| District II   1301 W. Grand Ave., Artesia, NM 88240   District II   1301 W. Grand Ave., Artesia, NM 88210   District II   1000 Rio Brazos Rd., Aztec, NM 87410   District IV   1220 South St. Francis Dr.   Santa Fe, NM 87505   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) FORECEIVED PROPOSALS.)  1. Type of Well: Oil Well  | Submit 3 Copies To Appropriate District Office   | State of New Mexico Energy, Minerals and Natural Resources |  |                      | Form C-103<br>May 27, 2004  |  |
|--|--|--|--|----------------------|-----------------------------|--|
| Solution   State   S | 1625 N. French Dr., Hobbs, NM 88240  | Enorgy, minorals and matural Resources                     |  | WELL API NO          |                             |  |
| 1220 South St. Francis Dr.   STATE   FEE   | 1301 W. Grand Ave., Artesia, NM 88210  |  |  | 5. Indicate Typ      |                             |  |
| Santa Fe, NM 87505  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) FORECEIVED  PROPOSALS.)  1. Type of Well: Oil Well  Gas Well  Other  2. Name of Operator  Chesapeake Operating, Inc.  Chesapeake Operating, Inc.  3. Address of Operator  P. O. Box 11050  Midland, TX 79702-8050  6. State Oil & Gas Lease No.  6. State Oil & Gas Lease No.  7. Lease Name or Unit Agreement Name Baish Federal  8. Well Number 10  9. OGRID Number 147179  10. Pool name or Wildcat Shugart; Morrow, North  | 1000 Rio Brazos Rd Aztec NM 87410  |  | STATE  | FEE                  |                             |  |
| 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) FORECEIVED PROPOSALS.)  1. Type of Well: Oil Well  Gas Well  Other  2. Name of Operator   | District IV  |  | 6. State Oil & C   | Gas Lease No.        |                             |  |
| (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) FORMECEIVED PROPOSALS.)  1. Type of Well: Oil Well Gas Well Other  2. Name of Operator Chesapeake Operating, Inc.  3. Address of Operator Midland, TX 79702-8050  4. Well Location  Baish Federal  8. Well Number 10  9. OGRID Number 147179  10. Pool name or Wildcat Shugart; Morrow, North   | 87505  | 7 Loggo Nama   | or Unit Agraement Name   |                      |                             |  |
| 1. Type of Well: Oil Well Gas Well X Other  2. Name of Operator Chesapeake Operating, Inc.  3. Address of Operator Midland, TX 79702-8050  4. Well Location  8. Well Number 10  9. OGRID Number 147179  10. Pool name or Wildcat Shugart; Morrow, North  | (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 PERMIT" |  |  | Baish Federal        | _                           |  |
| 2. Name of Operator Chesapeake Operating, Inc.  3. Address of Operator Midland, TX 79702-8050  4. Well Location  9. OGRID Number 147179  10. Pool name or Wildcat Shugart; Morrow, North   | ,  | Gas Well X Other   | .11.11 0 8 2005  |                      | 10                          |  |
| Midland, TX 79702-8050 Shugart; Morrow, North  4. Well Location  | 2. Name of Operator Chesapeake Operating, Inc.   |  |  | 147179               |                             |  |
| ·  | 3. Address of Operator P. O. Box 11050 Midland, TX 79702-8050  |  |  | į                    |                             |  |
| I Unit Letter 1 1980 feet from the South line and 660 feet from the East line  |  |  |  |                      |                             |  |
|  |  |  |  |                      |                             |  |
| Section 9 Township 18S Range 31E NMPM CountyEddy  11. Elevation (Show whether DR, RKB, RT, GR, etc.)   | Section 9  |  |  |                      | County Eddy                 |  |
|  |  |  |  |                      |                             |  |
| Pit or Below-grade Tank Application or Closure   Pit type Drilling Depth to Groundwater 150' Distance from nearest fresh water well 2 miles Distance from nearest surface water NA   |  | <del></del>  | resh water wett 2 miles Dist   | ance from nearest su | ırface water NA             |  |
| Pit Liner Thickness: 12 mil Below-Grade Tank: Volume 12,129 bbls; Construction Material  |  | <del></del>  |  |                      |                             |  |
| 12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data   | 12. Check  |  |  | Report or Othe       | er Data                     |  |
| NOTICE OF INTENTION TO: SUBSEQUENT REPORT OF:  |  |  |  |                      |                             |  |
| PERFORM REMEDIAL WORK PLUG AND ABANDON REMEDIAL WORK ALTERING CASING   |  |  |  |                      |                             |  |
| TEMPORARILY ABANDON  |  | <u></u>  | COMMENCE DRI   | LLING OPNS.          | <del></del>                 |  |
| PULL OR ALTER CASING   MULTIPLE COMPL   CASING/CEMENT JOB  | PULL OR ALTER CASING   | MULTIPLE COMPL   | CASING/CEMENT  | JOB                  |                             |  |
| OTHER:Close existing pit  OTHER:   |  |  |  |                      |                             |  |
| 13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated dat of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completio or recompletion.   |  |  |  |                      |                             |  |
| Chesapeake, respectfully request permission to close the pit for this well. We will follow the NMOCD Guidelines B3b.   |  |  |  |                      |                             |  |
| Chesapoake, respectfully request permission to close the pit for this well. We will follow the revision State State.   |  |  |  |                      |                             |  |
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|  |  |  |  |                      |                             |  |
|  |  | هوروسیة بیشنگ بر <sup>ان</sup> دو <del>نگان درای</del>     | man managan di Salah |                      |                             |  |
| 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 [3], a general permit [ ] or an (attached) alternative OCD-approved plan [ ].   |  |  |  |                      |                             |  |
| SIGNATURE SIGNATURE PARENTALE Regulatory Analyst DATE 07/06/2005   | SIGNATURE (310 Maa   | (offmantiti  | ERegulatory Analyst  |                      | DATE 07/06/2005             |  |
| Type or print name Brenda Coffman  E-mail address: bcoffman@chkenergy.com Telephone No. (432)687-299  For State Use Only   |  | n D E-ma   | ail address:bcoffman@ch  | kenergy.com          | Telephone No. (432)687-2992 |  |
| APPROVED BY:  Conditions of Approval (if any):  TITLE Field Supervisor  DATE 12 2005   | APPROVED BY:   | TITL   | E Field Su   | pervisor             | DATE 1 2 2005               |  |