

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

**Case No. 14300**

**EXHIBIT**

**2**



HOLLAND & HART <sup>LLP</sup>



Ocean Munds-Dry  
omundsdry@hollandhart.com

March 3, 2009

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

AFFECTED INTEREST OWNERS

**Re: Application of Chesapeake Operating, Inc. for special rules and regulations for the Southwest Willow Lake Delaware Pool, Eddy County, New Mexico.**

Ladies and Gentlemen:

This letter is to advise you that Chesapeake Operating, Inc. has filed the enclosed application with the New Mexico Oil Conservation Division seeking special rules and regulations for the Southwest Willow Lake Delaware Pool, including a special depth bracket allowable of 800 barrels of oil per day and a limiting gas:oil ratio of 2000 cubic feet of gas for each barrel of oil produced, effective January 1, 2009.

This application has been set for hearing before a Division Examiner at 8:15 a.m. on March 31, 2009. The hearing will be held in Porter Hall in the Oil Conservation Division's Santa Fe Offices located at 1220 South Saint Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from challenging the matter at a later date.

Parties appearing in cases are required by Division Rule 1208.B to file a Pre-hearing Statement four days in advance of a scheduled hearing. This statement must be filed at the Division's Santa Fe office at the above specified address and should include: the names of the parties and their attorneys; a concise statement of the case; the names of all witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that are to be resolved prior to the hearing.

Sincerely,

*Ocean Munds-Dry*  
Ocean Munds-Dry  
for Holland & Hart <sup>LLP</sup>

Before the Oil Conservation  
Division  
Case 14300  
Hearing June 2, 2009  
Chesapeake Energy Corp.  
Exhibit No. *12*

Holland & Hart <sup>LLP</sup>

Phone [505] 988-4421 Fax [505] 983-6043 [www.hollandhart.com](http://www.hollandhart.com)

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Aspen Billings Boise Boulder Cheyenne Colorado Springs Denver Denver Tech Center Jackson Hole Salt Lake City Santa Fe

**EXHIBIT A**

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210

Lime Rock Resources  
Heritage Plaza  
111 Bagby Street Suite 4600  
Houston, Texas 77002

Marbob Energy Corporation  
Post Office Box 227  
Artesia, New Mexico 88211

Nearburg Producing Co.  
PO Box 823085  
Dallas, Texas 75382-3085

Sundown Energy Co.  
13455 Noel Road, 2000  
Two Galleria Tower  
Dallas, Texas 75240

7006 0100 0005 0627 4259

U.S. Postal Service  
**CERTIFIED MAIL**  
*Domestic Mail Only; No Insurance*

For delivery information visit our web

**OFFICIAL**

Postage	\$ .59
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 5.49</b>

Yates Petroleum Corpora  
105 South Fourth Street  
Artesia, New Mexico 88

NEVER COMPLETE THIS SECTION  
PLACE STICKER AT TOP OF ENVELOPE OR TOP OF RETURN ADDRESS LABEL

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Yates Petroleum Corporation  
105 South Fourth Street  
Artesia, New Mexico 88210

A. Signature  
*Marcos Contreras*

B. Received by (Printed Name)  
**MARCOS CONTRERAS**

C. Date of Delivery  
[ ] Yes  
[ ] No

D. Is delivery address different from item 1? [ ] Yes [ ] No  
If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee) [ ] Yes

2. Article Number (Transfer from service label) **7006 0100 0005 0627 4259**

7006 0100 0005 0627 4242

U.S. Postal Service  
**CERTIFIED MAIL**  
*Domestic Mail Only; No Insurance*

For delivery information visit our web

**OFFICIAL**

Postage	\$ .59
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 5.49</b>

Lime Rock Resources  
Heritage Plaza  
111 Bagby Street Suite 460  
Houston, Texas 77002

NEVER COMPLETE THIS SECTION  
PLACE STICKER AT TOP OF ENVELOPE OR TOP OF RETURN ADDRESS LABEL

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Lime Rock Resources  
Heritage Plaza  
111 Bagby Street Suite 4600  
Houston, Texas 77002

A. Signature  
*Devin Moore*

B. Received by (Printed Name)  
**Devin Moore**

C. Date of Delivery  
**3/12/09**

D. Is delivery address different from item 1? [ ] Yes [ ] No  
If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee) [ ] Yes

2. Article Number (Transfer from service label) **7006 0100 0005 0627 4242**

7006 0100 0005 0627 4235

**U.S. Postal Service**  
**CERTIFIED MAIL**  
(Domestic Mail Only, No Insur.)

For delivery information visit our website at **OFFICIAL**

Postage	\$ 5.50
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 5.40</b>

Marbob Energy Corporation  
Post Office Box 227  
Artesia, New Mexico

**COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**Marbob Energy Corporation  
Post Office Box 227  
Artesia, New Mexico 882100**

2. Article Number (Transfer from service label)

7006 0100 0005 0627 4235

**COMPLETE THIS SECTION ON DELIVERY**

A. Signature  Agent  Addressee  
*[Signature]*

B. Received by (Printed Name)  Agent  Addressee  
*Marissa Villa*

C. Date of Delivery  
*7/4/09*

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes  No

7006 0100 0005 0627 4226

**U.S. Postal Service**  
**CERTIFIED MAIL**  
(Domestic Mail Only, No Insur.)

For delivery information visit our website at **OFFICIAL**

Postage	\$ .50
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 5.40</b>

Nearburg Producing Co.  
PO Box 823085  
Dallas, Texas 75382-3085

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

**COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**Nearburg Producing Co.  
PO Box 823085  
Dallas, Texas 75382-3085**

A. Signature  Agent  Addressee  
*[Signature]*

B. Received by (Printed Name)  Agent  Addressee  
*Jimmy Simpson*

C. Date of Delivery  
*3/10/09*

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes  No

7006 0100 0005 0627 4211

**U.S. Postal Service**  
**CERTIFIED MAIL**  
(Domestic Mail Only, No Insur.)

For delivery information visit our website at **OFFICIAL**

Postage	\$ .59
Certified Fee	2.70
Return Receipt Fee (Endorsement Required)	2.20
Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$ 5.49</b>

Sundown Energy Co.  
13455 Noel Road, 2000  
Two Galleria Tower  
Dallas, Texas 75240

**COMPLETE THIS SECTION**

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

**Sundown Energy Co.  
13455 Noel Road, 2000  
Two Galleria Tower  
Dallas, Texas 75240**

A. Signature  Agent  Addressee  
*[Signature]*

B. Received by (Printed Name)  Agent  Addressee  
*Sophie Juvera*

C. Date of Delivery  
*3/9/09*

D. Is delivery address different from item 1?  Yes  No  
If YES, enter delivery address below:

3. Service Type  
 Certified Mail  Express Mail  
 Registered  Return Receipt for Merchandise  
 Insured Mail  C.O.D.

4. Restricted Delivery? (Extra Fee)  Yes  No

2. Article Number (Transfer from service label)

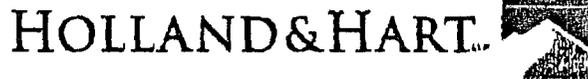
7006 0100 0005 0627 4211

PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

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\*\*\* TX REPORT \*\*\*  
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TRANSMISSION OK

TX/RX NO 2864  
RECIPIENT ADDRESS 915757468795  
DESTINATION ID  
ST. TIME 03/05 18:37  
TIME USE 00'28  
PAGES SENT 2  
RESULT OK



Thursday, March 5, 2009

To: Artesia Daily Press  
Legals

Fax : (505) 746-8795  
Phone:

From: Olivia Ita

Fax : (505) 983-6043  
Phone: (505) 988-4421

Message:

Transmitted herewith please find the Legal Ads for Case No.14300 for Chesapeake Operating Inc.. If you could please run this Ad as soon as possible for one time only. Please send the Affidavit and invoice to us at the following address:

**William F. Carr  
Ocean Munds-Dry  
Holland & Hart LLP  
Post Office Box 2208  
Santa Fe, New Mexico 87504-2208**

Should you have any questions, please contact me. Thank you very much for your help.

NOTICE OF PUBLICATION

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

The State of New Mexico through its Oil Conservation Division hereby gives notice pursuant to law and the Rules and Regulations of the Division of the following public hearing to be held at 8:15 A.M. on March 31, 2009, in the Oil Conservation Division Hearing Room at 1220 South St. Francis, Santa Fe, New Mexico, before an examiner duly appoint for the hearing. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact: Florene Davidson at 505-476-3458 or through the New Mexico Relay Network, 1-800-659-1779 by March 20, 2009. Public documents including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:

All named parties and persons  
having any right, title, interest  
or claim in the following cases  
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

CASE: 14300

Application of Chesapeake Operating, Inc. for special rules and regulations for the Southwest Willow Lake Delaware Pool, Eddy County, New Mexico. Applicant, in the above-styled cause seeks establishment of special rules and regulations for the Southwest Willow Lake Delaware Pool, including a special depth bracket allowable of 800 barrels of oil per day and a limiting gas: oil ratio of 2000 cubic feet of gas for each barrel of oil produced, effective January 1, 2009. The pool is located in Sections 3, 4, 9, 10 and 15 of Township 25 South, Range 28 East, NMPM, Eddy County. Said area is located approximately 3 miles south of Malaga, New Mexico.

Given under the Seal of the State of New Mexico Oil Conservation Division at Santa Fe, New Mexico on this 5<sup>th</sup> day of March.

STATE OF NEW MEXICO  
OIL CONSERVATION  
DIVISION

Mark E. Fesmire, P.E.,  
Director

# Affidavit of Publication

NO. 20593

# Copy of Publication:

STATE OF NEW MEXICO

County of Eddy:

GARY D. SCOTT being duly

sworn, says: That he is the PUBLISHER of The

Artesia Daily Press, a daily newspaper of general circulation, published in English at Artesia, said county and county and state, and that the here to attached

### Legal Notice

was published in a regular and entire issue of the said Artesia Daily Press, a daily newspaper duly qualified for that purpose within the meaning of Chapter 167 of the 1937 Session Laws of the state of New Mexico for 1 Consecutive week/days on the same

day as follows:

- First Publication March 6, 2009
- Second Publication \_\_\_\_\_
- Third Publication \_\_\_\_\_
- Fourth Publication \_\_\_\_\_
- Fifth Publication \_\_\_\_\_

*Gary D. Scott*

Subscribed and sworn to before me this

6 Day March 2009



**OFFICIAL SEAL**  
**Jo Morgan**  
**NOTARY PUBLIC-STATE OF NEW MEXICO**

My commission expires: 6/6/2012

*Jo Morgan*

Notary Public, Eddy County, New Mexico

