

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.

30-025-37621

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name
Sims 13 State

8. Well Number 002

9. OGRID Number 147179

10. Pool name or Wildcat
Featherstone; Bone Spring, East

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 ☐ Other2. Name of Operator
Chesapeake Operating Inc.3. Address of Operator P.O. Box 11050
Midland, TX 79702-8050

4. Well Location

Unit Letter E : 1650 feet from the North line and 330 feet from the West line
Section 13 Township 20S Range 35E NMPM County Lea11. Elevation (Show whether DR, RKB, RT, GR, etc.)
3655 GRPit or Below-grade Tank Application ☐ or Closure ☒Pit type _____ Depth to Groundwater 80 + 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 ☒

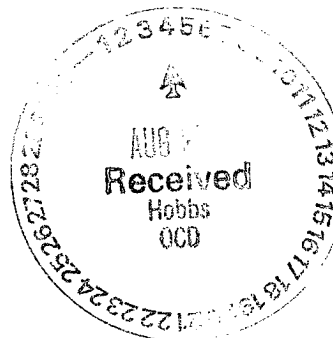
SUBSEQUENT REPORT OF:

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 encapsulate mud using 20 mil plastic in pit and 20 mil on top. We will then top with 3' of clean dirt off of site.

WILL CLOSE PIT ACCORDING TO NMOCD PIT & BELOW-GRADE
TANK GUIDELINES- IV B 3.6

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 08/02/2006

Type or print name Shay Stricklin

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

For State Use Only

APPROVED BY:

TITING FIELD REPRESENTATIVE II/STAFF MANAGER

DATE

Conditions of Approval (if any):

AUG 04 2006