

KCC-DIST #1

CARD MUST BE TYPED

State of Kansas

CARD MUST BE SIGNED

EFFECTIVE DATE 7.19.05

NOTICE OF INTENTION TO DRILL HUGOTON INFILL

SGA-No

Starting Date August 1, 2005 month day year

API Number 15-081-21605-00-00

OPERATOR: License # 32334 Name Chesapeake Operating, Inc. Address P.O. Box 18496 City/State/Zip Okla. City, OK 73154-0496 Contact Person Jim Gowens Phone (405) 848-8000

IS SECTION X REGULAR IRREGULAR approx. C E/2 Sec. 32 Twp. 30 S, Rg. 32 W 2717 Ft. from South Line of Section 1250 Ft. from East Line of Section

CONTRACTOR: License # Will advise on ACO-1 Name MUST BE LIC. w/ KCC City/State Well Drilled as: X New Recompletion OWWO Projected Total Depth 2850' Formation Chase If OWWO or Recompletion: old well info as follows: Operator Well Name Comp. Date Old Total Depth

NOTE: Attach acreage attribution plat locating both Chase (Hugoton) wells Total number of acres attributed to unit 640.00 Nearest producing well from same common source of supply 1245 feet Nearest lease or unit boundary line 1250 feet County Haskell Lease Name JOYCE Well # 1-32 Ground surface elevation 2880 feet MSL Depth to bottom of fresh water 580 Depth to bottom of usable water 600 Surface pipe by Alternate: 1 X 2 Surface pipe planned to be set 620 Water Source for Drilled Operations: DWR Permit #: well farm pond X other

I certify that well will comply with K.S.A. 55-101, et seq., plus eventually plugging hole to KCC specifications. Date 07/12/05 Signature of Operator or Agent Barbara J. Bale Title Regulatory Analyst

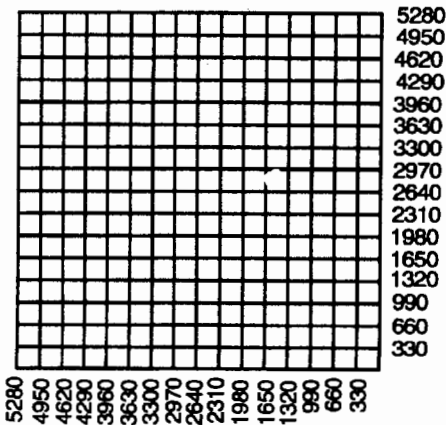
For KCC Use:

Conductor Pipe Required NONE feet; Minimum Surface Pipe Required 620 feet per Alt. 1 2 This Authorization Expires 7-14-06 Approved By RSP 7-14-05

RECEIVED 9/95 KANSAS CORPORATION COMMISSION JUL 14 2005 CONSERVATION DIVISION WICHITA, KS

Must be filed with K.C.C. five (5) days prior to commencing well This card void if drilling not started within six (6) months of date received by K.C.C.

A Regular Section of Land 1 Mile = 5,280 Ft.



Important procedures to follow:

- 1. Notify District office before setting surface casing.
2. Set surface casing by circulating cement to the top.
3. File completion forms ACO-1 with K.C.C. within 120 days of well spud date, following instructions on ACO-1, side 1, and including copies of wireline logs.
4. Notify District office 48 hours prior to old well workover or re-entry.
5. Submit plugging report (CP-4) to K.C.C. after plugging is completed.
6. If an alternate 2 completion, cement in the production pipe from below any useable water to surface within 120 days of spud date.

State Corporation Commission of Kansas Conservation Division 130 S. Market Room 2078 Wichita, Kansas 67202-1212 (316) 337-6231