

## 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

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

WELL API NO.

30-025-37170

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil &amp; Gas Lease No.

7. Lease Name or Unit Agreement Name  
Newman 32 State

8. Well Number 002

9. OGRID Number 147179

10. Pool name or Wildcat  
Stateline; EllenburgerSUNDRY 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

4. Well Location

Unit Letter B : 660 feet from the North line and 2310 feet from the East line  
Section 32 Township 23S Range 38E NMPM County Lea11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
3305 GRPit or Below-grade Tank Application ☐ or Closure ☒

Pit type Depth to Groundwater 100 + Distance from nearest fresh water well 1000 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 drilling 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.

Chesapeake, respectfully, request permission to close the drilling pit for this well. 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 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 Regulatory Assistant

DATE 06/28/2006

Type or print name Shay Stricklin

E-mail address: sstricklin@chkenenergy.com

Telephone No. (432)687-2992

For State Use Only

APPROVED BY: Shay Stricklin  
Conditions of Approval (if any):

OUTFILED REPRESENTATIVE II/STAFF MANAGER

JUN 05 2006