

For KCC Use: 12-28-2010
 Effective Date: 1
 District #: 1
 SGA? Yes No

KANSAS CORPORATION COMMISSION
 OIL & GAS CONSERVATION DIVISION

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

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well
 Form KSONA-1, Certification of Compliance with the Kansas Surface Owner Notification Act, **MUST** be submitted with this form.

Expected Spud Date: January 27, 2011
 month day year

OPERATOR: License# 32334
 Name: Chesapeake Operating, Inc.
 Address 1: P.O. Box 18496
 Address 2: _____
 City: Oklahoma City State: OK Zip: 73154 + 0496
 Contact Person: Braydn Johnson / Aletha Dewbre-King
 Phone: (405) 935-4833 / (405) 935-4775

CONTRACTOR: License# Must be licensed by KCC
 Name: Advise on ACO-1

Well Drilled For: Oil Gas Seismic; # of Holes _____
 Enh Rec Storage Disposal
 Other: _____

Well Class: Infield Pool Ext. Wildcat Other

Type Equipment: Mud Rotary Air Rotary Cable

If OWWO: old well information as follows:
 Operator: _____
 Well Name: _____
 Original Completion Date: _____ Original Total Depth: _____

Spot Description: SW Sec. 16 Twp. 35 S. R. 14 E W
 (or/or/a) 330 feet from N / S Line of Section
2360 feet from E / W Line of Section

Is SECTION: Regular Irregular?
 (Note: Locate well on the Section Plat on reverse side)

County: Barber
 Lease Name: Donald Well #: 1-17H
 Field Name: Wolgammott

Is this a Prorated / Spaced Field? Yes No
 Target Formation(s): Mississippi (Only SHL will be in KS, BHL & all perms will be in OK.)

Nearest Lease or unit boundary line (in footage): 330' FSL
 Ground Surface Elevation: 1,472 feet MSL

Water well within one-quarter mile: Yes No
 Public water supply well within one mile: Yes No

Depth to bottom of fresh water: 100
 Depth to bottom of usable water: 180

Surface Pipe by Alternate: I II
 Length of Surface Pipe Planned to be set: 1,200'

Length of Conductor Pipe (if any): 100'
 Projected Total Depth: 9,500'

Formation at Total Depth: Mississippi
 Water Source for Drilling Operations: Well Farm Pond Other: River

DWR Permit #: _____
 (Note: Apply for Permit with DWR)

Will Cores be taken? Yes No
 If Yes, proposed zone: _____

* Directional, Deviated or Horizontal wellbore? Yes No
 If Yes, true vertical depth: 4870' TVD
 Bottom Hole Location: 100' FSL 680' FWL Section 15-29N-15W Woods Co. OK
 KCC DKT #: NA-

* **NOTE: ALL PERFORATIONS AS WELL AS ALL PRODUCTION WILL BE IN OKLAHOMA.**

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.
 It is agreed that the following minimum requirements will be met:

1. Notify the appropriate district office **prior** to spudding of well;
2. A copy of the approved notice of intent to drill **shall be** posted on each drilling rig;
3. The minimum amount of surface pipe as specified below **shall be set** by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary **prior to plugging**;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within **120 DAYS** of spud date. Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. **In all cases, NOTIFY district office** prior to any cementing.

I hereby certify that the statements made herein are true and to the best of my knowledge and belief.

Date: 12/22/2010 Signature of Operator or Agent: Aletha Dewbre-King Title: Reg. Comp. Specialist

For KCC Use ONLY
 API # 15 - 007-23636-01-00
 Conductor pipe required None feet
 Minimum surface pipe required 200 feet per ALT. I II
 Approved by: Rum 12-23-2010
 This authorization expires: 12-23-2011
 (This authorization void if drilling not started within 12 months of approval date.)
 Spud date: _____ Agent: _____

Remember to:

- File Certification of Compliance with the Kansas Surface Owner Notification Act (KSONA-1) with Intent to Drill;
- File Drill Pit Application (form CDP-1) with Intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed (within 60 days);
- Obtain written approval before disposing or injecting salt water.
- If well will not be drilled or permit has expired (See: authorized expiration date) please check the box below and return to the address below.

Well will not be drilled or Permit Expired Date: _____
 Signature of Operator or Agent: _____

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

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 DEC 23 2010
 KCC WICHITA

16
 35
 14
 E
 W

For KCC Use ONLY

API # 15 - 007-23636-01-DD

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

In all cases, please fully complete this side of the form. Include items 1 through 5 at the bottom of this page.

Operator: Chesapeake Operating, Inc.
Lease: Donald
Well Number: 1-17H
Field: Wolgammott

Number of Acres attributable to well: 3
QTR/QTR/QTR/QTR of acreage: _____ - _____ - _____ - SW

Location of Well: County: Barber
330 feet from N / S Line of Section
2360 feet from E / W Line of Section
Sec. 16 Twp. 35 S. R. 14 E W

Is Section: Regular or Irregular

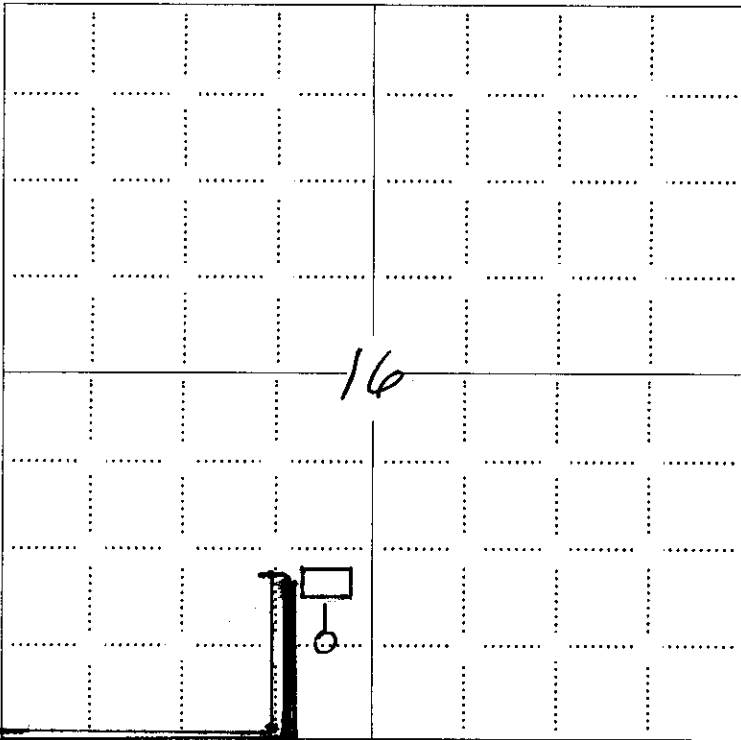
If Section is Irregular, locate well from nearest corner boundary.

Section corner used: NE NW SE SW

PLAT

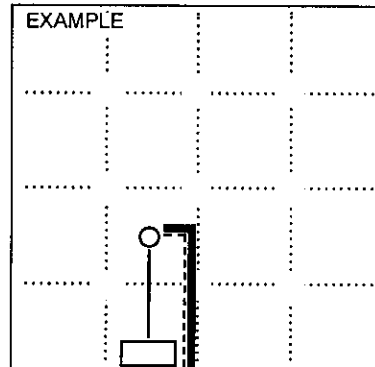
Show location of the well. Show footage to the nearest lease or unit boundary line. Show the predicted locations of lease roads, tank batteries, pipelines and electrical lines, as required by the Kansas Surface Owner Notice Act (House Bill 2032). You may attach a separate plat if desired.

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LEGEND

- Well Location
- Tank Battery Location
- Pipeline Location
- Electric Line Location
- Lease Road Location



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

330' FSL

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 south / north and east / west outside section lines.
3. The distance to the nearest lease or unit boundary line (in footage).
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; CG-8 for gas wells).
5. The predicted locations of lease roads, tank batteries, pipelines, and electrical lines.

15-007-23636-01-00

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

Form KSONA-1
July 2010

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, Inc.
Address 1: P.O. Box 18496
Address 2: _____
City: Oklahoma City State: OK Zip: 73154 + 0496
Contact Person: Braydn Johnson / Aletha Dewbre-King
Phone: (405) 935-4833 Fax: (405) 849-4833
Email Address: braydn.johnson@chk.com

Well Location:
_____ Sec. 16 Twp. 35 S. R. 14 East West
County: Barber
Lease Name: Donald Well #: 1-17H

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

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KCC WICHITA

Surface Owner Information:

Name: David Wolgamott
Address 1: 14946 SW Hackberry
Address 2: _____
City: Hardtner State: KS Zip: 67057 + _____

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 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.

I hereby certify that the statements made herein are true and correct to the best of my knowledge and belief.

Date: 12/23/2010 Signature of Operator or Agent: Aletha Dewbre-King Title: Regulatory Compliance Specialist



*Mark Parkinson, Governor
Thomas E. Wright, Chairman
Joseph F. Harkins, Commissioner
Ward Loyd, Commissioner*

December 23, 2010

Chesapeake Operating, Inc.
PO Box 18496
Oklahoma City, OK 73154-0496

RE: Drilling Pit Application
Donald Lease Well No. 1-17H
SW/4 Sec. 16-35S-14W
Barber County, Kansas

According to the drilling pit application referenced above, no earthen pits will be used at this location. Steel pits will be used. Please inform the Commission in writing as to which disposal well you utilized to dispose of the contents in the steel pits and the amount of fluid that was disposed. Please file form CDP-5 (August 2004), Exploration and Production Waste Transfer, within 30 days of fluid removal.

Should a haul-off pit be necessary please file form CDP-1 (April 2004), Application for Surface Pit, This location will have to be inspected prior to approval of the haul-off pit application.

Conservation division forms are available through our office and on the KCC web site: www.kcc.state.ks.us/conservation/forms.

A copy of this letter should be posted in the doghouse along with the approved Intent to Drill. If you have any questions or concerns please feel free to contact the District Office at (620) 225-8888.

CONSERVATION DIVISION

Finney State Office Building, 130 S. Market, Room 2078, Wichita, KS 67202-3802
(316) 337-6200 • Fax: (316) 337-6211 • <http://kcc.ks.gov/>

Kansas Corporation Commission Oil & Gas Conservation Division

HAUL-OFF PIT APPLICATION FILING REQUIREMENTS

82-3-607. DISPOSAL OF DIKE AND PIT CONTENTS.

- (a) Each operator shall perform one of the following when disposing of dike or pit contents:
- (1) Remove the liquid contents to a disposal well or other oil and gas operation approved by the commission or to road maintenance or construction locations approved by the department;
 - (2) dispose of reserve pit waste down the annular space of a well completed according to the alternate requirements of K.A.R. 82-3-106, if the waste to be disposed of was generated during the drilling and completion of the well; or
 - (3) dispose of the remaining solid contents in any manner required by the commission. The requirements may include any of the following:
 - (A) Burial in place, in accordance with the grading and restoration requirements in K.A.R. 82-3-602 (f);
 - (B) removal and placement of the contents in an on-site disposal area approved by the commission;
 - (C) removal and placement of the contents in an off-site disposal area on acreage owned by the same landowner or to another producing lease or unit operated by the same operator, if prior written permission from the landowner has been obtained; or
 - (D) removal of the contents to a permitted off-site disposal area approved by the department.
- (b) Each violation of this regulation shall be punishable by the following:
- (1) A \$1,000 penalty for the first violation;
 - (2) a \$2,500 penalty for the second violation; and
 - (3) a \$5,000 penalty and an operator license review for the third violation.

Complete and return with Haul-Off Pit Application, Form CDP1(2004)

Haul-off pit will be located in an on-site disposal area: Yes No

Haul-off pit is located in an off-site disposal area on acreage owned by the same landowner:
 Yes No If yes, written permission from the land owner must be obtained. Attach written permission to haul-off pit application.

Haul-off pit is located in an off-site disposal area on another **producing** lease or unit operated by the same operator: Yes No If yes, written permission from the land owner must be obtained. Attach permission and a copy of the lease assignment that covers the acreage where the haul-off pit is to be located, to the haul-off pit application.



15-007-23636-01-00

Aletha M. Dewbre-King
Regulatory Compliance Specialist

December 22, 2010

VIA UNITED PARCEL SERVICE

Mr. Rick Hestermann
Kansas Corporation Commission
Conservation Division
130 South Market, Room 2078
Wichita, Kansas 67202

RECEIVED
DEC 23 2010
KCC WICHITA

Re: Donald 1-17H
16-35W-14W
Barber Co., KS

Dear Mr. Hestermann:

Enclosed are the following documents in connection with the referenced well:

- a) C-1);
- b) CDP-1; and,
- c) KSONA-1.

Pursuant to our recent telephone conversations, neither form CO-7 nor application for horizontal well will be filed. The surface hole location will be in Kansas; but, all perforations and the bottom hole location will be in Oklahoma. All production will be from Oklahoma.

If additional information is required, please contact me at the email address or telephone number below. **All written correspondence should be directed to the undersigned at the address below.**

Thank you for your assistance in this matter.

Sincerely,

Chesapeake Operating, Inc.


Aletha M. Dewbre-King

Enclosures

W:\RegOps\State_Regulatory_Permitting\Regulatory KS\KS\C-1 (Notice of Intent)\Correspondence\Donald 1-17H.doc