

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

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SANTA FE, NEW MEXICO 87504-2265

November 12, 1996

W. THOMAS KELLAHIN*

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

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HAND DELIVERED

Mr. Michael E. Stogner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

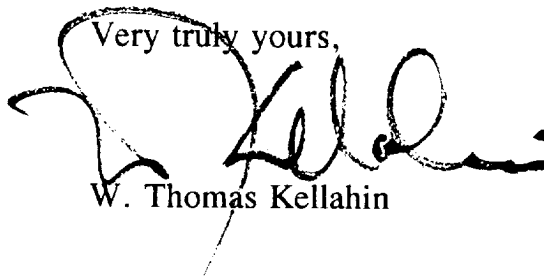
Re: Lovington 5 Well No. 1
Administrative Application of
Chesapeake Operating, Inc.
for a Directional Wellbore
Lea County, New Mexico

Dear Mr. Stogner:

On behalf of Chesapeake Operating, Inc., please find enclosed our Application for approval of a Directional Wellbore pursuant to Rule 111.D

By copy of this letter, I am requesting the OCD-Hobbs, to accept and process the enclosed Application for Permit to Drill. I would appreciate Mr. Sexton calling me if there is anything else I need to submit to his office.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', written over the typed name.

W. Thomas Kellahin

cc: Mr. Jerry Sexton (OCD-Hobbs)
cfx: Chesapeake Operating, Inc.
Attn: Mike Hazlip