

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

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

Form C-103

May 27, 2004

<p>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.)</p>		<p>WELL API NO. 30-015-32559</p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/></p>		<p>5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/></p>
<p>2. Name of Operator Chesapeake Operating Inc.</p>		<p>6. State Oil & Gas Lease No.</p>
<p>3. Address of Operator P. O. Box 11050 Midland, TX 79702-8050</p>		<p>7. Lease Name or Unit Agreement Name State IE Com</p>
<p>4. Well Location Unit Letter <u>D</u> : 829 feet from the <u>North</u> line and <u>363</u> feet from the <u>West</u> line Section <u>16</u> Township <u>22S</u> Range <u>26E</u> NMPM County <u>Eddy</u></p>		<p>8. Well Number <u>3</u></p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3542 GR</p>		<p>9. OGRID Number 147179</p>
<p>Pit or Below-grade Tank Application <input type="checkbox"/> or Closure <input type="checkbox"/></p>		
<p>Pit type _____ Depth to Groundwater _____ Distance from nearest fresh water well _____ Distance from nearest surface water _____</p>		
<p>Pit Liner Thickness: _____ mil Below-Grade Tank: Volume _____ bbls; Construction Material _____</p>		

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: ☐

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.

Chesapeake, respectfully, request permission to temporarily abandon this well. We will be evaluating potential pay in uphole zones in the near future. ~~We propose to seal CIBP at 9260' and cap with 1 sack of cement.~~ We will then run and MIT and will file the original chart with results to the OCD.

Last Report shows PBTD @ 10,665' No Perfs -
CIBP @ 10,700'.

Do Not Run Another CIBP

Test From 10,665' to Surface

RECEIVED

MAY 19 2006

WU-ANTECOM

Notify OCD 24 hrs. prior to any work done

Notify OCD 24 hours
prior to test. 748-1283

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 05/17/2006

Type or print name Brenda Coffman

E-mail address: bcoffman@chkenergy.com

Telephone No. (432)687-2992

For State Use Only

APPROVED BY: [Signature]

TITLE _____

DATE _____

Conditions of Approval (if any): _____

MAY 23 2006