

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:

APPLICATION OF CHESAPEAKE OIL,
INC. FOR AN UNORTHODOX OIL WELL
LOCATION, LEA COUNTY, NEW MEXICO.

CASE NO. 11,844

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by applicant as required by the Oil Conservation Division.

APPEARANCES

APPLICANT

Chesapeake Operating, Inc.
P.O. Box 54525
Oklahoma City, OK 73154
Attn: Mike Hazlip
(405) 848-8000

APPLICANT'S ATTORNEY

James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

OPPONENT

Marathon Oil Company

OPPONENT'S ATTORNEY

William F. Carr

STATEMENT OF THE CASE

APPLICANT

Applicant seeks approval of an unorthodox oil well location for a well to be drilled 2523 feet FNL and 2370 feet FEL of Section 19, Township 16 South, Range 36 East, Lea County, New Mexico. The well will test the Strawn formation, and the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 19 will be dedicated to the well. The proposed location is necessary for applicant to recover its fair share of Strawn reserves underlying its acreage.

OPPONENT

PROPOSED EVIDENCE

APPLICANT

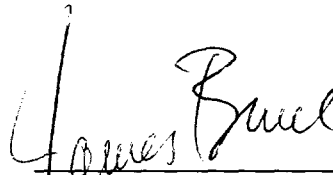
<u>WITNESSES</u>	<u>EST. TIME</u>	<u>EXHIBITS</u>
Mike Hazlip (landman)	5 min.	1. Land plat 2. Offset list 3. Notice affidavit
<u> </u> (geologist)	15 min.	1. Structure map 2. Production map 3. Isopach

OPPONENT

WITNESSES	EST. TIME	EXHIBITS
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PROCEDURAL MATTERS

-None-



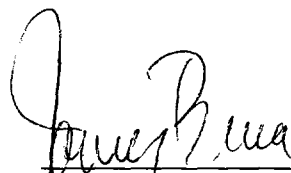
James Bruce
P.O. Box 1056
Santa Fe, New Mexico 87504
(505) 982-2043

Attorney for Applicant

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Entry of Appearance was sent by facsimile transmission this 2nd day of September, 1997 to:

William F. Carr
Campbell, Carr, Berge & Sheridan, P.A.
P.O. Box 2208
Santa Fe, NM 87504
983-6043



James Bruce