

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.</p>
<p>1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other</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 Forehand 22 State</p>
<p>4. Well Location Unit Letter <u>D</u> : <u>660</u> feet from the <u>North</u> line and <u>1285</u> feet from the <u>West</u> line Section <u>22</u> Township <u>23S</u> Range <u>27E</u> NMPM County <u>Eddy</u></p>		<p>8. Well Number <u>001</u></p>
<p>11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3142 GR</p>		<p>9. OGRID Number <u>147179</u></p>
<p>Pit or Below-grade Tank Application <input checked="" type="checkbox"/> or Closure <input type="checkbox"/></p>		<p>10. Pool name or Wildcat Undesignated;Morrow</p>
<p>Pit type <u>Drilling</u> Depth to Groundwater <u>60'</u> Distance from nearest fresh water well <u>1000+</u> Distance from nearest surface water <u>1000+</u> Pit Liner Thickness: <u>12</u> mil Below-Grade Tank: Volume <u>12139</u> bbls; Construction Material <u>Plastic</u></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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: Pit Application ☒

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, 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

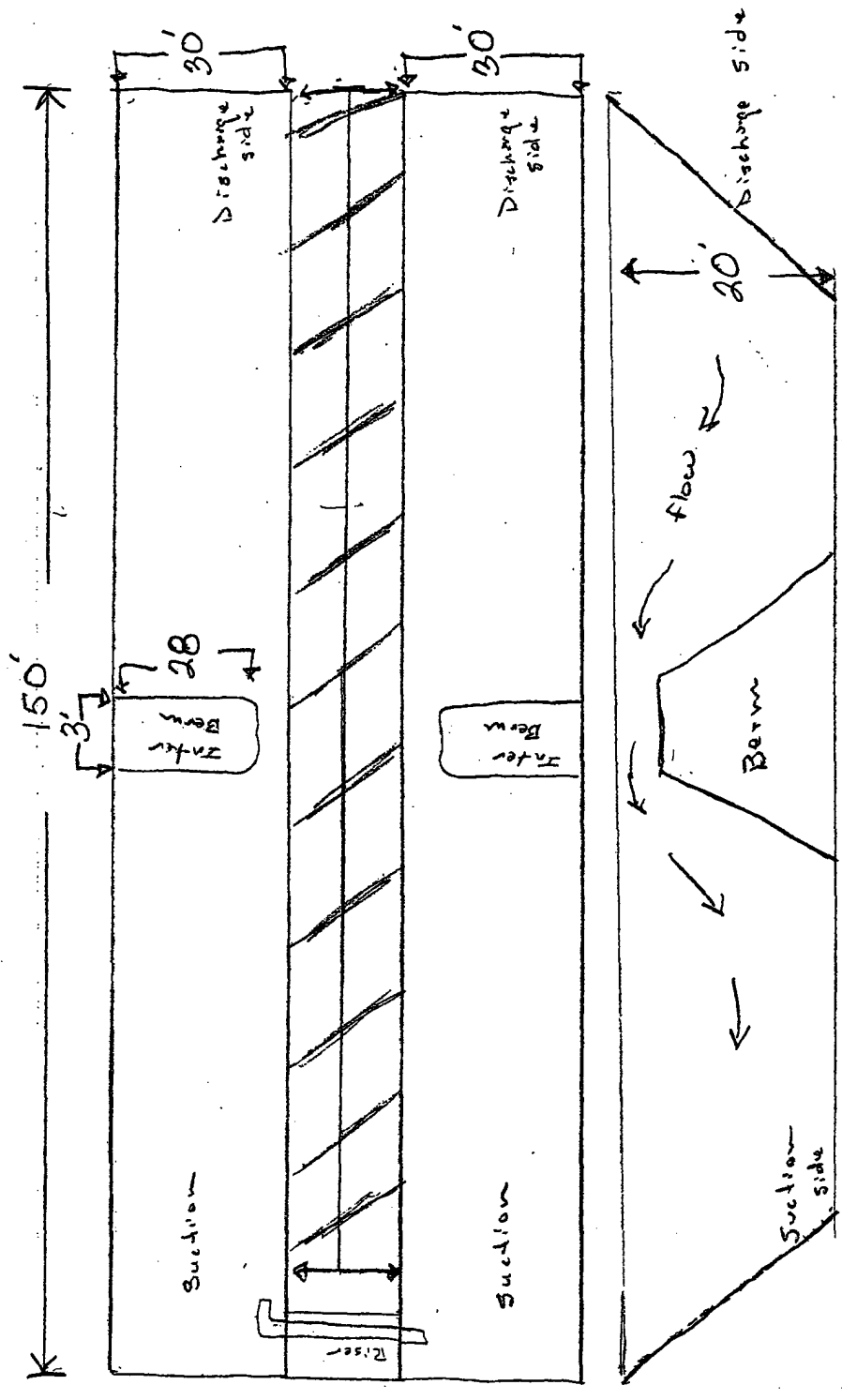
Type or print name Brenda Coffman

E-mail address: bcoffman@chkenergy.com Telephone No. (432)687-2992

For State Use Only

APPROVED BY: Mike Bratcher TITLE Compliance Officer DATE 1/20/05
Conditions of Approval (if any): Pit to be constructed and closed per current OCD Guidelines

Chesapeake energy Double Pit



$18' \times 30' \times 140' = 75600 \text{ ft}^3 \div 5.6146 = 13464.8 \text{ bbls} \times 2 = 26929.7 \text{ bbls}$, with 18' of fluid & cuttings in pits.
 $20' \times 30' \times 140' = 90000 \text{ ft}^3 \div 5.6146 = 16029.6 \text{ bbls} \times 2 = 32059.2 \text{ bbls}$ with 20'

