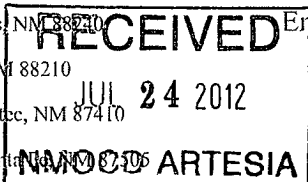


District I
1625 N. French Dr., Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505



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

Form C-129
Revised August 1, 2011

Submit one copy to appropriate
District Office

NFO Permit No. _____
(For Division Use Only)

APPLICATION FOR EXCEPTION TO NO-FLARE RULE 19.15.18.12

(See Rule 19.15.18.12 NMAC and Rule 19.15.7.37 NMAC)

- A. Applicant Chesapeake Operating, Inc. 30-015-40126
whose address is P.O. Box 18496 Oklahoma City, OK 73154,
hereby requests an exception to Rule 19.15.18.12 for _____ days or until
September 1, Yr 2012, for the following described tank battery (or LACT):
Name of Lease PLU P C 16 24 30 STATE 1H Name of Pool WILDCAT; BONE SPRING
Location of Battery: Unit Letter O Section 16 Township 24 S Range 30 E
Number of wells producing into battery 1
- B. Based upon oil production of 0 barrels per day, the estimated * volume
of gas to be flared is 1000 MCF; Value \$ 3080 per day.
- C. Name and location of nearest gas gathering facility:
3 1/2 MILES TO EPCO
- D. Distance 3.5 miles Estimated cost of connection \$1.5 MM
- E. This exception is requested for the following reasons: _____
Waiting on construction of pipeline facility. There are no public dwellings nearby and there is NO H2S in
the gas stream on this well.

API # for well: 30-015-40126; PLU PIERCE CANYON 16 24 30 STATE 1H

OPERATOR

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.

Signature _____

Printed Name _____

& Title Bryan Arrant Regulatory Specialist II

E-mail Address bryan.arrant@chk.com

Date 07/23/2012 Telephone No. (405)935-3782

OIL CONSERVATION DIVISION

Approved Until Sept 15 - 2012

By _____

Title _____

Date _____

* Gas-Oil ratio test may be required to verify estimated gas volume.