

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

2008 JUN 2 PM 2 34  
RECEIVED

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

**APPLICATION OF CHESAPEAKE  
OPERATING, INC., FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO.**

**CASE NO. 14027**

**PRE- HEARING STATEMENT**

This Pre-Hearing Statement is submitted by Holland & Hart LLP, as required by the Oil Conservation Division.

**APPEARANCES OF PARTIES**

**APPLICANT**

Ed Birdshead  
Chesapeake Operating Inc.  
6100 Western Ave.  
Oklahoma City, OK 73148  
(405) 879-9189

**ATTORNEY**

Ocean Munds-Dry, Esq.  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504  
(505) 988-4421

*(Handwritten: Kim 5/21/08)*

**STATEMENT OF CASE**

**APPLICANT**

Applicant seeks an order pooling all mineral interests from 4,000 feet to 15,751 feet (Ellenburger formation) in certain spacing and proration units located in the N/2 of Section 21, Township 22 South, Range 36 East, N.M.P.M., Lea County, New Mexico. The above referenced spacing unit will be dedicated to Chesapeake's Langley Greer Well No. 3H which will be drilled to test the Devonian formation, Langley Devonian Gas Pool, from an unorthodox surface location 2440 feet from the South line and 660 feet from the West line, intersecting the Devonian formation at an unorthodox penetration point 2310 feet from the North and West line, and to a standard bottomhole location 660 feet from the North and West lines of said Section 21. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as

actual operating costs and charges for supervision, designation of Chesapeake Operating, Inc. as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 10.1 miles Southwest of Eunice, New Mexico.

### **PROPOSED EVIDENCE**

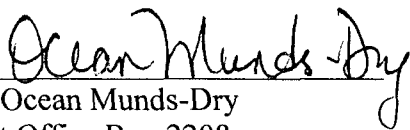
<u>WITNESSES</u>	<u>ESTIMATED TIME</u>	<u>EXHIBITS</u>
Ed Birdshead Petroleum Landman	45 Minutes	10

### **PROCEDURAL MATTERS**

Chesapeake Operating Inc., has none at this time.

Respectfully submitted,

HOLLAND & HART LLP

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**ATTORNEY FOR  
CHESAPEAKE OPERATING INC.**