

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Ave., Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103

May 27, 2004

<p>SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)</p>		<p>WELL API NO. 30-025-37056</p>
<p>1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> <i>Fed</i></p>
<p>2. Name of Operator Chesapeake Operating Inc.</p>		<p>6. State Oil & Gas Lease No.</p>
<p>3. Address of Operator P.O. Box 11050 Midland, TX 79702-8050</p>		<p>7. Lease Name or Unit Agreement Name Young 11 Federal</p>
<p>4. Well Location Unit Letter <u>C</u> : 76 feet from the <u>SOUTH</u> line and 2568 feet from the <u>WEST</u> line Section <u>2</u> Township 13S Range 38E NMPM County Lea</p>		<p>8. Well Number 1</p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3802 GR</p>		<p>9. OGRID Number 147179</p>
<p>Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input checked="" type="checkbox"/></p>		<p>10. Pool name or Wildcat Wildcat; Wolfcamp</p>
<p>Pit type _____ Depth to Groundwater <u>63+</u> Distance from nearest fresh water well _____ Distance from nearest surface water _____</p>		
<p>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____</p>		

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: Close Pit ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Chesapeake, respectfully, request permission to close the drilling pit for this well. As per OCD rule 50 we will dig the hole to encapsule mud using 20 mil plastic in pit and 20 mil on top. We will then top with 3' of clean dirt off of site.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☒, a general permit ☐ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE

Shay Stricklin

TITLE Production/Regulatory Asst.

DATE 01/19/2006

Type or print name Shay Stricklin

E-mail address: sstricklin@chkenergy.com

Telephone No. (432)687-2992

For State Use Only

OCD FIELD REPRESENTATIVE II/STAFF MANAGER

JAN 20 2006

APPROVED BY:

Shay W. Wink

TITLE

DATE

Conditions of Approval (if any):