

Submit 3 Copies 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

Form C-103
 May 27, 2004

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

WELL API NO. 30-015-93885
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.
7. Lease Name or Unit Agreement Name Carrasco 6 Com
8. Well Number 002
9. OGRID Number 147179
10. Pool name or Wildcat Undesignated North Loving; Morrow

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: Oil Well Gas Well Other

2. Name of Operator
Chesapeake Operating, Inc.

3. Address of Operator P. O. Box 11050
Midland, TX 79702-8050

4. Well Location
Unit Letter O : 1030 feet from the South line and 2163 feet from the East line
Section 6 Township 23S Range 28E NMPM County Eddy

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3043 GR

Pit or Below-grade Tank Application or Closure

Pit type Drilling Depth to Groundwater 50' Distance from nearest fresh water well 1320' Distance from nearest surface water 1000+
 Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 12139 bbls; Construction Material plastic

RECEIVED
JAN 10 2005
OOD-ARTESIA

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	P AND A <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPL <input type="checkbox"/>	CASING/CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: <input checked="" type="checkbox"/>	

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.

Chesapeake, respectfully, requests that the attached procedure be approved for the drilling pit for this well. Chesapeake, hereby, agrees to close the pit according to NMOCD guidelines #3.

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 .

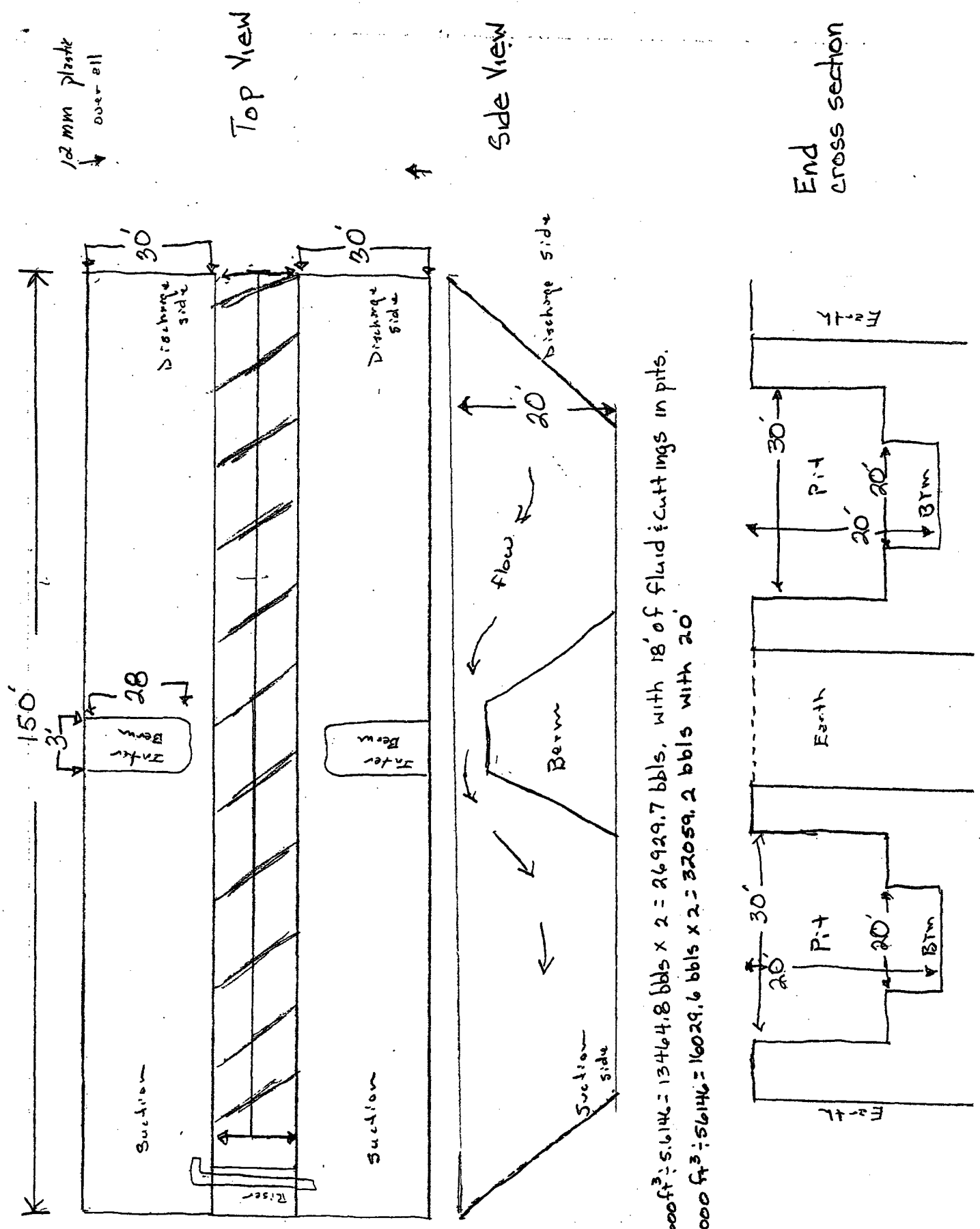
SIGNATURE Brenda Coffman TITLE Regulatory Analyst DATE 01/07/2005

Type or print name Brenda Coffman E-mail address: bcoffman@chkenergy.com Telephone No. (432)687-2992
For State Use Only

APPROVED BY: White Bratcher TITLE Compliance Officer DATE 1/14/05
 Conditions of Approval (if any): Closure to be per current OCD Guidelines

Chesapeake energy

Double Pit



$18' \times 30' \times 140 = 75600 \text{ ft}^3 \div 5.614 = 13464.8 \text{ bbls} \times 2 = 26929.7 \text{ bbls}$, with 18' of fluid cuttings in pits.
 $20' \times 30' \times 140 = 90000 \text{ ft}^3 \div 5.614 = 16029.6 \text{ bbls} \times 2 = 32059.2 \text{ bbls}$ with 20'