

Conditions of Approval Attached

**District I**  
 1625 N. French Dr., Hobbs, NM 88240  
 Phone:(505) 393-6161 Fax:(505) 393-0720

**District II**  
 1301 W. Grand Ave., Artesia, NM 88210  
 Phone:(505) 748-1283 Fax:(505) 748-9720

**District III**  
 1000 Rio Brazos Rd., Aztec, NM 87410  
 Phone:(505) 334-6178 Fax:(505) 334-6170

**District IV**  
 1220 S. St Francis Dr., Santa Fe, NM 87505  
 Phone:(505) 476-3470 Fax:(505) 476-3462

**State of New Mexico**  
**Energy, Minerals and Natural Resources**  
**Oil Conservation Division**  
**1220 S. St Francis Dr.**  
**Santa Fe, NM 87505**

Form C-102  
 Permit 96660

**WELL LOCATION AND ACREAGE DEDICATION PLAT**

1. API Number 30-025-39452	2. Pool Code 40299	3. Pool Name LOST TANK;DELAWARE
4. Property Code 36813	5. Property Name LOST TANK 16 STATE	6. Well No. 002
7. OGRID No. 147179	8. Operator Name CHESAPEAKE OPERATING, INC.	9. Elevation 3652

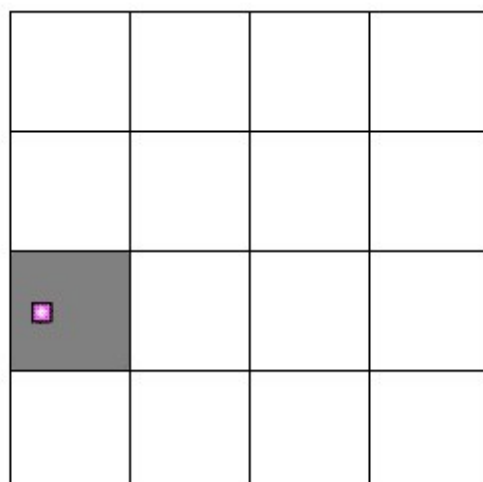
**10. Surface Location**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
L	16	21S	32E		1980	S	330	W	LEA

**11. Bottom Hole Location If Different From Surface**

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
12. Dedicated Acres 40.00	13. Joint or Infill	14. Consolidation Code	15. Order No.						

**NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION**



**OPERATOR CERTIFICATION**

*I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location(s) or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.*

E-Signed By: Brenda Coffman  
 Title: Sr. RegulatoryComp. Spec.  
 Date: 6/16/2009

**SURVEYOR CERTIFICATION**

*I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.*

Surveyed By: Ronald Eidson  
 Date of Survey: 4/6/2009  
 Certificate Number: 3239

## Permit Comments

**Operator:** CHESAPEAKE OPERATING, INC. , 147179

**Well:** LOST TANK 16 STATE #002

**API:** 30-025-39452

Created By	Comment	Comment Date
busterarrant	Certified Mailing to Intrepid Potash. Letter from Intrepid Potash of no objection.	6/1/2009
busterarrant	Along w/information below, NMOCD's C-102 and C-144(CLEZ)forms and Blowout Preventer Schematics will be sent by UPS.	6/9/2009
DMULL	OCD Hobbs office has received form C-144 "Pit Registration". OCD Permit Number P1-01195.	6/25/2009
DMULL	OCD Hobbs has received response from the Bureau of Land Management and the State Land Office on the above referenced location is in the LMR or the Buffer Zone of the POTASH. Response are scanned.	6/25/2009
DMULL	Intrepid Potash has sent letter agreeing not to object to the drilling of this well. Letter is scanned in well file.	6/25/2009



# Permit Conditions of Approval

**Operator:** CHESAPEAKE OPERATING, INC. , 147179

**Well:** LOST TANK 16 STATE #002

**API:** 30-025-39452

OCD Reviewer	Condition
DMULL	Well location in the POTASH AREA. Requires response from the Bureau of Land Management and the State Land Office. Notice letter advising them of this APD sent by OCD Hobbs Office.