

CHESAPEAKE OPERATING, INC.

P.O. BOX 18496
OKLAHOMA CITY, OKLAHOMA 73154-0496
405/848-8000, EXT. 414
405/879-9562 FAX

LAND DEPARTMENT
LYNDA F. TOWNSEND, CPL/ESA
LANDMAN

May 27, 1999

VIA CERTIFIED MAIL

Mr. Richard L. Brown
320 Kearney #10
Santa Fe, NM 87501

Re: Chesapeake's Boyce 1-15, Well Proposal
E/2, Section 15-16S-35E
Lea County, New Mexico

Dear Mr. Brown:

Chesapeake Operating, Inc. hereby proposes to drill the Boyce 1-15 well to a total depth of 12,100' to test the Morrow formation. The well will be at a standard location of 1650' FNL and 660' FEL in the E/2 of Section 15-16S-35E. Richard L. Brown is the owner of 1.04 net mineral acres of the 320 acre unit.

Attached is Chesapeake's AFE reflecting estimated dry hole costs of \$711,000 and completed well costs of \$1,016,000. Chesapeake offers you the opportunity to participate in the drilling of the Boyce 1-15 well with a working interest of 0.3241%. Should you elect to participate, please return the executed AFE along with a check in the amount of \$2,304.35 for your proportionate share of dry hole costs. Upon receipt, a Joint Operating Agreement will be forwarded for your signature.

If you have any questions or require any additional information, please do not hesitate to give me a call.

Very truly yours,



Lynda F. Townsend

BEFORE THE
OIL CONSERVATION DIVISION
Case No. 12186 Exhibit No. 5
Submitted By:
Chesapeake Operating
Hearing Date: June 24, 1999

CHESAPEAKE OPERATING, INC.

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LAND DEPARTMENT
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LANDMAN

May 27, 1999

VIA CERTIFIED MAIL

The Wright Family Living Trust
Joe R. Wright, Trustee
320 Kearney #9
Santa Fe, NM 87501

Re: Chesapeake's Boyce 1-15, Well Proposal
E/2, Section 15-16S-35E
Lea County, New Mexico

Dear Mr. Wright:

Chesapeake Operating, Inc. hereby proposes to drill the Boyce 1-15 well to a total depth of 12,100' to test the Morrow formation. The well will be at a standard location of 1650' FNL and 660' FEL in the E/2 of Section 15-16S-35E. The Wright Family Living Trust is the owner of 1.04 net mineral acres of the 320 acre unit.

Attached is Chesapeake's AFE reflecting estimated dry hole costs of \$711,000 and completed well costs of \$1,016,000. Chesapeake offers you the opportunity to participate in the drilling of the Boyce 1-15 well with a working interest of 0.3241%. Should you elect to participate, please return the executed AFE along with a check in the amount of \$2,304.35 for your proportionate share of dry hole costs. Upon receipt, a Joint Operating Agreement will be forwarded for your signature.

If you have any questions or require any additional information, please do not hesitate to give me a call.

Very truly yours,


Lynda F. Townsend

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LYNDA F. TOWNSEND, CPL/ESA
LANDMAN

May 27, 1999

VIA CERTIFIED MAIL

Ms. Gretchen B. Nearburg
1608 Lakeway Blvd.
Austin, TX 78734

Re: Chesapeake's Boyce 1-15, Well Proposal
E/2, Section 15-16S-35E
Lea County, New Mexico

Dear Ms. Nearburg:

Chesapeake Operating, Inc. hereby proposes to drill the Boyce 1-15 well to a total depth of 12,100' to test the Morrow formation. The well will be at a standard location of 1650' FNL and 660' FEL in the E/2 of Section 15-16S-35E. Gretchen Nearburg is the owner of 0.52 net mineral acres of the 320 acre unit.

Attached is Chesapeake's AFE reflecting estimated dry hole costs of \$711,000 and completed well costs of \$1,016,000. Chesapeake offers you the opportunity to participate in the drilling of the Boyce 1-15 well with a working interest of 0.1621%. Should you elect to participate, please return the executed AFE along with a check in the amount of \$1,152.53 for your proportionate share of dry hole costs. Upon receipt, a Joint Operating Agreement will be forwarded for your signature.

If you have any questions or require any additional information, please do not hesitate to give me a call.

Very truly yours,


Lynda F. Townsend

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LANDMAN

May 27, 1999

VIA CERTIFIED MAIL

Mr. Robert J. Dunn
P. O. Box 2069
Scottsdale, AZ 85252-2069

Re: Chesapeake's Boyce 1-15, Well Proposal
E/2, Section 15-16S-35E
Lea County, New Mexico

Dear Mr. Dunn:

Chesapeake Operating, Inc. hereby proposes to drill the Boyce 1-15 well to a total depth of 12,100' to test the Morrow formation. The well will be at a standard location of 1650' FNL and 660' FEL in the E/2 of Section 15-16S-35E. Robert Dunn is the owner of 1.04 net mineral acres of the 320 acre unit.

Attached is Chesapeake's AFE reflecting estimated dry hole costs of \$711,000 and completed well costs of \$1,016,000. Chesapeake offers you the opportunity to participate in the drilling of the Boyce 1-15 well with a working interest of 0.3242%. Should you elect to participate, please return the executed AFE along with a check in the amount of \$2,305.06 for your proportionate share of dry hole costs. Upon receipt, a Joint Operating Agreement will be forwarded for your signature.

If you have any questions or require any additional information, please do not hesitate to give me a call.

Very truly yours,



Lynda F. Townsend

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LYNDA F. TOWNSEND, CPL/ESA
LANDMAN

May 27, 1999

VIA CERTIFIED MAIL

Ms. Anna A. Reischman, General Partner
MGC Limited Partnership
1320 W. 4th Street
Roswell, NM 88201

Re: Chesapeake's Boyce 1-15, Well Proposal
E/2, Section 15-16S-35E
Lea County, New Mexico

Dear Ms. Reischman:

Chesapeake Operating, Inc. hereby proposes to drill the Boyce 1-15 well to a total depth of 12,100' to test the Morrow formation. The well will be at a standard location of 1650' FNL and 660' FEL in the E/2 of Section 15-16S-35E. MGC Limited Partnership is an owner of 1.04 net mineral acres of the 320 acre unit.

Attached is Chesapeake's AFE reflecting estimated dry hole costs of \$711,000 and completed well costs of \$1,016,000. Chesapeake offers you the opportunity to participate in the drilling of the Boyce 1-15 well with a working interest of 0.3242%. Should you elect to participate, please return the executed AFE along with a check in the amount of \$2,305.06 for your proportionate share of dry hole costs. Upon receipt, a Joint Operating Agreement will be forwarded for your signature.

If you have any questions or require any additional information, please do not hesitate to give me a call.

Very truly yours,



Lynda F. Townsend

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LANDMAN

May 27, 1999

VIA CERTIFIED MAIL

Ms. Joe Anna Arnett,
Mr. James D. Asher
P. O. Box 8022
Santa Fe, NM 87504-8022

Re: Chesapeake's Boyce 1-15, Well Proposal
E/2, Section 15-16S-35E
Lea County, New Mexico

Dear Ms. Arnett and Mr. Asher:

Chesapeake Operating, Inc. hereby proposes to drill the Boyce 1-15 well to a total depth of 12,100' to test the Morrow formation. The well will be at a standard location of 1650' FNL and 660' FEL in the E/2 of Section 15-16S-35E. Joe Anna Arnett and James D. Asher, as Joint Tenants with Rights of Survivorship are owners of 1.04 net mineral acres of the 320 acre unit.

Attached is Chesapeake's AFE reflecting estimated dry hole costs of \$711,000 and completed well costs of \$1,016,000. Chesapeake offers you the opportunity to participate in the drilling of the Boyce 1-15 well with a working interest of 0.3242%. Should you elect to participate, please return the executed AFE along with a check in the amount of \$2,305.06 for your proportionate share of dry hole costs. Upon receipt, a Joint Operating Agreement will be forwarded for your signature.

If you have any questions or require any additional information, please do not hesitate to give me a call.

Very truly yours,



Lynda F. Townsend

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LYNDA F. TOWNSEND, CPL/ESA
LANDMAN

May 27, 1999

VIA CERTIFIED MAIL

Mr. Mark K. Nearburg
Ameristate Oil & Gas, Inc.
1211 W. Texas
Midland, TX 79701

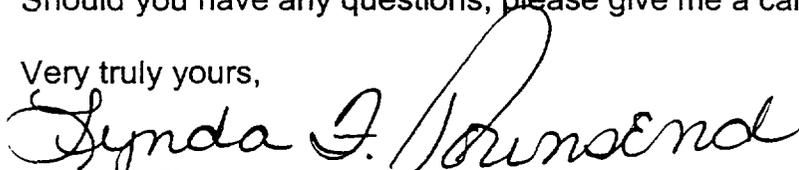
Re: Chesapeake's Boyce 1-15, Well Proposal dated March 22, 1999
E/2, Section 15-16S-35E
Lea County, New Mexico

Dear Mr. Nearburg:

Reference is made to our well proposal dated March 22, 1999 for the Boyce 1-15 well. That proposal incorrectly identified Ameristate's working interest as 30.363281% in the Boyce 1-15 unit. We now find that interest to be 11.0162%. Please adjust your AFE estimated dry hole costs accordingly.

Should you have any questions, please give me a call.

Very truly yours,


Lynda F. Townsend

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LYNDA F. TOWNSEND, CPL/ESA
LANDMAN

May 27, 1999

VIA CERTIFIED MAIL

Mr. Thomas M. Beall
Fuel Products, Inc.
P. O. Box 3098
Midland, TX 79702

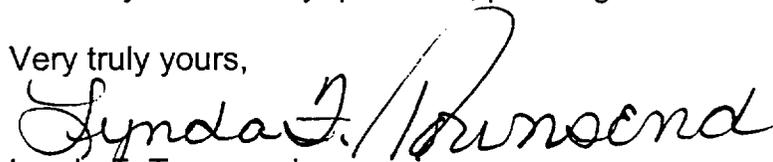
Re: Chesapeake's Boyce 1-15, Well Proposal dated March 22, 1999
E/2, Section 15-16S-35E
Lea County, New Mexico

Dear Mr. Beall:

Reference is made to our well proposal dated March 22, 1999 for the Boyce 1-15 well. That proposal incorrectly identified Fuel Products' working interest as 0.949219% in the Boyce 1-15 unit. We now find that interest to be 4.3559%. Please adjust your AFE estimated dry hole costs accordingly.

Should you have any questions, please give me a call.

Very truly yours,



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May 27, 1999

VIA CERTIFIED MAIL

Mr. Don Lawson
TMBR/Sharp Drilling, Inc.
P. O. Box 10970
Midland, TX 79702

Re: Chesapeake's Boyce 1-15, Well Proposal dated March 22, 1999
E/2, Section 15-16S-35E
Lea County, New Mexico

Dear Mr. Lawson:

Reference is made to our well proposal dated March 22, 1999 for the Boyce 1-15 well. That proposal incorrectly identified TMBR/Sharp's working interest as 16.328125% in the Boyce 1-15 unit. We now find that interest to be 22.2057%. Please adjust your AFE estimated dry hole costs accordingly.

Should you have any questions, please give me a call.

Very truly yours,



Lynda F. Townsend

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May 27, 1999

VIA CERTIFIED MAIL

Mr. Louis Mazzullo
Louis Mazzullo, Inc.
P. O. Box 66657
Albuquerque, NM 87193

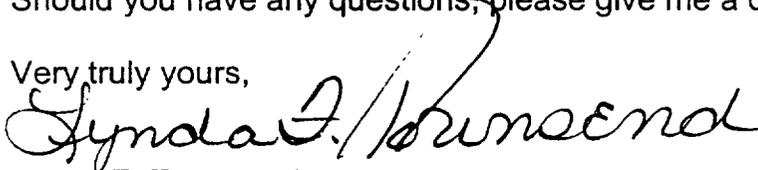
Re: Chesapeake's Boyce 1-15, Well Proposal dated March 22, 1999
E/2, Section 15-16S-35E
Lea County, New Mexico

Dear Mr. Mazzullo:

Reference is made to our well proposal dated March 22, 1999 for the Boyce 1-15 well. That proposal incorrectly identified Mazzullo's working interest as 0.210937% in the Boyce 1-15 unit. We now find that interest to be 0.1576%. Please adjust your AFE estimated dry hole costs accordingly.

Should you have any questions, please give me a call.

Very truly yours,


Lynda F. Townsend