## STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

2005 MAY 19 PM 1 05

## IN THE MATTER OF THE APPLICATION OF MEWBOURNE OIL COMPANY FOR CANCELLATION OF A DRILLING PERMIT AND APPROVAL OF A DRILLING PERMIT LEA COUNTY, NEW MEXICO

CASE NO. 13492

W17 5/11/05

## CHESAPEAKE OPERATING INC.'S RESPONSE TO MOTION FOR TEMPORARY SUSPENSION OF APD

Chesapeake Operating, Inc. and Chesapeake Permian, L.P. (collectively "Chesapeake") by its attorneys, Kellahin & Kellahin, in response to the Motion of Samson Resources Company ("Samson") and Kaiser-Francis Oil Company ("Kaiser") for an order temporarily suspending the APD issued to Chesapeake for the Cattleman "4" State Com Well No. 1 (API No. 30-025-37150) filed on May 13, 2005, state:

- 1. Chesapeake takes exception to the argumentative and self-service statement and bellicose posturing made by counsel for movants in this motion and will not engage in this. As Chesapeake has repeatedly stressed, its desire to avoid all of this gamesmanship being forced upon it by the opponents and wants the Division to decide this matter based upon the technical evidence and determined spacing unit orientation for this section.
- 2. Chesapeake holds a valid oil and gas lease for Lots 1, 2, 7, 8, of this section and has 50% of the WIO for the spacing unit in which the Cattleman "4" State Com Well No. 1 is located.

- 3. Chesapeake has a valid and approved APD granting it every right to proceed with drilling, but despite that, Chesapeake, as an accommodation, will voluntary agree that it will not commence building a location or spud this well until the Division's Examiner has entered an order deciding the orientation of the spacing unit for the K-F State "4" Well No. 1.
- 4. There is no need for issuing a temporary suspension of Chesapeake APD under these circumstances, when Chesapeake does not intend to spud this well until the Division Examiner enters his order in Case 13493.

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## **CERTIFICATE OF SERVICE**

I, W. Thomas Kellahin, certify that a true and correct copy of this pleading was hand delivered or sent via facsimile on May 19, 2005 as follows:

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