

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

**IN THE MATTER OF THE HEARING CALLED BY THE OIL
CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:**

**IN THE MATTER OF THE APPLICATION OF CHESAPEAKE OPERATING
INC. FOR STATUTORY UNITIZATION OF THE TRINITY BURRUS UNIT
AREA, LEA COUNTY, NEW MEXICO.**

**CASE NO. 13582 (Reopened)
ORDER NO. R-12496-A**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on April 13, 2006, at Santa Fe, New Mexico before Examiner David K. Brooks.

NOW, on this 28th day of April, 2006, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.

(2) By Order No. R-12496, entered on January 24, 2006, the Division approved the application of Chesapeake Operating, Inc. ("Chesapeake") for statutory unitization of the Trinity Burrus Abo Unit Area located in Sections 15, 22, 23, 26, and 27, Township 12 South, Range 38 East, NMPM, Lea County, New Mexico.

(3) Order No. R-12496 required that Exhibit G, Paragraph 3 of the Unit Operating Agreement be re-ratified to correctly state the intentions of the working interest owners in the unit.

(4) Pursuant to Order No. R-12496, Chesapeake sent the Unit Operating Agreement to all working interest owners in the Trinity Burrus Abo Unit Area for re-ratification.

(5) At the hearing, Chesapeake appeared and presented copies of the re-ratifications from the owners of more than 80% of the working interest in the Unit area.

(6) Chesapeake requests the entry of a supplemental order pursuant to the provisions of N.M.S.A. § 70-7-8 (2006), confirming that the plan for unit operations has been approved by at least seventy-five percent of the working interest owners in the Trinity Burrus Abo Unit and that the Unit can now become effective pursuant to Order No. R-12496.

(7) Pursuant to the provisions of N.M.S.A. § 70-7-8 (2006), Order No. R-12496, approving statutory unitization of the Trinity Burrus Abo Unit, has been approved by the required percentages of interest owners in the Unit area, and Order No. R-12496 is accordingly in full force and effect.

IT IS THEREFORE ORDERED THAT:

(1) The application of Chesapeake Operating Inc. for a supplemental order pursuant to the provisions of N.M.S.A. § 70-7-8 (2006) confirming that the plan for unit operations has been approved by at least seventy-five percent of the working interest owners in the Trinity Burrus Abo Unit, and that the Unit can now become effective pursuant to Order No. R-12496, is hereby granted.

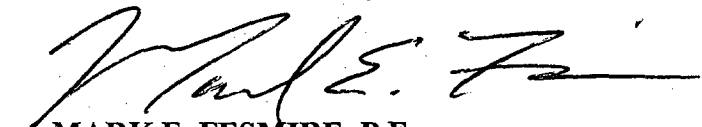
(2) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DOE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


MARK E. FESMIRE, P.E.
Director