

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 97591

WELL LOCATION AND ACREAGE DEDICATION PLAT

1. API Number 30-025-39453	2. Pool Code 40299	3. Pool Name LOST TANK;DELAWARE
4. Property Code 36813	5. Property Name LOST TANK 16 STATE	6. Well No. 003
7. OGRID No. 147179	8. Operator Name CHESAPEAKE OPERATING, INC.	9. Elevation 3692

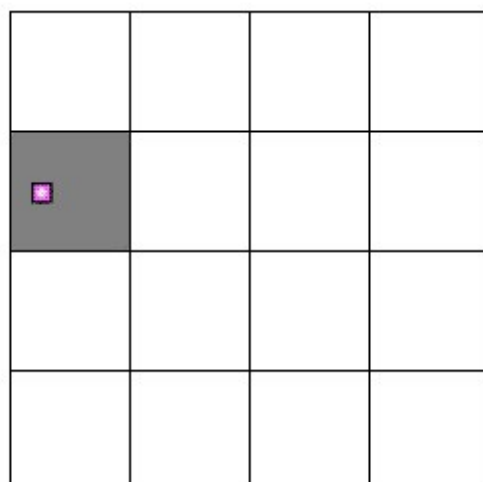
10. Surface Location

UL - Lot	Section	Township	Range	Lot Idn	Feet From	N/S Line	Feet From	E/W Line	County
E	16	21S	32E		1980	N	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: 6/17/2009

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: 3/25/2009
 Certificate Number: 3239

Permit Comments

Operator: CHESAPEAKE OPERATING, INC. , 147179

Well: LOST TANK 16 STATE #003

API: 30-025-39453

Created By	Comment	Comment Date
busterarrant	The certified mailing to Intrepid Potash, letter from Intrepid of no objection, NMOCD's C-102, C-144(CLEZ) Pit Permit & Blowout Preventer Schenatic will be sent by UPS	6/17/2009
DMULL	OCD Hobbs office has received form C-144, "Pit Registration". OCD Permit Number P1-01198.	6/25/2009
DMULL	OCD Hobbs office has received response from the Bureau of Land Management and the State Land office. Responses are scanned into the well file.	6/25/2009
DMULL	Intrepid Potash has sent letter agreeing not to object to the drilling of this well. Letter is scanned into well file.	6/25/2009

Permit Conditions of Approval

Operator: CHESAPEAKE OPERATING, INC. , 147179

Well: LOST TANK 16 STATE #003

API: 30-025-39453

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 the OCD Hobbs Office.