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2007 SEP 18 PM 4 55

September 15, 2007

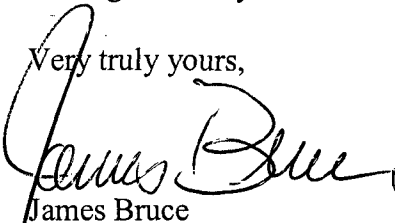
Florene Davidson  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Case 14010

Dear Florene:

Enclosed for filing, on behalf of JTD Resources, LLC, are an original and one copy of an application for compulsory pooling, together with a proposed advertisement. The advertisement has also been e-mailed to the Division. Please set this matter for the October 18, 2007 Examiner hearing. Thank you.

Very truly yours,

  
James Bruce

Attorney for JTD Resources, LLC

PERSONS BEING POOLED

Chesapeake Energy Corporation  
Chesapeake Exploration Limited Partnership  
P.O. Box 18496  
Oklahoma City, Oklahoma 73154-0496

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

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APPLICATION OF JTD RESOURCES,  
LLC FOR COMPULSORY POOLING,  
LEA COUNTY, NEW MEXICO.

Case No. 14010

APPLICATION

JTD Resources, LLC applies for an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the SE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 4, Township 20 South, Range 38 East, N.M.P.M., Lea County, New Mexico, and in support thereof, states:

1. Applicant is an interest owner in the SE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 4, and has the right to drill or re-enter a well thereon.
2. Applicant proposes re-enter the plugged and abandoned Vinson Well No. 1, located 330 feet from the south line and 2310 feet from the west line of Section 4, and test formations down to the base of the Wolfcamp formation, and seeks to dedicate the SE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 4 to the well to form a standard 40 acre oil and spacing and proration unit for any formations and/or pools developed on 40 acre spacing within that vertical extent, including the Undesignated West Nadine-San Andres Pool, West Nadine Paddock-Blinbry Pool, West Nadine-Tubb Pool, and West Nadine-Drinkard Pool. W  
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3. Applicant has in good faith sought to obtain the voluntary joinder of all other mineral interest owners in the SE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 4 for the purposes set forth herein.
4. Although applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in re-entering the well or to otherwise commit their interests to the well, certain interest owners have failed or refused to join in dedicating their interests.

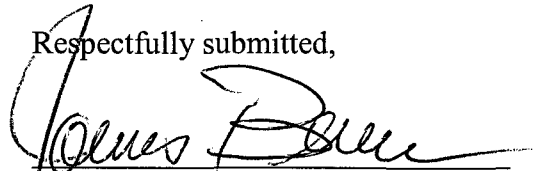
Therefore, applicant seeks an order pooling all mineral interest owners in the SE¼SW¼ of Section 4, pursuant to NMSA 1978 §70-2-17.

5. The pooling of all mineral interests underlying the SE¼NE¼ of Section 4 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

**WHEREFORE**, applicant requests that, after notice and hearing, the Division enter its order:

- A. Pooling all mineral interests in the SE¼SW¼ of Section 4, from the surface to the base of the Wolfcamp formation;
- B. Designating Pierce Production Company, LLC as operator of the well;
- C. Considering the cost of re-entering and completing the well, and allocating the cost among the well's working interest owners;
- D. Approving actual operating charges and costs charged for supervision, together with a provision adjusting the rates pursuant to the COPAS accounting procedure; and
- E. Setting a 200% charge for the risk involved in re-entering and completing the well in the event a working interest owner elects not to participate in the well.

Respectfully submitted,



James Bruce  
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Attorney for JTD Resources, LLC