

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS, WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☒ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☒ Does Not Apply

[A] ☒ Working, Royalty or Overriding Royalty Interest Owners

[B] ☐ Offset Operators, Leaseholders or Surface Owner

[C] ☐ Application is One Which Requires Published Legal Notice

[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office

[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,

[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is accurate and complete to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Christian Combs

Print or Type Name

Signature

Manager- Regulatory, Southern Division

Title

Christian.Combs@chk.com

11/06/2009

Date

e-mail Address



Regulatory Department

November 6, 2009

VIA UPS

New Mexico Oil Conservation Division
1220 South St. Francis Drive
Santa Fe, NM 87505
Attn: Will Jones or To Whom It May Concern:

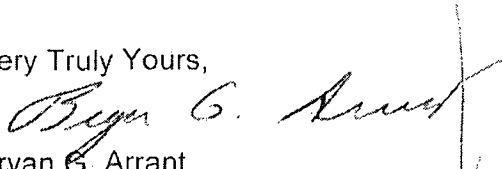
RE: Chesapeake Operating, Inc.
Duncan 19 # 1
600' FNL & 500' FEL
Sec. 19, T-20S R-39-E
Lea Co., NM
API # 30-025-36235

Dear Mr. Jones

Chesapeake Operating, Inc. respectfully request administrative approval to down-hole commingle the Warren Tubb, D-K; Drinkard and the D-K; Abo oil pools. Enclosed for your consideration is our application of NMOCD's form C-107A with attachments:

- 1) Well location and acreage dedication plats for all pools.
- 2) Production history for Abo.
- 3) All working interest, net revenue interest and overriding royalty owners and interest owners were notified. Please refer to Order # 11993 A, B.
- 4) NMOCD's C-103 for pre-approved pools. Please refer to R-11363.

Very Truly Yours,


Bryan G. Arrant
Senior Regulatory Compliance Specialist

Jones, William V., EMNRD

From: Bryan Arrant [bryan.arrant@chk.com]
Sent: Friday, November 06, 2009 2:07 PM
To: Jones, William V., EMNRD
Cc: Kim Henderson; Ann Wendorff
Subject: Duncan 19 #1 (API # 30-025-36235) C-107A Application
Attachments: 20091106150341421.pdf

Will,
Please find the enclosed application.
If you need anything else, please let me know.
Thanks for your help.

Thank you,
Bryan Arrant
Senior Regulatory Compliance Specialist
Chesapeake Energy Corporation
6100 N. Western Avenue
Oklahoma City, OK 73118
Office: (405)-935-3782
Fax: (405) 849-3782
E-mail: Bryan.Arrant@chk.com

-----Original Message-----

From: Bryan Arrant
Sent: Friday, November 06, 2009 2:04 PM
To: Bryan Arrant
Subject:

This E-mail was sent from "RNPCB8EA5" (Aficio MP C4500).

Scan Date: 11.06.2009 15:03:41 (-0500)

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District I
1525 N. French Blvd., Suite 204, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107A
Revised June 10, 2003

District II
1501 W. Grand Avenue, Suite 4, Santa Fe, NM 87505

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, New Mexico 87505

APPLICATION TYPE
☒ Single Well
☐ Establish Pre-Approved Pools
EXISTING WELLBORE
☒ Yes ☐ No

District III
1000 Rito Grande Road, Suite 100, Santa Fe, NM 87505

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

APPLICATION FOR DOWNHOLE COMMINGLING

Chesapeake Operating, Inc.

P.O. Box 18496 Oklahoma City, OK 73154-0496

Operator

Address

Duncan 19

1

A-19-20S-39E

Lea

Lease

Well No.

Unit Letter-Section-Township-Range

County

OGRID No. 147179

Property Code 300227

API No. 30-025-36235

Lease Type:

Federal

☒ State

Fee

DATA ELEMENT	UPPER ZONE	INTERMEDIATE ZONE	LOWER ZONE
Pool Name	Warren, Tubb	D-K Drinkard	DK-Abo
Pool Code	63280 87085	15390	15200
Top and Bottom of Pay Section (Perforated or Open-Hole Interval)	6690'-6766'	6900'-7012'	7400'-7486'
Method of Production (Flowing or Artificial Lift)	Pump	Pump	Pump
Bottomhole Pressure (Note: Pressure data will not be required if the bottom perforation in the lower zone is within 150% of the depth of the top perforation in the upper zone)			
Oil Gravity or Gas BTU (Degree API or Gas BTU)	39	39	39
Producing, Shut-In or New Zone	New Zone	New Zone	Producing
Date and Oil/Gas/Water Rates of Last Production (Note: For new zones with no production history, applicant shall be required to attach production estimates and supporting data)	Date: 11/06/2009 Rates: 380 mcfd 17 bopd	Date: 11/06/2009 Rates: 381 mcfd 17 bopd	Date: 11/06/2009 Rates: 39 mcfd 10 bopd
Fixed Allocation Percentage (Note: If allocation is based upon something other than current or past production, supporting data or explanation will be required)	Oil Gas 39 % 48 %	Oil Gas 39 % 48 %	Oil Gas 22 % 4 %

ADDITIONAL DATA

Are all working, royalty and overriding royalty interests identical in all commingled zones?

Yes ☒ No ☐

If not, have all working, royalty and overriding royalty interest owners been notified by certified mail?

Yes ☒ No ☐

Are all produced fluids from all commingled zones compatible with each other?

Yes ☒ No ☐

Will commingling decrease the value of production?

Yes ☐ No ☒

If this well is on, or communitized with, state or federal lands, has either the Commissioner of Public Lands
or the United States Bureau of Land Management been notified in writing of this application?

Yes ☐ No ☒

NMOC Reference Case No. applicable to this well: R-11993 A,B/R-11363

Attachments:

C-102 for each zone to be commingled showing its spacing unit and acreage dedication.

Production curve for each zone for at least one year. (If not available, attach explanation.)

For zones with no production history, estimated production rates and supporting data.

Data to support allocation method or formula.

Notification list of working, royalty and overriding royalty interests for uncommon interest cases.

Any additional statements, data or documents required to support commingling.

PRE-APPROVED POOLS

If application is to establish Pre-Approved Pools, the following additional information will be required:

List of other orders approving downhole commingling within the proposed Pre-Approved Pools

List of all operators within the proposed Pre-Approved Pools

Proof that all operators within the proposed Pre-Approved Pools were provided notice of this application.

Bottomhole pressure data.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Bryan Arrant TITLE Senior Regulatory Compl. Sp. DATE 11/06/2009

TYPE OR PRINT NAME Bryan Arrant TELEPHONE NO. () (405)935-3782

E-MAIL ADDRESS bryan.arrant@chk.com

Submit 3 Copies To Appropriate District
Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources

Form C-103
June 19, 2008

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)		WELL API NO. 30-025-36235
1. Type of Well: Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/>		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator Chesapeake Operating, Inc.		6. State Oil & Gas Lease No.
3. Address of Operator P. O. Box 18496 Oklahoma City, OK 73154-0496		7. Lease Name or Unit Agreement Name Duncan 19
4. Well Location Unit Letter <u>A</u> : <u>600'</u> feet from the <u>North</u> line and <u>500'</u> feet from the <u>East</u> line Section <u>19</u> Township <u>20S</u> Range <u>39E</u> NMPM County <u>Lea</u>		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3527'		9. OGRID Number 147179
		10. Pool name or Wildcat DK; Drinkard/Warren Tubb; East/D-K Abo

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Chesapeake Operating, Inc. request NMOC's approval pre-approved pools.

(i) Division Order R-11363 established pre-approved pools in this area.

(ii) Approval to downhole commingle the DK-Drinkard (15390) and the Undesignated Warren Tubb; East (63280).

(iii) The Drinkard is perforated at: 6900'-7012' and the Tubb is perforated at: 6690'-6766'.

(iv) Allocation method is by ratio of stabilized production. The Drinkard is: 39 % Oil and 48 % gas. The Tubb is 39 % oil and 48% gas.

Average production from the Drinkard is 17 BOPD & 381 MCFGD. Average production from the Tubb is 17 BOPD & 380 MCFGD.

(v) Commingling these pools will not reduce the value of the total remaining production and ownership of the two pools and is identical.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE



TITLE Senior Regulatory Compl. Sp.

DATE 11/06/2009

Type or print name Bryan Arrant

E-mail address: bryan.arrant@chk.com

PHONE: (405)935-3782

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Hrazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102

Revised October 12, 2005

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number 30-025-36235		Pool Code 87085	Pool Name Warren; Tubb, East
Property Code 300227	Property Name Duncan 19		Well Number 1
GRID No. 147179	Operator Name Chesapeake Operating, Inc.		Elevation 3527'

10 Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	19	20S	39E		600'	North	500'	East	Lea

11 Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
Dedicated Acres 40		Joint or Infill		Consolidation Code		Order No. PC-1108			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16				<p>600'</p> <p>500'</p>	<p>17 OPERATOR CERTIFICATION</p> <p>I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief, and that the operator is not aware of any other well location or lease interest in the land being drilled, proposed, or to be located, and that the operator has a right in the well and the land being drilled, proposed, or to be located, and that the operator is not aware of any other well location or lease interest in the land being drilled, proposed, or to be located.</p> <p>Signature: <u>Linda Good</u> Date: <u>05/12/2008</u></p> <p>Printed Name: <u>Linda Good</u></p>
					<p>18 SURVEYOR CERTIFICATION</p> <p>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</p> <p>Date of Survey: _____</p> <p>Signature and Seal of Professional Surveyor: _____</p> <p>Please refer to original plat</p> <p>Certificate Number: _____</p>

District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Rd., Artesia, NM 87410
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1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

* API Number 30-025-36235		* Pool Code 15390 ✓	* Pool Name D-K; Drinkard
* Property Code 300227	* Property Name Duncan 19		* Well Number 1
* OGRID No. 147179	* Operator Name Chesapeake Operating, Inc.		* Elevation 3527'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	19	20S	39E		600'	North	500'	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
* Dedicated Acres 40		* Joint or Infill ✓		* Consolidation Code		* Order No. PC-1108			

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16	500'	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and correct to the best of my knowledge and belief, and that this information was obtained from reliable sources and that I am not aware of any material misstatements or omissions. Signature: <u>Linda Good</u> Date: <u>05/12/2008</u> Printed Name: <u>Linda Good</u>	
		¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey: _____ Signature and Seal of Professional Surveyor: <u>Please refer to original plat</u> Certificate Number: _____	

DISTRICT I

P.O. Box 1060, Hobbs, NM 88241-1060

DISTRICT II

P.O. Drawer DD, Artesia, NM 88211-0710

DISTRICT III

1000 Rio Bravo Rd., Aztec, NM 87410

DISTRICT IV

P.O. Box 2000, Santa Fe, N.M. 87501-2000

State of New Mexico

Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION

P.O. Box 2000

Santa Fe, New Mexico 87504-2000

Form C-102

Revised February 10, 1994

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number 30-025-36235	Pool Code 15200	Pool Name DK ABO
Property Code 32154	Property Name DUNCAN	Well Number 1
GRID No. 025482	Operator Name XERIC OIL & GAS CORPORATION	Elevation 3527'

Surface Location

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
A	19	20-S	39-E		600	NORTH	500	EAST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

Dedicated Acre	Joint or Infill	Consolidation Code	Order No.
40	NO		

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	OPERATOR CERTIFICATION I hereby certify the information contained herein is true and complete to the best of my knowledge and belief. Signature Angie Crawford Printed Name Production Analyst Title 3/27/03 Date
	SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision and that the same is true and correct to the best of my belief. MARCH 19, 2003 Date Surveyed Signature GARY E. BIDSON Printed Name Professional Surveyor Title 03-410305 License No. RONALD J. BIDSON Certified By 3230 12641

DUNCAN 19-1 (891142)
WORKING INTEREST, NET REVENUE INTEREST AND OVERRIDING ROYALTY OWNERS INTEREST OWNERS

OWNER NAME	INT. OWNER TYPE	ADDRESS	CITY	STATE	ZIP CODE
Alice T. Bannalyne	WI	Address Unknown			
Alice T. Bannalyne Allar Company C/O Edwin S. Graham, IV Vice President	ROY. INT.	Address Unknown			
Ann B. Moran, Trustee Ann Bourdon Moran Revocable Tr.	ROY. INT.	P. O. Box 1567	Graham TX		76450-7567
Barbara Casey Sorrell Robert Hannifin, POA Betty Adkins	ROY. INT.	700 Minnesota Avenue	Bernidji MN		56601
	ROY. INT.	295 Granite Street	Ashland OR		97520
Bitter End Royalties, L.P.	ROY. INT.	P.O. Box 218	Midland TX		79702
	ROY. INT.	P.O. Box 671099	Dallas TX		75367-1099
Lyle F. & Patricia Bourdon, Trs. Bourdon Family Trust dated February 12, 1996 George & Thine Bourdon, Trs. Bourdon Revocable Trust dated April 7, 1995	ROY. INT.	13727 Franciscan Drive	Sun City West AZ		85375
	ROY. INT.	1900 Ballington Blvd, N.W., Apt. 302	Rochester MN		55901
Carl Brininstool	ORRI	P. O. Box 50638	Midland TX		79710
Charles William Bourdon	ROY. INT.	3535 Highway T	Labadie MO		63055-1003
CHESAPEAKE EXPL LLC (CELP)	N/A	P. O. Box 18496	Oklahoma City OK		73154-0496
Claire F. Bistline	ROY. INT.	P. O. Box 1328	Sandpoint ID		83864
Concord Oil Company	WI	100 West Houston Street, Ste. 1500	San Antonio TX		78205-1424
Concord Oil Company	ROY. INT.	100 West Houston Street, Ste. 1500	San Antonio TX		78205-1424
Daico Petroleum, L.L.C.	WI	P. O. Box 1904	Lovington NM		86260-1904
David A. Lynch	ORRI	P. O. Box 1904	Lovington NM		88260-1904
Diane M. Bistline	ROY. INT.	410 E. Parkside Drive	Hayden ID		83835
Emily C. Coiner	ROY. INT.	22503 Sierra Lake Court	Katy TX		77494

DUNCAN 19-1 (891142)
WORKING INTEREST, NET REVENUE INTEREST AND OVERRIDING ROYALTY OWNERS INTEREST OWNERS

OWNER NAME	INT. OWNER TYPE	ADDRESS	CITY	STATE	ZIP CODE
Emma Gale Bartlett, Tr.	ROY. INT.	P. O. Box 830308	Dallas	TX	75283-0308
Erin Broughton Hughes	ROY. INT.	5512 West Rifle Club Road	Spokane	WA	99208
Helen M. Hemphill, Ind. Ex. The Estate of Frank E. Lewis	ROY. INT.	1000 Foxdale	Fairview	TX	75069
Graham Family Investments, L.L.C.	ROY. INT.	P. O. Box 1835	Roswell	NM	88202-1835
Harald Muller (deceased)	WI	% HELEN MULLER (DECD) (ADDRESS UNKNOWN)			
Harald Muller (deceased)	ROY. INT.	% HELEN MULLER (DECD) (ADDRESS UNKNOWN)			
Hugh Corrigan, IV	ROY. INT.	3809 Shenandoah Street	Dallas	TX	75205
J. Patrick Corrigan	ROY. INT.	P. O. Box 690068	Vero Beach	FL	32969
Donald Knafels, Tr.	ROY. INT.	P. O. Box 5100	Glendale	AZ	85312-5100
The Jeanette B. Bright Trust dated 3/15/1979	ROY. INT.	P. O. Box 270811	Flower Mound	TX	75027-0811
Jerry Weant d/b/a Bevoil	ORRI	P. O. Box 28091	Bellingham	WA	98228
Barbara B. Callahan, Succ. Tr. The Joseph & Barbara Callahan, Tr.	ROY. INT.	205 N. Presa Street, Ste. 301	San Antonio	TX	78205-2614
Kathleen Moon Cainer	ROY. INT.	P. O. Box 2219	Wichita	KS	67201-2219
Koch Exploration Company, L.L.C. First Interstate Bank, Agent	ROY. INT.	P. O. Box 3004	Gillette	WY	82717
Laramie Plains Museum Lazy Backwards S, Ltd. c/o Tom Sloan	ROY. INT.	P. O. Box 51087	Midland	TX	79710-1087
Leelia Hall Cherry	ORRI	P. O. Box 93	Jayton	TX	79528
M. L. Winn	ORRI	1219 Crown Drive	Bartlesville	OK	74006
Margaret Wygockil	ROY. INT.	721 Robin Road	Lansing	MI	48917
Marilyn Hood Johnson	ROY. INT.	2323 Sulvan Lane	Glendale	CA	91208-2332

DUNCAN 19-1 (891142)
WORKING INTEREST, NET REVENUE INTEREST AND OVERRIDING ROYALTY OWNERS INTEREST OWNERS

OWNER NAME	INT. OWNER TYPE	ADDRESS	CITY	STATE	ZIP CODE
Martha Bourdon Woods, Tr.	ROY. INT.	P. O. Box 355	Belvue	CO	80512
The Martha Bourdon Woods Rev. Trust					
Joseph K. Farley, Tr.	ROY. INT.	5810 Santa Maria Avenue, Ste. 205	Laredo	TX	78041-3055
The Mary C. Foster & Joseph K. Farley Trust					
Mary Horne Hodge	ROY. INT.	8409 Pickwick, #321	Dallas	TX	75225
Matthew J. Parsley	ORRI	P. O. Box 2475	Midland	TX	79702
William J. & Kathryn H. McCormick, Trs.	ROY. INT.	2715 Westwind Road	Las Cruces	NM	88007
The McCormick Irrevocable Trust B					
William J. & Kathryn H. McCormick, Trs.	ROY. INT.	2715 Westwind Road	Las Cruces	NM	88007
The McCormick Irrevocable Trust A					
Michael G. Mooney	ORRI	P. O. Box 7405	Midland	TX	79708
Nancy A. Coiner	ROY. INT.	359 Summerhill Drive	Morris Plains	NJ	7950
Nancy Coiner Grothe	ROY. INT.	14492 W. Cr. K	Hayward	WI	54843
New Mexico Western Minerals, Inc.	ROY. INT.	P. O. Box 1738	Roswell	NM	88202-1738
Newton Financial Corporation	WI	100 W. Houston Street, Ste. 1500	San Antonio	TX	78205-1424
Newton Financial Corporation	ROY. INT.	100 W. Houston Street, Ste. 1500	San Antonio	TX	78205-1424
Barbara E. Hannifin, Pres	ROY. INT.	P. O. Box 2588	Roswell	NM	88202-2588
Nuevo Seis, L.P.					
Patrick J. Hannifin, Tr.	ROY. INT.	765 Santa Camella Drive	Solana Beach	CA	92075
Family Trust					
Patrick Edward Corrigan	ROY. INT.	P. O. Box 50280	Midland	TX	79710
Craig Hauschildt					
clo Farmers National Co., Agent	ROY. INT.	403 S. Cheyenne, Suite 800	Tulsa	OK	74103-3842
Patterson 1976 Trusts Inv., L.L.C.					
Phyllis Ann Fisher	ROY. INT.	990 N. Central Ave.	Show Low	AZ	85901
Pitch Energy Corporation	ROY. INT.	P. O. Box 304	Artesia	NM	88211-0304

DUNCAN 19-1 (891142)
WORKING INTEREST, NET REVENUE INTEREST AND OVERRIDING ROYALTY OWNERS INTEREST OWNERS

OWNER NAME	INT. OWNER TYPE	ADDRESS	CITY	STATE	ZIP CODE
Ralph E. Duncan, III	ROY. INT.	6779 High Fields Lane	Glen Rock	PA	17327-7944
Randall L. Capps	ORRI	P. O. Box 6025	Midland	TX	79704
Randy C. Hall	ORRI	P. O. Box 10095	Midland	TX	79702
Richard Eric Duncan	ROY. INT.	2924 Indian Wood Road	Wilmette	IL	60091-1128
Richard G. Roeder	ROY. INT.	7126 Talmuck Court	Clarkston	MI	48348-5055
Catherine C. Park & Richard T. Coiner, IV, Co Ex. The Est. of Richard Tide Coiner, III	ROY. INT.	127 W. Brandon	San Antonio	TX	78209
Robert H. Hannifin	ROY. INT.	P. O. Box 218	Midland	TX	79702-0218
Ann B. Moran, Tr.			Bemidji	MN	56601
The Robert Henry Bourdon Trust	ROY. INT.	700 Minnesota Avenue	Midland	TX	79705
Robin C. Barnett d/b/a B & H Properties		2502 Auburn Place	Dallas	TX	75367-1099
Robro Royalty Partnership, Ltd.	ROY. INT.	P. O. Box 671099	San Antonio	TX	78293-0658
San Antonio Symphony	ROY. INT.	P. O. Box 658	San Antonio	TX	78245-0549
Southwest Foundation For Biomedical Research	ROY. INT.	P. O. Box 760549	San Antonio	TX	78245-0549
Stephen Patrick Bistline	ROY. INT.	P. O. Box 151	Hope	ID	83836
Steven J. Casey	ROY. INT.	P. O. Box 1877	Brandon	OR	97411
Susan J. Bistline Susan Sloan, Tr.	ROY. INT.	379 French Road	Sandpoint	ID	83864
The Brian Hardin Trust	ROY. INT.	900 West Avenue	Austin	TX	78701
Tex Zia Properties, Ltd.	ROY. INT.	P. O. Box 261427	Plano	TX	75026-1427
Toles Com., Ltd., L.L.C. c/o Perry Toles	ROY. INT.	P. O. Box 1300	Roswell	NM	88202-1300
Patricia W. Waite, Tr. The Waite Mineral Interest Trust	ROY. INT.	12834 Ashwood Drive	Sun City West	AZ	85375

11/4/2009

DUNCAN 19-1 (891142)
WORKING INTEREST, NET REVENUE INTEREST AND OVERRIDING ROYALTY OWNERS INTEREST OWNERS

OWNER NAME	INT. OWNER TYPE	ADDRESS	CITY	STATE	ZIP CODE
Wesley K. Noe	ORRI	3323 Maxwell	Midland	TX	79708
William J. Foster	ROY. INT.	105 Bexley Place	Walnut Creek	CA	94598
William L. Coiner	ROY. INT.	232 Parkhill Drive	San Antonio	TX	78212-2512

Chesapeake Energy - CST Daily Production Report - DUNCAN 19-1 (A30) (10/1/2008 - 10/6/2009 | Gross Volumes | Operated Wells | 14.65 Pressure Base)

Date	Gas Prod (Mcf)	Gas Sales (Mcf)	Gas Lift (Mcf)	Gas Forecast (Mcf)	Gas Goal (Mcf)	Oil Prod (bbl)	Oil Forecast (bbl)	Water Prod (bbl)
10/6/2009	41	41	0	885	0	12	48	3
10/5/2009	15	15	0	885	0	5	48	3
10/4/2009	15	15	0	885	0	5	48	3
10/3/2009	15	15	0	885	0	3	48	3
10/2/2009	16	16	0	885	0	3	48	3
10/1/2009	16	16	0	885	0	4	48	3
9/30/2009	16	16	0	29	0	3	9	3
9/29/2009	17	17	0	29	0	4	9	37
9/28/2009	18	18	0	29	0	4	9	3
9/27/2009	18	18	0	29	0	4	9	3
9/26/2009	18	18	0	29	0	3	9	3
9/25/2009	17	17	0	29	0	4	9	3
9/24/2009	17	17	0	29	0	4	9	3
9/23/2009	16	16	0	29	0	4	9	3
9/22/2009	19	19	0	29	0	4	9	3
9/21/2009	19	19	0	29	0	2	21	21
9/20/2009	19	19	0	29	0	4	9	40
9/19/2009	21	21	0	29	0	5	9	3
9/18/2009	21	21	0	29	0	2	9	3
9/17/2009	22	22	0	29	0	5	9	47
9/16/2009	22	22	0	29	0	5	9	3
9/15/2009	23	23	0	29	0	4	9	3
9/14/2009	29	29	0	29	0	1	9	3
9/13/2009	38	38	0	29	0	0	9	5
9/12/2009	38	38	0	29	0	11	9	5
9/11/2009	38	38	0	29	0	8	9	34
9/10/2009	39	39	0	29	0	11	9	42
9/9/2009	39	39	0	29	0	10	9	5
9/8/2009	39	39	0	29	0	9	9	5
9/7/2009	39	39	0	29	0	11	9	5
9/6/2009	40	40	0	29	0	11	9	20
9/5/2009	40	40	0	29	0	10	9	5
9/4/2009	40	40	0	29	0	10	9	5
9/3/2009	41	41	0	29	0	10	9	5

9/2/2009	41	41	0	0	29	0	11	9	25
9/1/2009	44	44	0	0	29	0	19	9	23
8/31/2009	37	37	0	0	29	0	11	9	5
8/30/2009	37	37	0	0	29	0	4	9	5
8/29/2009	35	35	0	0	29	0	2	9	5
8/28/2009	35	35	0	0	29	0	0	9	5
8/27/2009	36	36	0	0	29	0	19	9	41
8/26/2009	36	36	0	0	29	0	6	9	5
8/25/2009	37	37	0	0	29	0	6	9	5
8/24/2009	37	37	0	0	29	0	10	9	5
8/23/2009	37	37	0	0	29	0	11	9	59
8/22/2009	36	36	0	0	29	0	12	9	5
8/21/2009	36	36	0	0	29	0	9	9	5
8/20/2009	36	36	0	0	29	0	10	9	5
8/19/2009	37	37	0	0	29	0	10	9	48
8/18/2009	37	37	0	0	29	0	8	9	5
8/17/2009	37	37	0	0	29	0	8	9	5
8/16/2009	37	37	0	0	29	0	10	9	5
8/15/2009	37	37	0	0	29	0	10	9	5
8/14/2009	37	37	0	0	29	0	12	9	28
8/13/2009	52	52	0	0	29	0	10	9	7
8/12/2009	37	37	0	0	29	0	11	9	5
8/11/2009	37	37	0	0	29	0	10	9	5
8/10/2009	37	37	0	0	29	0	11	9	5
8/9/2009	37	37	0	0	29	0	8	9	5
8/8/2009	37	37	0	0	29	0	12	9	46
8/7/2009	37	37	0	0	29	0	10	9	5
8/6/2009	37	37	0	0	29	0	11	9	5
8/5/2009	38	38	0	0	29	0	11	9	5
8/4/2009	38	38	0	0	29	0	9	9	20
8/3/2009	39	39	0	0	29	0	20	9	5
8/2/2009	35	35	0	0	29	0	10	9	5
8/1/2009	37	37	0	0	29	0	15	9	5
7/31/2009	35	35	0	0	29	0	3	9	5
7/30/2009	37	37	0	0	29	0	2	9	5
7/29/2009	37	37	0	0	29	0	5	9	5
7/28/2009	37	37	0	0	29	0	10	9	5

7/27/2009	37	37	0	0	29	0	11	9	35
7/26/2009	37	37	0	0	29	0	9	9	22
7/25/2009	37	37	0	0	29	0	10	9	5
7/24/2009	37	37	0	0	29	0	10	9	5
7/23/2009	37	37	0	0	29	0	10	9	5
7/22/2009	35	35	0	0	29	0	11	9	7
7/21/2009	36	36	0	0	29	0	10	9	5
7/20/2009	36	36	0	0	29	0	10	9	5
7/19/2009	36	36	0	0	29	0	11	9	5
7/18/2009	37	37	0	0	29	0	10	9	5
7/17/2009	36	36	0	0	29	0	10	9	5
7/16/2009	38	38	0	0	29	0	10	9	5
7/15/2009	39	39	0	0	29	0	10	9	5
7/14/2009	39	39	0	0	29	0	11	9	5
7/13/2009	40	40	0	0	29	0	11	9	24
7/12/2009	43	43	0	0	29	0	14	9	5
7/11/2009	50	50	0	0	29	0	17	9	28
7/10/2009	62	62	0	0	29	0	26	9	5
7/9/2009	16	16	0	0	29	0	1	9	5
7/8/2009	0	0	0	0	29	0	0	9	4
7/7/2009	36	36	0	0	29	0	5	9	4
7/6/2009	38	38	0	0	29	0	20	9	5
7/5/2009	35	35	0	0	29	0	6	9	5
7/4/2009	36	36	0	0	29	0	3	9	5
7/3/2009	36	36	0	0	29	0	10	9	58
7/2/2009	37	37	0	0	29	0	12	9	5
7/1/2009	37	37	0	0	29	0	6	9	5
6/30/2009	37	37	0	0	30	0	10	9	5
6/29/2009	37	37	0	0	30	0	10	9	5
6/28/2009	37	37	0	0	30	0	12	9	88
6/27/2009	36	36	0	0	30	0	10	9	5
6/26/2009	37	37	0	0	30	0	9	9	22
6/25/2009	37	37	0	0	30	0	11	9	5
6/24/2009	35	35	0	0	30	0	11	9	5
6/23/2009	36	36	0	0	30	0	11	9	5
6/22/2009	36	36	0	0	30	0	10	9	5
6/21/2009	37	37	0	0	30	0	11	9	5

6/20/2009	37	37	0	0	30	0	11	9	5
5/19/2009	37	37	0	0	30	0	10	9	39
5/18/2009	38	38	0	0	30	0	12	9	5
6/17/2009	38	38	0	0	30	0	13	9	5
6/15/2009	38	38	0	0	30	0	10	9	5
6/15/2009	39	39	0	0	30	0	12	9	12
6/14/2009	41	41	0	0	30	0	15	9	12
6/13/2009	43	43	0	0	30	0	17	9	56
6/12/2009	41	41	0	0	30	0	29	9	5
6/11/2009	30	30	0	0	30	0	0	9	5
6/10/2009	30	30	0	0	30	0	0	9	20
6/9/2009	33	33	0	0	30	0	0	9	25
6/8/2009	36	36	0	0	30	0	0	9	5
6/7/2009	38	38	0	0	30	0	10	9	44
6/6/2009	38	38	0	0	30	0	10	9	5
6/5/2009	39	39	0	0	30	0	10	9	5
6/4/2009	39	39	0	0	30	0	10	9	5
6/3/2009	39	39	0	0	30	0	11	9	6
6/2/2009	40	40	0	0	30	0	14	9	6
6/1/2009	41	41	0	0	30	0	19	9	6
5/31/2009	42	42	0	0	30	0	9	10	19
5/30/2009	41	41	0	0	30	0	15	10	7
5/29/2009	41	41	0	0	30	0	17	10	7
5/28/2009	35	35	0	0	30	0	7	10	18
5/27/2009	41	41	0	0	30	0	17	10	88
5/26/2009	34	34	0	0	30	0	17	10	18
5/25/2009	35	35	0	0	30	0	29	10	26
5/24/2009	25	25	0	0	30	0	0	10	5
5/23/2009	25	25	0	0	30	0	0	10	5
5/22/2009	27	27	0	0	30	0	0	10	20
5/21/2009	29	29	0	0	30	0	0	10	37
5/20/2009	30	30	0	0	30	0	0	10	5
5/19/2009	32	32	0	0	30	0	0	10	5
5/18/2009	36	36	0	0	30	0	0	10	39
5/17/2009	37	37	0	0	30	0	11	10	5
5/16/2009	37	37	0	0	30	0	11	10	5
5/15/2009	37	37	0	0	30	0	10	10	5

5/14/2009	37	37	0	30	0	11	10	5
5/13/2009	37	37	0	30	0	12	10	23
5/12/2009	37	37	0	30	0	12	10	106
5/11/2009	35	35	0	30	0	10	10	5
5/10/2009	35	35	0	30	0	10	10	5
5/9/2009	35	35	0	30	0	10	10	5
5/8/2009	35	35	0	30	0	8	10	5
5/7/2009	35	35	0	30	0	10	10	5
5/6/2009	37	37	0	30	0	10	10	5
5/5/2009	37	37	0	30	0	10	10	5
5/4/2009	37	37	0	30	0	13	10	5
5/3/2009	37	37	0	30	0	10	10	5
5/2/2009	37	37	0	30	0	10	10	5
5/1/2009	37	37	0	30	0	10	10	5
4/30/2009	37	37	0	31	0	9	10	5
4/29/2009	37	37	0	31	0	13	10	5
4/28/2009	36	36	0	31	0	12	10	5
4/27/2009	37	37	0	31	0	11	10	5
4/26/2009	37	37	0	31	0	10	10	5
4/25/2009	37	37	0	31	0	10	10	25
4/24/2009	37	37	0	31	0	10	10	5
4/23/2009	36	36	0	31	0	12	10	10
4/22/2009	35	35	0	31	0	10	10	5
4/21/2009	35	35	0	31	0	10	10	5
4/20/2009	35	35	0	31	0	11	10	5
4/19/2009	35	35	0	31	0	11	10	5
4/18/2009	35	35	0	31	0	12	10	5
4/17/2009	36	36	0	31	0	10	10	5
4/16/2009	36	36	0	31	0	12	10	5
4/15/2009	36	36	0	31	0	11	10	5
4/14/2009	36	36	0	31	0	12	10	5
4/13/2009	36	36	0	31	0	10	10	5
4/12/2009	36	36	0	31	0	16	10	5
4/11/2009	36	36	0	31	0	11	10	5
4/10/2009	37	37	0	31	0	10	10	5
4/9/2009	36	36	0	31	0	9	10	35
4/8/2009	38	38	0	31	0	14	10	5

4/7/2009	38	38	0	31	0	14	10	5
4/6/2009	40	40	0	31	0	15	10	5
4/5/2009	42	42	0	31	0	15	10	5
4/4/2009	37	37	0	31	0	15	10	5
4/3/2009	28	28	0	31	0	8	10	5
4/2/2009	27	27	0	31	0	17	10	5
4/1/2009	28	28	0	31	0	0	10	5
3/31/2009	28	28	0	31	0	7	10	5
3/30/2009	30	30	0	31	0	7	10	5
3/29/2009	30	30	0	31	0	9	10	8
3/28/2009	32	32	0	31	0	8	10	32
3/27/2009	35	35	0	31	0	10	10	8
3/26/2009	38	38	0	31	0	13	10	23
3/25/2009	38	38	0	31	0	14	10	6
3/24/2009	0	0	0	31	0	0	10	0
3/23/2009	0	0	0	31	0	0	10	0
3/22/2009	0	0	0	31	0	0	10	0
3/21/2009	0	0	0	31	0	0	10	0
3/20/2009	0	0	0	31	0	0	10	0
3/19/2009	0	0	0	31	0	0	10	0
3/18/2009	0	0	0	31	0	0	10	0
3/17/2009	14	14	0	31	0	1	10	0
3/16/2009	34	34	0	31	0	12	10	0
3/15/2009	33	33	0	31	0	12	10	5
3/14/2009	33	33	0	31	0	12	10	5
3/13/2009	33	33	0	31	0	10	10	5
3/12/2009	33	33	0	31	0	7	10	5
3/11/2009	34	34	0	31	0	12	10	5
3/10/2009	34	34	0	31	0	9	10	5
3/9/2009	34	34	0	31	0	15	10	44
3/8/2009	33	33	0	31	0	12	10	5
3/7/2009	33	33	0	31	0	11	10	5
3/6/2009	33	33	0	31	0	10	10	5
3/5/2009	33	33	0	31	0	10	10	5
3/4/2009	33	33	0	31	0	11	10	5
3/3/2009	33	33	0	31	0	10	10	5
3/2/2009	33	33	0	31	0	10	10	38

3/1/2009	33	33	31	0	0	0	10	10	5
2/28/2009	33	33	32	0	0	0	11	10	5
2/27/2009	33	33	32	0	0	0	11	10	5
2/26/2009	34	34	32	0	0	0	11	10	5
2/25/2009	34	34	32	0	0	0	12	10	5
2/24/2009	34	34	32	0	0	0	10	10	5
2/23/2009	34	34	32	0	0	0	11	10	28
2/22/2009	33	33	32	0	0	0	14	10	5
2/21/2009	33	33	32	0	0	0	14	10	5
2/20/2009	33	33	32	0	0	0	15	10	5
2/19/2009	34	34	32	0	0	0	5	10	5
2/18/2009	34	34	32	0	0	0	12	10	5
2/17/2009	34	34	32	0	0	0	13	10	5
2/16/2009	34	34	32	0	0	0	10	10	60
2/15/2009	34	34	32	0	0	0	12	10	5
2/14/2009	34	34	32	0	0	0	8	10	5
2/13/2009	34	34	32	0	0	0	12	10	5
2/12/2009	34	34	32	0	0	0	10	10	5
2/11/2009	33	33	32	0	0	0	16	10	53
2/10/2009	33	33	32	0	0	0	10	10	5
2/9/2009	33	33	32	0	0	0	12	10	19
2/8/2009	34	34	32	0	0	0	12	10	22
2/7/2009	33	33	32	0	0	0	12	10	5
2/6/2009	33	33	32	0	0	0	10	10	5
2/5/2009	33	33	32	0	0	0	11	10	5
2/4/2009	33	33	32	0	0	0	11	10	5
2/3/2009	33	33	32	0	0	0	12	10	5
2/2/2009	33	33	32	0	0	0	18	10	5
2/1/2009	33	33	32	0	0	0	0	10	5
1/31/2009	33	33	32	0	0	0	14	9	5
1/30/2009	33	33	32	0	0	0	8	9	23
1/29/2009	33	33	32	0	0	0	12	9	27
1/28/2009	33	33	32	0	0	0	10	9	5
1/27/2009	34	34	32	0	0	0	12	9	62
1/26/2009	34	34	32	0	0	0	12	9	5
1/25/2009	34	34	32	0	0	0	11	9	5
1/24/2009	34	34	32	0	0	0	10	9	70

1/23/2009	34	34	0	0	32	0	11	9	5
1/22/2009	34	34	0	0	32	0	12	9	5
1/21/2009	34	34	0	0	32	0	11	9	29
1/20/2009	34	34	0	0	32	0	12	9	5
1/19/2009	34	34	0	0	32	0	10	9	20
1/18/2009	34	34	0	0	32	0	12	9	5
1/17/2009	34	34	0	0	32	0	12	9	5
1/16/2009	34	34	0	0	32	0	11	9	43
1/15/2009	34	34	0	0	32	0	9	9	5
1/14/2009	63	63	0	0	32	0	10	9	5
1/13/2009	34	34	0	0	32	0	11	9	5
1/12/2009	33	33	0	0	32	0	15	9	37
1/11/2009	33	33	0	0	32	0	11	9	22
1/10/2009	29	29	0	0	32	0	12	9	5
1/9/2009	34	34	0	0	32	0	11	9	25
1/8/2009	34	34	0	0	32	0	12	9	5
1/7/2009	34	34	0	0	32	0	9	9	5
1/6/2009	34	34	0	0	32	0	16	9	5
1/5/2009	34	34	0	0	32	0	7	9	5
1/4/2009	34	34	0	0	32	0	11	9	5
1/3/2009	34	34	0	0	32	0	11	9	5
1/2/2009	34	34	0	0	32	0	10	9	25
1/1/2009	34	34	0	0	32	0	7	9	20
12/31/2008	34	34	0	0	33	0	7	9	5
12/30/2008	35	35	0	0	33	0	9	9	18
12/29/2008	35	35	0	0	33	0	10	9	0
12/28/2008	33	33	0	0	33	0	12	9	0
12/27/2008	28	28	0	0	33	0	25	9	5
12/26/2008	33	33	0	0	33	0	9	9	5
12/25/2008	34	34	0	0	33	0	11	9	7
12/24/2008	34	34	0	0	33	0	11	9	23
12/23/2008	33	33	0	0	33	0	11	9	22
12/22/2008	33	33	0	0	33	0	11	9	5
12/21/2008	33	33	0	0	33	0	13	9	46
12/20/2008	33	33	0	0	33	0	11	9	5
12/19/2008	34	34	0	0	33	0	11	9	5
12/18/2008	34	34	0	0	33	0	11	9	5

12/17/2008	34	34	0	0	33	0	12	9	7
12/16/2008	33	33	0	0	33	0	10	9	5
12/15/2008	33	33	0	0	33	0	11	9	13
12/14/2008	34	34	0	0	33	0	8	9	29
12/13/2008	33	33	0	0	33	0	14	9	5
12/12/2008	33	33	0	0	33	0	10	9	42
12/11/2008	33	33	0	0	33	0	11	9	42
12/10/2008	33	33	0	0	33	0	13	9	5
12/9/2008	33	33	0	0	33	0	12	9	19
12/8/2008	33	33	0	0	33	0	12	9	5
12/7/2008	33	33	0	0	33	0	11	9	5
12/6/2008	33	33	0	0	33	0	10	9	23
12/5/2008	33	33	0	0	33	0	11	9	5
12/4/2008	33	33	0	0	33	0	12	9	25
12/3/2008	34	34	0	0	33	0	10	9	5
12/2/2008	34	34	0	0	33	0	10	9	20
12/1/2008	34	34	0	0	33	0	10	9	23
11/30/2008	34	34	0	0	33	0	16	10	5
11/29/2008	34	34	0	0	33	0	12	10	41
11/28/2008	34	34	0	0	33	0	11	10	5
11/27/2008	34	34	0	0	33	0	10	10	6
11/26/2008	34	34	0	0	33	0	10	10	44
11/25/2008	34	34	0	0	33	0	10	10	5
11/24/2008	34	34	0	0	33	0	9	10	5
11/23/2008	34	34	0	0	33	0	12	10	29
11/22/2008	33	33	0	0	33	0	9	10	5
11/21/2008	33	33	0	0	33	0	9	10	28
11/20/2008	33	33	0	0	33	0	11	10	5
11/19/2008	33	33	0	0	33	0	8	10	5
11/18/2008	34	34	0	0	33	0	11	10	0
11/17/2008	34	34	0	0	33	0	11	10	5
11/16/2008	34	34	0	0	33	0	11	10	26
11/15/2008	35	35	0	0	33	0	10	10	21
11/14/2008	35	35	0	0	33	0	9	10	23
11/13/2008	35	35	0	0	33	0	11	10	5
11/12/2008	35	35	0	0	33	0	9	10	41
11/11/2008	35	35	0	0	33	0	12	10	5

**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:**

CASE NO. _____

**APPLICATION OF XERIC OIL & GAS CORPORATION
FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.**

AFFIDAVIT OF _____

**STATE OF TEXAS }
 }
COUNTY OF MIDLAND }**

Before me, the undersigned authority, personally appeared LISA MORRISS DESHAW and RANDY C. HALL, who being duly sworn, stated:

A. Our names and our qualifications as experts are as follows:

LISA MORRISS DESHAW
Education: Petroleum Landman
Experience: Sixteen (16) years

RANDY C. HALL
Education: Petroleum Geologist
Experience: Nineteen (19) years

B. We are over the age of majority and are competent to make this Affidavit.

We have been responsible for and involved in preparing the necessary documents for submittal to the New Mexico Oil Conservation Division for this case.

We are each personally knowledgeable and familiar with the facts and circumstances of this case and the following factual statements.

C. Our expert opinions are based on the following facts and events:

CHRONOLOGICAL SUMMARY OF SIGNIFICANT EVENTS

1. Xeric Oil & Gas Corporation ("Xeric") has a working interest ownership in the oil and gas minerals underlying the NE/4 of Section 19, T-20-S, R-39-E, NMPM, Lea County, New Mexico.
2. Xeric proposes to drill and complete its DUNCAN #1 well, at a standard oil (gas) well location and to test any and all formations in the pooled interval from the surface to the base of the Abo formation.
3. Based upon an oil & gas title opinion, Xeric believes that the following individuals and entities are owners of an unleased mineral interest in the subject spacing unit in the following percentages:

NAME	PERCENTAGE
Alice T. Bannatyne	9/320
The Heirs or Devisees of Harald Muller, dec'd and Helen Muller, dec'd	9/320
William J. Foster	9/640
Mary C. Foster Geddes	9/640
Concord Oil Company	1/192

Case 13,084
Exhibit A

4. Despite its good faith efforts, Xeric has been unable to lease the foregoing parties.
5. Pursuant to Section 70-2-17(c) NMSA (1978) and in order to obtain its just and equitable share of potential production underlying this spacing unit, Xeric needs an order of the Division pooling the identified and described mineral interests involved in order to protect correlative rights and prevent waste.
6. In accordance with Division Rule 1207.A(2) attached are the following exhibits in support of this case:

Exhibit A: map outlining the spacing unit to be pooled which is the NE/4NE/4 of Section 19, T-20-S, R-39-E;

Exhibit B: a list of the names and last known addresses of all parties to be pooled with the nature and percent of their interest;

Exhibit C: written evidence of attempts to reach voluntary agreement;

Exhibit D: geologic displays of the Abo formation to be tested which forms the basis for the opinion that the maximum 200% risk factor penalty is justified;

Exhibit E: type log for the principal formations. This is expected to be an oil well on 40 acre oil (gas) well spacing but pooling should include all from the surface to the base of the Abo formation and include but are not limited to the DK- Drinkard Abo Pool;

Exhibit F: a copy of Ernest & Young average well costs overhead rates of \$4,000/month drilling and \$400/month producing well rates which we request be authorized for this case;

Exhibit G: copy of Division form C-102 showing the well location;

Exhibit H: copy of the AFE in the amount of \$515,900.00 completed well costs for this well which I conclude is fair reasonable and current for wells of this type in this area.

7. We recommend that a compulsory pooling order be entered which provides that:

- (a) Xeric Oil & Gas Corporation be named Operator;
- (b) Provisions for applicant and all working interest owners to participate in the costs of drilling, completing, equipping and operating the well;
- (c) In the event a working interest owner fails to elect to participate, then provision be made to recover out of the production, the costs of drilling, completing, equipping and operating the well, including a risk factor penalty of 200%; and
- (d) Provision for overhead rates of \$4,000 per month drilling and \$400 per month operating and a provision providing for an adjustment method of the overhead rates as provided by COPAS;

- D. We have formed the following opinions based upon our respective expertise and upon the foregoing chronology of events:

- (1) That approval of Xeric Oil & Gas Corporation's application in this Case is necessary in order to consolidate the interest ownership within this spacing unit for the drilling, completing and producing the subject well, will not violate correlative rights and will help prevent waste and promote the conservation of natural resources.
- (2) That the New Mexico Oil Conservation Division should enter an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NE/4NE/4 of Section 19, T-20-S, R-39-E, NMPM, Lea County, New Mexico, forming a standard 40 acre spacing and proration unit for any and all formations and/or pools developed on 40 acre spacing within said vertical extent, which presently includes but is not necessarily limited to the D-K Abo Pool to dedicate this pooled unit to its DUNCAN well number 1 to be drilled and completed at a standard oil (gas) well location within said spacing unit including the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation



**Duncan #19-1
Drinkard Re-Completion
Lea County, New Mexico**

Location: Section 19, 20S-39E, 600 FNL & 500 FEL

Production

Casing: 5 1/2" 17# N-80 0-7,734', ID=4.892", Drift=4.767", Burst=6,280#

PBTD/TD: 7,655'/7,750'

Current Perfs: Abo 7,400' - 7,486'

Procedure

Hold Tailgate Safety meeting prior to beginning work each morning and as required for specific operations.

1. Prep location. Check anchors and clean area for workover.
2. MIRU workover rig. POH w/pump and rods. ND WH. NU BOP. POH w/ tbq.
3. RU wireline unit. RIH w/ gauge ring and junk basket to PBTD @ 7,655'. RIH and set CBP @ 7,200'. POH.
4. RIH and perforate Drinkard as follows:

Drinkard	7,000' – 7,012'	12'	2 SPF 180° Phased	24 holes
Drinkard	6,986' – 6,990'	4'	2 SPF 180° Phased	8 holes
Drinkard	6,954' – 6,980'	26'	2 SPF 180° Phased	52 holes
Drinkard	6,935' – 6,942'	7'	2 SPF 180° Phased	14 holes
Drinkard	6,922' – 6,930'	8'	2 SPF 180° Phased	16 holes
Drinkard	6,900' – 6,910'	10'	2 SPF 180° Phased	20 holes
Totals		67'		134 holes

Correlate to attached log. RDMO wireline.

5. RU frac service and frac Drinkard perfs 6,900' – 7,012' (134 holes). Frac design/pump schedule will be provided separately once finalized. Record ISIP-5-10-15 min pressures.
6. RIH and set CBP @ 6,833'. POH.
7. RIH and perforate Tubb as follows:

Tubb	6,758' – 6,766'	8'	2 SPF 180° Phased	16 holes
Tubb	6,690' – 6,710'	20'	2 SPF 180° Phased	40 holes
		28'		56 holes

8. RU frac service and frac Tubb perfs 6,690' – 6,766' (56 holes). Frac design/pump schedule will be provided separately once finalized. Record ISIP-5-10-15 min pressures.

9. PU and RIH with tubing and packer to 6,640' and set. Swab well to determine productivity of Tubb formation and record results. Once sand production is not a concern unset packer and TOH. LD work string.
10. PU bit and work string and TIH to DO plug set at 6,833'. TOH.
11. PU and RIH with tubing and packer to 6,850' and set. Swab well to determine productivity of the Drinkard formation and record results. Once sand production is not a concern unset packer and TOH. LD work string.
12. PU bit and work string and TIH to DO plug set at 7,200' and clean out to PBTD @ 7,655'. Circulate hole clean. TOH.
13. TIH with production tubing and SN. Set seat nipple at 7,062' (below perfs). Set TAC @ 6,590'.
14. ND BOP. NU WH. TIH with pump and rods. Fill tubing and space out pump accordingly. Verify pump action. Place well on test. *Note: Rod design to follow this procedure.*
15. RDMO workover rig. Clean location.

Contacts

Workover Foreman
Lynard Barrera
Office: 575-391-1462
Cell: 505-631-4942

Asset Manager
Kim Henderson
Office: 405-879-8583
Cell: 405-312-1840

Production Foreman
Greg Skiles
Office: 575-391-1462
Cell: 575-631-1663

Field Engineer
Doug Rubick
Office: 575-391-1462
Cell: 575-441-7326

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Road, Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED

OCT 22 2009

HOBBSUCD

State of New Mexico

Energy, Minerals and Natural Resources

Department

Oil Conservation Division

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-144 CLEZ

July 21, 2008

For closed-loop systems that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, submit to the appropriate NMOC District Office.

Closed-Loop System Permit or Closure Plan Application

(that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure)

Type of action: ☒ Permit ☐ Closure

Instructions: Please submit one application (Form C-144 CLEZ) per individual closed-loop system request. For any application request other than for a closed-loop system that only use above ground steel tanks or haul-off bins and propose to implement waste removal for closure, please submit a Form C-144.

Please be advised that approval of this request does not relieve the operator of liability should operations result in pollution of surface water, ground water or the environment. Nor does approval relieve the operator of its responsibility to comply with any other applicable governmental authority's rules, regulations or ordinances.

Operator: Chesapeake Operating, Inc. OGRID #: 147179Address: P.O. Box 18496 Oklahoma City, OK 73154-0496Facility or well name: Duncan 19 #1API Number: 30-025-36235OCD Permit Number: PI-0143DU/L or Qtr/Qtr A Section 19 Township 20 South Range 39 East County: LeaCenter of Proposed Design: Latitude 32.563850 Longitude -103.07763 NAD: ☒ 1927 ☐ 1983Surface Owner: ☐ Federal ☐ State ☒ Private ☐ Tribal Trust or Indian Allotment2. ☒ Closed-loop System: Subsection H of 19.15.17.11 NMACOperation: ☐ Drilling a new well ☒ Workover or Drilling (Applies to activities which require prior approval of a permit or notice of intent) P&A☒ Above Ground Steel Tanks or ☐ Haul-off Bins

3. Signs: Subsection C of 19.15.17.11 NMAC

☐ 12"x24", 2" lettering, providing Operator's name, site location, and emergency telephone numbers☒ Signed in compliance with 19.15.3.103 NMAC

4. Closed-loop Systems Permit Application Attachment Checklist: Subsection B of 19.15.17.9 NMAC

Instructions: Each of the following items must be attached to the application. Please indicate, by a check mark in the box, that the documents are attached.

☒ Design Plan - based upon the appropriate requirements of 19.15.17.11 NMAC☒ Operating and Maintenance Plan - based upon the appropriate requirements of 19.15.17.12 NMAC☒ Closure Plan (Please complete Box 5) - based upon the appropriate requirements of Subsection C of 19.15.17.9 NMAC and 19.15.17.13 NMAC☐ Previously Approved Design (attach copy of design) API Number: _____☐ Previously Approved Operating and Maintenance Plan API Number: _____

5. Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only: (19.15.17.13.D NMAC)

Instructions: Please identify the facility or facilities for the disposal of liquids, drilling fluids and drill cuttings. Use attachment if more than five facilities are required.

Disposal Facility Name: Controlled Recovery, Inc.Disposal Facility Permit Number: NM-01-0006Disposal Facility Name: Sundance DisposalDisposal Facility Permit Number: NM-01-0003

Will any of the proposed closed-loop system operations and associated activities occur on or in areas that will not be used for future service and operations?

☐ Yes (If yes, please provide the information below) ☒ No

Required for impacted areas which will not be used for future service and operations:

☐ Soil Backfill and Cover Design Specifications - based upon the appropriate requirements of Subsection H of 19.15.17.13 NMAC☐ Re-vegetation Plan - based upon the appropriate requirements of Subsection I of 19.15.17.13 NMAC☐ Site Reclamation Plan - based upon the appropriate requirements of Subsection G of 19.15.17.13 NMAC

6. Operator Application Certification:

I hereby certify that the information submitted with this application is true, accurate and complete to the best of my knowledge and belief.

Name (Print): Bryan ArrantTitle: Sr. Regulatory Compl. Sp.Signature: Bryan ArrantDate: 09/29/2009e-mail address: bryan.arrant@chk.comTelephone: (405)935-3782

7. **OCD Approval:** ☐ Permit Application (including closure plan) ☒ Closure Plan (only)

OCD Representative Signature: _____

Approval Date: **OCT 28 2009**

Title: **DISTRICT 1 SUPERVISOR**

OCD Permit Number: **P1-0143D**

8. **Closure Report (required within 60 days of closure completion):** Subsection K of 19.15.17.13 NMAC

Instructions: Operators are required to obtain an approved closure plan prior to implementing any closure activities and submitting the closure report. The closure report is required to be submitted to the division within 60 days of the completion of the closure activities. Please do not complete this section of the form until an approved closure plan has been obtained and the closure activities have been completed.

☐ Closure Completion Date: _____

9. **Closure Report Regarding Waste Removal Closure For Closed-loop Systems That Utilize Above Ground Steel Tanks or Haul-off Bins Only:**

Instructions: Please identify the facility or facilities for where the liquids, drilling fluids and drill cuttings were disposed. Use attachment if more than two facilities were utilized.

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Disposal Facility Name: _____ Disposal Facility Permit Number: _____

Were the closed-loop system operations and associated activities performed on or in areas that *will not* be used for future service and operations?

☐ Yes (If yes, please demonstrate compliance to the items below) ☐ No

Required for impacted areas which will not be used for future service and operations:

☐ Site Reclamation (Photo Documentation)

☐ Soil Backfilling and Cover Installation

☐ Re-vegetation Application Rates and Seeding Technique

10. **Operator Closure Certification:**

I hereby certify that the information and attachments submitted with this closure report is true, accurate and complete to the best of my knowledge and belief. I also certify that the closure complies with all applicable closure requirements and conditions specified in the approved closure plan.

Name (Print): _____ Title: _____

Signature: _____ Date: _____

e-mail address: _____ Telephone: _____

**Chesapeake Operating, Inc.'s Closed Loop System
Duncan 19 #1
Unit A, Sec. 19, T-20-S R-39-E
Lea Co., NM
API #: 30-025-36235**

Equipment & Design:

Chesapeake Operating, Inc. is to use a closed loop system in the recompletion of this well.

(1) 250 bbl frac tank

Operations & Maintenance:

During each and every tour, the rig's drilling crew will inspect and closely monitor the drilling fluids contained within the steel tank and visually monitor any spill which may occur.

Within 48 hours should a spill, release or leak occur, the NMOCD District I office in Hobbs (575-393-6161) will be notified. Please note that notifications may be made earlier to the district office should a greater release occur.

This is in keeping with the reporting requirements of NMOCD's rule 19.15.29.8

Closure:

After re-completion operations, fluids will be hauled and disposed to the Controlled Recovery, Inc.'s (CRI) location.

The disposal permit number for CRI is: NM-01-0006

Should this facility not be available, Sundance Disposal is the alternative site.

The permit # for this facility is: NM-01-0003.