.0393**	**4360**	**3270**	**100**
7", 26#, P-110	**6.276**	**6.151**	**0.0393**	**9960**	**6210**	**100**
4 ½", 9.5#, K-55	**4.090"**	**3.965"**	**0.0162**	**4380**	**3310**	**100**
4 ½", 10.5#, K-55	**4.052"**	**3.927"**	**0.0159**	**4790**	**4010**	**100**
4 ½", 11.6#, K-55	**4.0"**	**3.875"**	**0.0155**	**5350**	**4960**	**100**
4 ½", 13.5#, P-110 J-55	**3.920"**	**3.795"**	**0.0149**	**12410**	**10670**	**100**

Osborne 1-31
P&A
9-23-2015

Procedure

1. Notify KCC District 1 at least 5 days before plugging operations
   KCC District 1: (620) 225-8888 BLM –Randy George (405) 790-1011

2. MIRU WOR, POOH with pump & rods. ND WH, NU BOP, TOOH with tubing

3. PU 4 ½" CIBP, TIH with plug and set at ±2340'. Dump 2 sx cement w/2% CaCl2 on top of CIBP (Plug 1). TOOH w/tubing while circulating plugging mud.

4. RU to pull 4 ½" casing and weld on pull nipple. PU on casing, MIRU WLU and RIH w/tools and locate freepoint. RIH w/cutting tools and cut casing above freepoint (estimated ~2250'). POOH with WL tools and TOOH with 4 ½" casing laying down.

5. TIH with tubing, pump the following plugs in casing/open hole displacing with plugging mud:

Plug 2: Shoe & FW Plug (2200'-2000')	70 sx. w/ 2% CaCl2
Plug 3: BTW (1000'-800')	50 sx. w/ 2% CaCl2
Plug 4: Surface plug (34'-4')	10 sx. w/ 2% CaCl2

6. Cut off casing 4ft. below ground level, weld on steel ID plate. RDMO WOR.

Conservation Division
266 N. Main St., Ste. 220
Wichita, KS 67202-1513

Kansas
Corporation Commission

Phone: 316-337-6200
Fax: 316-337-6211
http://kcc.ks.gov/

Shari Feist Albrecht, Chair
Jay Scott Emler, Commissioner
Pat Apple, Commissioner

Sam Brownback, Governor

January 07, 2016

Sara Everett
Chesapeake Operating, LLC
6100 N WESTERN AVE
PO BOX 18496
OKLAHOMA CITY, OK 73118-1046

Re: Plugging Application
API 15-075-10120-00-00
OSBORNE 1-31
SW/4 Sec.31-23S-40W
Hamilton County, Kansas

Dear Sara Everett:

The Conservation Division has received your Well Plugging Application (CP-1).

Under K.A.R. 82-3-113(b)(2), you must notify DISTRICT 1 of your proposed plugging plan at least 5 days before plugging the well. DISTRICT 1's phone number is (620) 225-8888. Failure to notify DISTRICT 1, or failure to file a Well Plugging Record (CP-4) after the well is plugged will result in a penalty recommendation.

Under K.A.R. 82-3-600, you must file an Application for Surface Pit (CDP-1) if you wish to use a workover pit while plugging the well. Failure to timely file a CDP-1, failure to timely remove fluids, or failure to timely file Closure of Surface Pit (CDP-4) or Waste Transfer (CDP-5) forms will result in a penalty recommendation.

This receipt does NOT constitute authorization to plug this well if you do not otherwise have the legal right to do so.

This receipt is VOID after July 07, 2016. If the well is not plugged by then, you will have to submit a new CP-1 if you wish to plug the well.

The July 07, 2016 deadline does NOT override any compliance deadline given to you by Legal, District, or other Commission Staff. Failure to comply with any given deadline will still result in the Commission assessing penalties, or taking other legal action.

Sincerely,
Production Department Supervisor

cc: DISTRICT 1