

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2255

SANTA FE, NEW MEXICO 87504-2255

TELEPHONE (505) 962-4285
TELEFAX (505) 962-2047

W. THOMAS KELLAHIN*

*NEW MEXICO BOARD OF LEGAL SPECIALIZATION
RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED (1991))

June 7, 1999

James T. Jennings, Esq.
Jennings & Jones, L.C.
P. O. Box 1180
Roswell, New Mexico 88202-1180

Via Facsimile and regular mail

Re: NMOCD Case 12186 (Boyce "15" Well No. 1)
Application of Chesapeake Operating Inc.
for compulsory pooling, Lea County, New Mexico

Dear Mr. Jennings:

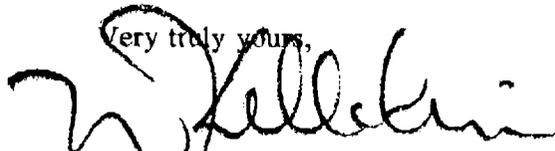
Today I received your letter dated June 4, 1999 in which you contend that your clients, Patricia J. Cooper and S. P. Johnson, III were not provided proper notice of this case because the copy of the application which they each received did not include the list of other parties to be pooled. Please be advised that neither Division Rule 1205 nor Rule 1207.A(1) currently require either that I send your clients a copy of the application nor does it require me to disclose the other persons to be pooled.

As an accommodation to you and without any obligation to do so, I am sending you a copy of Exhibit "A" to the application. In addition, this case will be continued to the Examiner's docket set for hearing on June 24, 1999.

You asked if Chesapeake intends to pool your clients interest. The answer is yes. Your clients have refused to reach a voluntary agreement with Chesapeake despite its efforts to do so. Accordingly, Chesapeake intends to subject your client's interest in this spacing unit to a compulsory pooling order.

I have not received an entry of appearance from you on behalf of your clients. Is it your intention to represent them in this case? If so, please file an appearance with the Division with a copy to me and I will provide you with a copy of our prehearing statement as required by Division rules. Copies of Chesapeake's exhibits will be given to you at the hearing.

Very truly yours,



W. Thomas Kellahin

cfx: Rand Carroll, Esq. (OCD-Santa Fe)
Chesapeake Operating, Inc.
Attn: Lynda Townsend