

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

Form C-103

May 27, 2004

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

WELL API NO.

30-015-34353

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Walterscheid 23

8. Well Number 001

9. OGRID Number 147179

10. Pool name or Wildcat
Carlsbad; Morrow, South (Pro Gas) 73960SUNDRY 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: Oil Well ☐ Gas Well ☒ Other2. Name of Operator
Chesapeake Operating Inc.3. Address of Operator P.O. Box 11050
Midland, TX 79702-8050

RECEIVED

JAN 12 2006

OCD-ARTESIA

4. Well Location

Unit Letter M : 1050 feet from the SOUTH line and 660 feet from the WEST line
Section 23 Township 23S Range 27E NMPM County EDDY11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3136 GRPit or Below-grade Tank Application ☐ or Closure ☒

Pit type _____ Depth to Groundwater 100+ Distance from nearest fresh water well _____ Distance from nearest surface water _____

Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____

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.

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

TITLE Production/Regulatory Asst.

DATE 01/09/2006

Type or print name Shay Stricklin

E-mail address: sstricklin@chkenegy.com

Telephone No. (432)687-2992

For State Use Only

APPROVED BY:

TITLE

Gerry Guye

Compliance Officer

DATE 1-13-06

Conditions of Approval (if any):