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Submit One Copy To Appropriate District Office
 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
FEB 17 2010
HOBBS

Form C-103
 March 18, 2009

OIL CONSERVATION DIVISION

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

WELL API NO. 30-025-04862	
5. Indicate Type of Lease: STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
6. State Oil & Gas Lease No.	
7. Lease Name or Unit Agreement Name Pech State	
8. Well Number 3	
9. OGRID Number 147179	
10. Pool name or Wildcat Jalmat; Tansill-Yates-Seven Rivers	
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.) 1. Type of Well: <input checked="" type="checkbox"/> Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other	
2. Name of Operator Chesapeake Operating, Inc.	
3. Address of Operator P.O. Box 18496 Oklahoma City, OK 73154-0496	
4. Well Location Unit Letter <u>L</u> : <u>2310'</u> feet from the <u>South</u> line and <u>990'</u> feet from the <u>West</u> line Section <u>32</u> Township <u>21S</u> Range <u>36E</u> NMPM _____ County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3616' GR	
12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data	
NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/>	SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: <input type="checkbox"/> <input checked="" type="checkbox"/> Location is ready for OCD inspection after P&A
<input checked="" type="checkbox"/> All pits have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. <input checked="" type="checkbox"/> Rat hole and cellar have been filled and leveled. Cathodic protection holes have been properly abandoned. <input checked="" type="checkbox"/> A steel marker at least 4" in diameter and at least 4' above ground level has been set in concrete. It shows the:	

OPERATOR NAME, LEASE NAME, WELL NUMBER, API NUMBER, QUARTER/QUARTER LOCATION OR UNIT LETTER, SECTION, TOWNSHIP, AND RANGE. ALL INFORMATION HAS BEEN WELDED OR PERMANENTLY STAMPED ON THE MARKER'S SURFACE.

- ☒ The location has been leveled as nearly as possible to original ground contour and has been cleared of all junk, trash, flow lines and other production equipment.
- ☒ Anchors, dead men, tie downs and risers have been cut off at least two feet below ground level.
- ☒ If this is a one-well lease or last remaining well on lease, the battery and pit location(s) have been remediated in compliance with OCD rules and the terms of the Operator's pit permit and closure plan. All flow lines, production equipment and junk have been removed from lease and well location.
- ☒ All metal bolts and other materials have been removed. Portable bases have been removed. (Poured onsite concrete bases do not have to be removed.)
- ☒ All other environmental concerns have been addressed as per OCD rules.
- ☒ Pipelines and flow lines have been abandoned in accordance with 19.15.35.10 NMAC. All fluids have been removed from non-retrieved flow lines and pipelines.

When all work has been completed, return this form to the appropriate District office to schedule an inspection.

SIGNATURE Bryan Arrant TITLE Senior Regulatory Compl. Sp. DATE 02/17/2010

TYPE OR PRINT NAME Bryan Arrant E-MAIL: bryan.arrant@chk.com PHONE: (405)935-3782
 For State Use Only

APPROVED BY: Mark Whitaker TITLE Compliance Officer DATE 02/22/2010
 Conditions of Approval (if any):