

NEW MEXICO OIL CONSERVATION DIVISION

- Engineering Bureau -

Case 12464

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

[NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
 [DD-Directional Drilling] [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 - Directional Drilling
☒ NSL ☐ NSP ☐ DD ☐ SD

Check One Only for [B] and [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

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

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

[B] ☒ Working Interest Owners
~~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] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

W.T. Kellahan
 Print or Type Name

W.T. Kellahan
 Signature

Attorney
 Title

6/23/00
 Date

KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

TELEPHONE (505) 982-4285

TELEFAX (505) 982-2047

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 23, 2000

Hand Delivered

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

Re: Warehouse "10" Well No. 2
Administrative Application of
Chesapeake Operating, Inc.,
for a unorthodox subsurface location
S/2NE/4 Section 10, T16S, R36E
Lea County, New Mexico

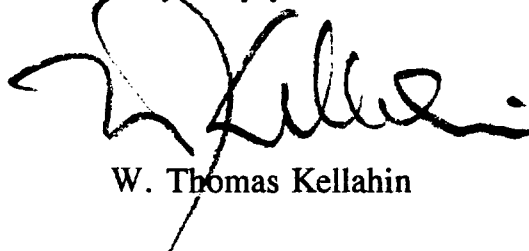
Dear Mr. Stogner:

On behalf of Chesapeake Operating, Inc. and in accordance with Division Rule 104, please find enclosed the enclosed original of this application for approval to drill this well directionally to an unorthodox subsurface location. We are seeking a 100 foot radius target around the unorthodox bottom hole location.

Concurrently with this application, we have filed a separate application with OCD-Hobbs requesting approval of the directional wellbore in accordance with Rule 111.

Please call me if you have any questions.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', with a large, stylized initial 'W'.

W. Thomas Kellahin

cc: Mr. Chris Williams (OCD-Hobbs)
Chesapeake Operating, Inc.
Attn: Lynda Townsend

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION OF CHESAPEAKE OPERATING INC.
FOR AN UNORTHODOX SUBSURFACE LOCATION
LEA COUNTY, NEW MEXICO**

ADMINISTRATIVE APPLICATION

Comes now Chesapeake Operating, Inc. ("Chesapeake"), by and through its attorneys, Kellahin & Kellahin, and in accordance with Division Rule 104 applies to the New Mexico Oil Conservation Division for approval for an unorthodox subsurface well location for its Warehouse "10" Well No. 2 and in support states:

- (1) Chesapeake proposes to drill its Warehouse "10" Well No. 2 at a surface location 1196 feet from the north line and 2463 feet from the east line (Unit B) of Section 10, T16S, R36E to an unorthodox subsurface location at the top of the Strawn formation within 100 foot radius of a point 1842 feet from the north line and 2213 feet from the east line (Unit G) of the Northeast Lovington Pennsylvanian Pool and to dedicate the well to a standard 80-acre oil spacing unit consisting of the S/2NE/4 of this section.
- (2) The special rules for the Northeast Lovington-Pennsylvanian Pool provide for 80-acre oil spacing with a standard location to be within 150 feet of the center of a quarter-quarter section.
- (3) Chesapeake has conducted a 3-D seismic geologic investigation and has concluded that the optimum subsurface location for a well in this spacing unit would be at the proposed unorthodox subsurface location in order to maximize structural attitude and stratigraphic growth over any standard location in this spacing unit.
- (4) The directional wellbore is necessitated by being within the City of Lovington and complying with the various topographical and regulatory limitation of this community.
- (5) The unorthodox subsurface location encroaches towards a spacing unit operated by Chesapeake for its Warehouse "10" Well No 1 located in the E/2NE/4 of Section 10. Because Chesapeake is the common operator, a copy of this application is being sent to all of the working interest owners in the adjoining spacing unit as set forth on Exhibit 6.

(6) Chesapeake proposes the following:

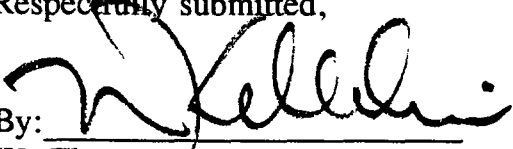
- (a) **Project Area:**
80-acre oil dedication
(S/2NE/4 Section 10)
- (b) **Producing Area & Producing Interval:**
being within an area at the top of the Strawn formation within
a standard 80-acre spacing unit;
- (c) **Subsurface location:**
within 100 foot radius of a point 1842 feet from the North
line and 2213 feet from the East line of this section.

(6) The following exhibits are attached:

- Exhibit 1: Area Locator Plat indicating spacing unit, surface and
subsurface well location, offset owners
- Exhibit 2: C-102
- Exhibit 3: APD
- Exhibit 4: Scientific Drilling International's vertical oriented plan view
and horizontal plan view and
3 pages of numerical tabulation of program.
- Exhibit 5: 3-D seismic displays of Strawn feature
- Exhibit 6: Notice list.

WHEREFORE, Applicant requests that this application be approved.

Respectfully submitted,

By: 

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

4

MANZANO
QUARRY '99

2

COI

COI

COI

CELP 76.42%
TLW 1.0%
CI 1.0%
TRAJAN 0.5%
NORTHPORT 3.68%
VESTIGE 1.0%

COI

COI

CHESAPEAKE
WAREHOUSE S.L.MANZANO '92
BROWNFIELD 1-11WAREHOUSE 1-10
(BWL)

COI 100%

WAREHOUSE 2-10
(BWL)

BAHLBURG 2.87%
DALCO 2.46%
BANDERA 2.7334%
MAGNOLIA 2.7334%
LAMB 2.7334%

MANZANO '97
BIG BERTHA

9

11

MANZANO '96
'SV' CHIPSHOT

COI

COI

COI

COI

MANZANO '97
CHIPSHOT 'SV' 2

16S/36E

16

15

14

— Unit Outline



CHESAPEAKE OPERATING, INC.

Warehouse 2-10
Lea County, NM

Cliff A. Henshaw

1" = 100'

Lynda Townsend

DISTRICT I
P.O. Box 1980, Hobbs, NM 88241-1980

DISTRICT II
P.O. Drawer DD, Artesia, NM 88211-0719

DISTRICT III
1000 Rio Brazos Rd., Artesia, NM 87410

DISTRICT IV
P.O. BOX 2088, SANTA FE, N.M. 87504-2088

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-102
Revised February 10, 1994
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

OIL CONSERVATION DIVISION

P.O. Box 2088
Santa Fe, New Mexico 87504-2088

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

API Number	Pool Code 40760	Pool Name N.E. Lovington Penn
Property Code	Property Name WAREHOUSE 10	Well Number 2
OGRID No. 147179	Operator Name CHESAPEAKE OPERATING, INC.	Elevation 3901

Surface Location

UL or lot No. B	Section 10	Township 16 S	Range 36 E	Lot Idn	Feet from the 1196	North/South line NORTH	Feet from the 2463	East/West line EAST	County LEA
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Bottom Hole Location If Different From Surface

UL or lot No. G	Section 10	Township 16 S	Range 36 E	Lot Idn	Feet from the 1842	North/South line NORTH	Feet from the 2213	East/West line EAST	County LEA
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Dedicated Acres 80	Joint or Infill	Consolidation Code	Order No.
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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

Y=707333 X=804327 NMSPC EZ NAD 27 SURFACE 1196' 1842' 2463' 2213' BOTTOM HOLE Y=706690 X=804585 NMSPC EZ NAD 27	OPERATOR CERTIFICATION I hereby certify the the information contained herein is true and complete to the best of my knowledge and belief. <i>Barbara J. Bale</i> Signature Barbara J. Bale Printed Name Regulatory Analyst Title 06/20/2000 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. MAY 26, 2000 Date Surveyed LMP Signature & Seal of Professional Surveyor <i>Gary Kidson</i> 5/31/2000 00-11-0678 Certificate No. - RONALD J. KIDSON 3239 GARY KIDSON 12641 MACON McDONALD 12185

EXHIBIT
2

District I
PO Box 1980, Hobbs, NM 88241-1980
District II
PO Drawer DD, Azusa, NM 88211-0719
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
PO Box 2088
Santa Fe, NM 87504-2088

Form C-101
Revised February 10, 1994
Instructions on back
Submit to Appropriate District Office
State Lease - 6 Copies
Fee Lease - 5 Copies

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address: Chesapeake Operating, Inc. P. O. Box 18496 Oklahoma City, OK 73154-0496		OGRID Number 147179
		API Number 30 - 0
Property Code	Property Name Warehouse 10	Well No. 2

⁷ Surface Location

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
B	10	16S	36E		1196	North	2463	East	Lea

⁸ Proposed Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Ida	Feet from the	North/South line	Feet from the	East/West line	County
Proposed Pool 1 N.E. Lovington Penn					Proposed Pool 2				

Work Type Code N	Well Type Code O/G	Cable/Rotary Rotary	Lease Type Code P	Ground Level Elevation 3901'
Multiple No	Proposed Depth 12,033'	Formation Strawn	Contractor Patterson	Spud Date 09/01/2000

²¹ Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC
17-1/2"	13-3/8"	48#	450'	495	Surface
12-1/4"	9-5/8"	40#	4850'	2464	Surface
7-7/8"	5-1/2"	17#	12,033'	1600	± 3900'

²² Describe the proposed program. If this application is to DEEPEN or PLUG BACK give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

Chesapeake proposes to drill to 12,033' T.D. in the Strawn formation with Patterson as the drilling contractor.

Patterson's BOP stack consists of 11" 5M# blind & pipe rams & 11" 5M# Annular.

²³ I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Barbara J. Bale

Printed name:

Barbara J. Bale

Title:

Regulatory Analyst

Date:

06/20/2000

Phone:

(405) 848-8000

OIL CONSERVATION

Approved by:

Title:

Approval Date:

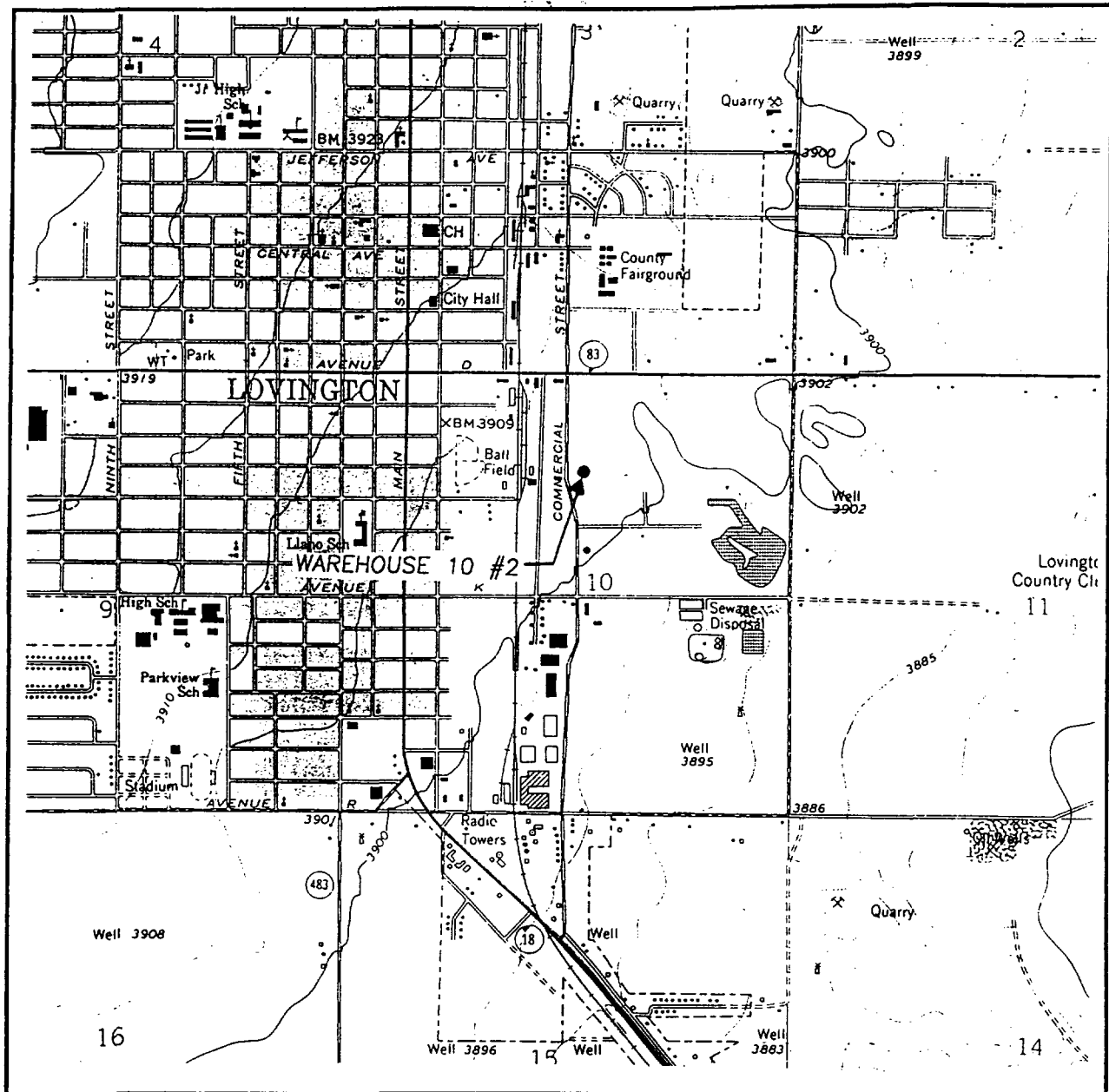
Expiration Date:

Conditions of Approval:

Attached ☐



LOCATION VERIFICATION MAP



SCALE: 1" = 2000'

CONTOUR INTERVAL:
LOVINGTON, N.M. - 5'

SEC. 10 TWP. 16-S RGE. 36-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1196' FNL & 2463' FEL

ELEVATION 3901

OPERATOR CHESAPEAKE OPERATING, INC.

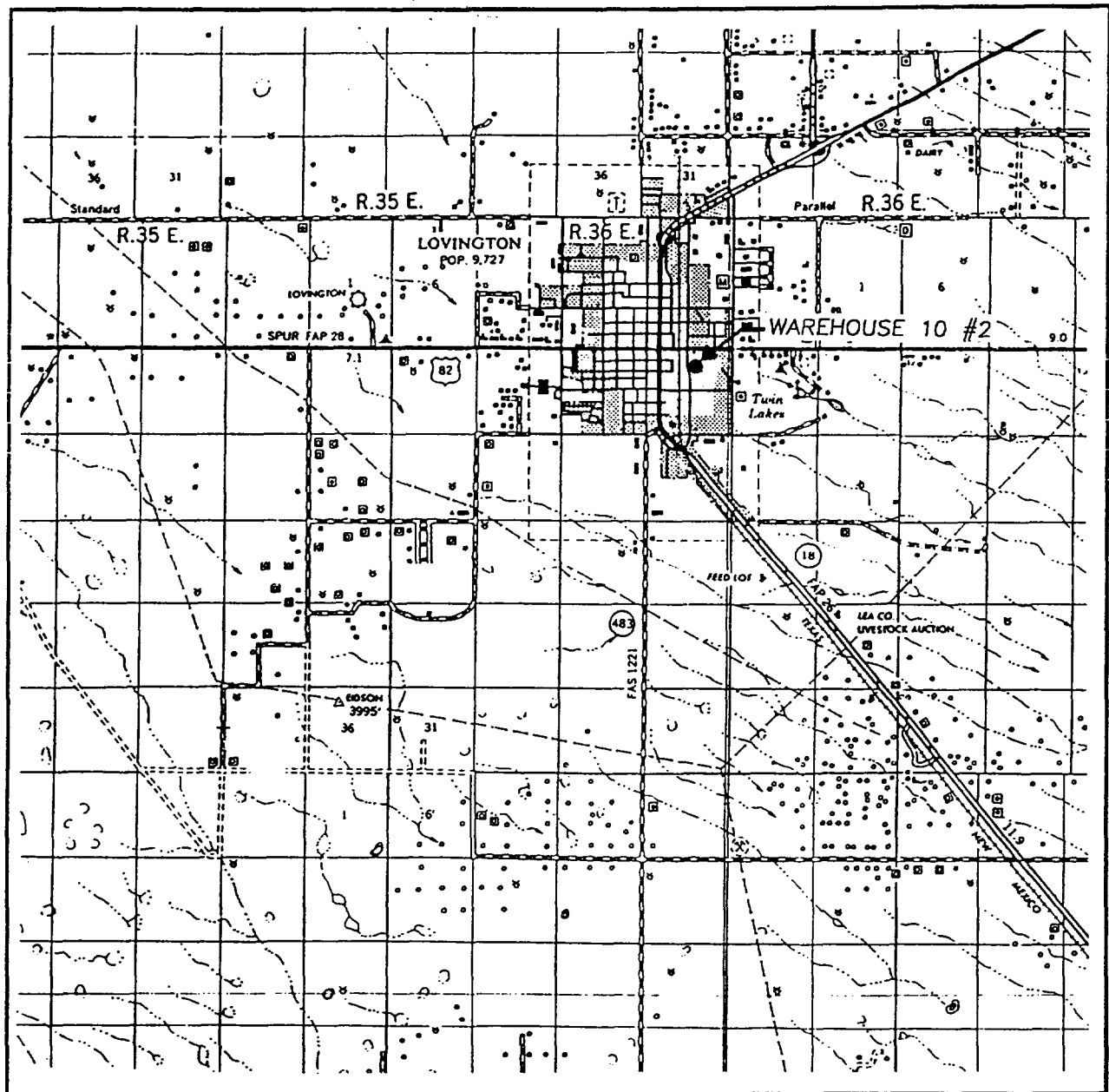
LEASE WAREHOUSE 10

U.S.G.S. TOPOGRAPHIC MAP

LOVINGTON, N.M.

JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

VICINITY MAP



SCALE: 1" = 2 MILES

SEC. 10 TWP. 16-S RGE. 36-E

SURVEY N.M.P.M.

COUNTY LEA

DESCRIPTION 1196' FNL & 2463' FEL

ELEVATION 3901

OPERATOR CHESAPEAKE OPERATING, INC.

LEASE WAREHOUSE 10

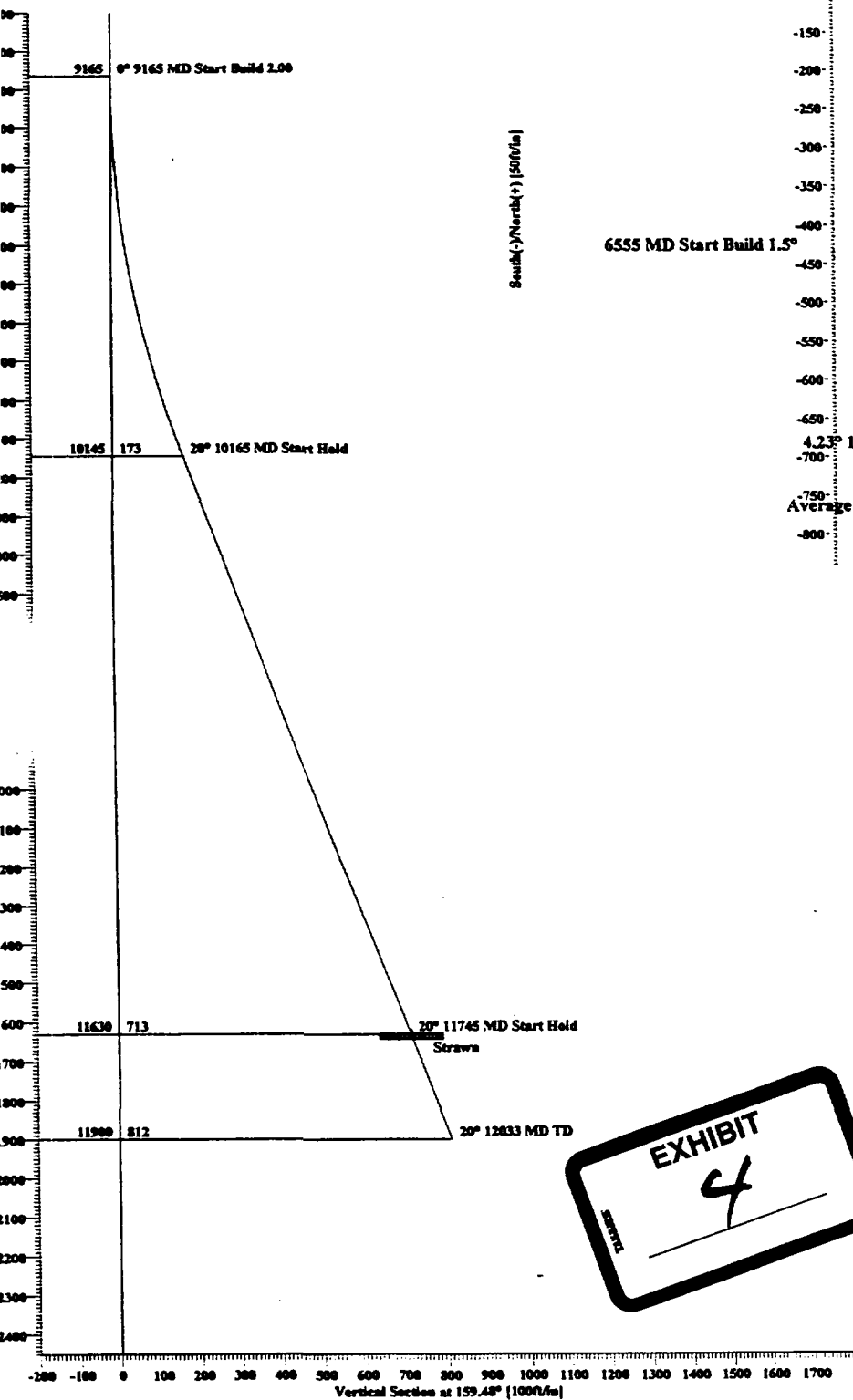
JOHN WEST SURVEYING
HOBBS, NEW MEXICO
(505) 393-3117

Chesapeake Operating Inc.

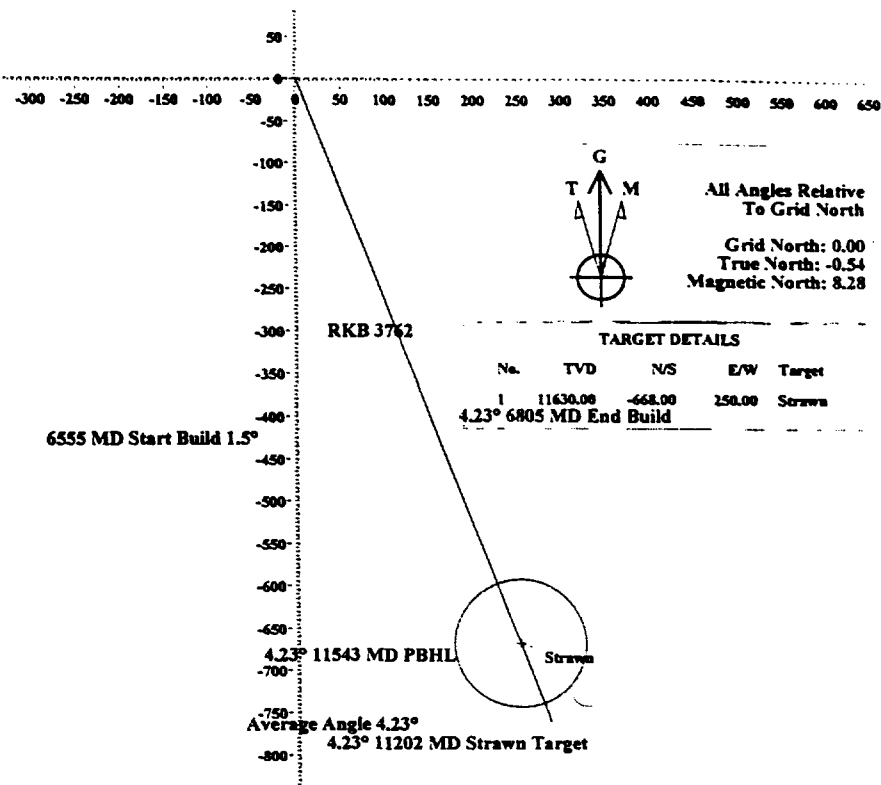
Chesapeake 00 Warehouse 2-10
Lea County, New Mexico



Ryan Energy Technologies USA Inc.



South(-)/North(+) (50ft/in)



RKB 3762

6555 MD Start Build 1.5°

4.23° 11543 MD PBHL

Average Angle 4.23°

4.23° 11202 MD Strawn Target



All Angles Relative
To Grid North

Grid North: 0.00
True North: -0.54
Magnetic North: 8.28

TARGET DETAILS

No.	TVD	N/S	E/W	Target
1	11630.00	-668.00	250.00	Strawn
4.23° 6805 MD End Build				

West(-)/East(+) (50ft/in)

FORMATION TOP DETAILS

No.	TVDPath	MDPath	Formation
1	4850.00	4850.00	San Andres
2	6438.00	6438.00	Glorieta
3	7006.00	7006.00	Paddock
4	7629.00	7629.00	Tubb
5	8338.00	8338.00	Abo
6	9750.00	9754.14	Wolfcamp
7	11094.00	11175.09	Ciaca
8	11630.00	11745.49	Strawn
9	11744.00	11866.80	Atoka

FIELD DETAILS

Lea County
New Mexico
USA

Geodetic System: US State Plane Coordinate System 1927
Ellipsoid: Clarke - 1866

Zone: New Mexico, Eastern Zone
Magnetic Model: igr2000

System Datum: Mean Sea Level
Local North: Grid North

SITE DETAILS

Chesapeake 00 Warehouse 2-10
S/2 NE/4 Section 10-16S-36E
1172 FNL 2445 FEL

Site Centre Easting: 804585.00
Northing: 706690.00

Water Depth: 0.00
Positional Uncertainty: 0.00
Magnetic Declination: 8.82
Convergence: 0.54

WELLPATH DETAILS

OH

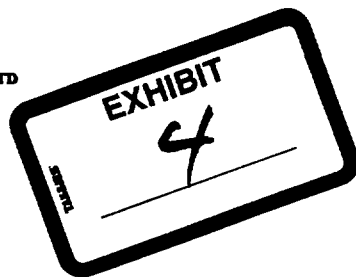
Vertical Section Origin: Slot - (0.00,0.00)
Vertical Section Angle: 159.48°

Rig:
Depth Reference: SITE 3925.00ft

Wellpath: (Chesapeake 00 Warehouse 2-10/OH)

Created By: Ryan Energy USA

Date: 6/15/2000



RyanUSA

Ryan Planning Report

Company: Chesapeake Operating Inc. Field: Lea County Site: Chesapeake 00 Warehouse 2-10 Well: Chesapeake 00 Warehouse 2-10 Wellpath: OH	Date: 6/15/2000 Co-ordinate(NE) Reference: Well: Chesapeake 00 Warehouse 2-10 Vertical (TVD) Reference: SITE 3925.0 above Mean Sea Level Section (VS) Reference: Well (0.0E,0.0N,159.5Azi) Survey Calculation Method: Minimum Curvature	Page: 1
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Plan: Plan #1 Principal: Yes	Date Composed: 6/15/2000 Version: 1 Locked: No
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Field: Lea County New Mexico USA Map System: US State Plane Coordinate System 1927 Ellipsoid: Clarke - 1866 Sys Datum: Mean Sea Level	Map Zone: New Mexico, Eastern Zone North Reference: Grid Geomagnetic Model: igrf2000
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Site: Chesapeake 00 Warehouse 2-10 S/2 NE/4 Section 10-16S-36E 1172 FNL 2445 FEL			
Site Position: From: Map Position Uncertainty: 0.00 ft Water Depth: 0.00 ft	Northing: 706690.00 ft Easting: 804585.00 ft	Latitude: 32 56 19.742 N Longitude: 103 20 26.010 W Magnetic Declination: 8.82 deg Grid Convergence: 0.54 deg	

Well: Chesapeake 00 Warehouse 2-10 Lea County, New Mexico			
Well Position: +N/-S 0.00 ft From Slot: +E/-W 0.00 ft Position Uncertainty: 0.00 ft	Northing: 706690.00 ft Easting: 804585.00 ft	Latitude: 32 56 19.742 N Longitude: 103 20 26.010 W	

Wellpath: OH Vertical Section: +N/-S 0.00 ft From: Well +E/-W 0.00 ft Measured Depth Reference: SITE	Drilled From: Surface Tie-on Depth: ft V.Section Direction: 159.48 deg Above System Datum: Mean Sea Level
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Annotation

MD	TVD

Casing Points

MD ft	TVD ft	Diameter in	Name
450.00	450.00	13.375	13 3/8"
4850.00	4850.00	9.625	9 5/8"

Formations

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
4850.00	4850.00	San Andres	UNKNOWN	0.00	0.00
6438.00	6438.00	Glorieta	UNKNOWN	0.00	0.00
7006.00	7006.00	Paddock	UNKNOWN	0.00	0.00
7629.00	7629.00	Tubb	UNKNOWN	0.00	0.00
8338.00	8338.00	Abo	UNKNOWN	0.00	0.00
9754.14	9750.00	Wolfcamp	UNKNOWN	0.00	0.00
11175.09	11094.00	Cisco	UNKNOWN	0.00	0.00
11745.49	11630.00	Strawn	UNKNOWN	0.00	0.00
11866.80	11744.00	Atoka	UNKNOWN	0.00	0.00

Targets

Name	Dip deg	Direction deg	TVD ft	+N/-S ft -	+E/-W ft	Map Unit Northing ft	Map Unit Easting ft	← Latitude → Deg Min Sec	← Longitude → Deg Min Sec
Strawn			11630.00	-668.00	250.00	706022.00	804835.00	32 56 13.109 N	103 20 23.151 W
-Circle (Radius: 75)									
-Plan hit target									

RyanUSA

Ryan Planning Report

Company: Chesapeake Operating Inc. Field: Lea County Site: Chesapeake 00 Warehouse 2-10 Well: Chesapeake 00 Warehouse 2-10 Wellpath: OH	Date: 6/15/2000 Co-ordinate(NE) Reference: Well: Chesapeake 00 Warehouse 2-10 Vertical (TVD) Reference: SITE 3925.0 above Mean Sea Level Section (VS) Reference: Well (0.0E,0.0N,159.5Azi) Survey Calculation Method: Minimum Curvature
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Page: 2

Plan Section Information

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	159.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	*Strawn
9165.23	0.00	159.48	9165.23	0.00	0.00	0.00	0.00	0.00	0.00	*Strawn
10165.23	20.00	159.48	10145.04	-161.81	60.56	2.00	2.00	0.00	159.48	*Strawn
11745.49	20.00	159.48	11630.00	-668.00	250.00	0.00	0.00	0.00	0.00	*Strawn
12032.81	20.00	159.48	11900.00	-760.04	284.45	0.00	0.00	0.00	0.00	*Strawn

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	ClsD ft	ClsA deg	DLS deg/100ft	
9100.00	0.00	159.48	9100.00	0.00	0.00	0.00	0.00	0.00	0.00	
9165.23	0.00	159.48	9165.23	0.00	0.00	0.00	0.00	0.00	0.00	
9200.00	0.70	159.48	9200.00	-0.20	0.07	0.21	0.21	159.48	2.00	
9300.00	2.70	159.48	9299.95	-2.97	1.11	3.17	3.17	159.48	2.00	
9400.00	4.70	159.48	9399.74	-9.00	3.37	9.61	9.61	159.48	2.00	
9500.00	6.70	159.48	9499.24	-18.30	6.85	19.54	19.54	159.48	2.00	
9600.00	8.70	159.48	9598.33	-30.84	11.54	32.93	32.93	159.48	2.00	
9700.00	10.70	159.48	9696.90	-46.61	17.44	49.77	49.77	159.48	2.00	
9754.14	11.78	159.48	9750.00	-56.49	21.14	60.32	60.32	159.48	2.00	Wolfcamp
9800.00	12.70	159.48	9794.82	-65.60	24.55	70.04	70.04	159.48	2.00	
9900.00	14.70	159.48	9891.97	-87.77	32.85	93.71	93.71	159.48	2.00	
10000.00	16.70	159.48	9988.24	-113.10	42.33	120.76	120.76	159.48	2.00	
10100.00	18.70	159.48	10083.50	-141.57	52.98	151.16	151.16	159.48	2.00	
10165.23	20.00	159.48	10145.04	-161.81	60.56	172.77	172.77	159.48	2.00	
10200.00	20.00	159.48	10177.72	-172.95	64.73	184.66	184.66	159.48	0.00	
10300.00	20.00	159.48	10271.69	-204.98	76.71	218.86	218.86	159.48	0.00	
10400.00	20.00	159.48	10365.66	-237.01	88.70	253.07	253.07	159.48	0.00	
10500.00	20.00	159.48	10459.63	-269.04	100.69	287.27	287.27	159.48	0.00	
10600.00	20.00	159.48	10553.60	-301.08	112.68	321.47	321.47	159.48	0.00	
10700.00	20.00	159.48	10647.56	-333.11	124.67	355.67	355.67	159.48	0.00	
10800.00	20.00	159.48	10741.53	-365.14	136.65	389.87	389.87	159.48	0.00	
10900.00	20.00	159.48	10835.50	-397.17	148.64	424.08	424.08	159.48	0.00	
11000.00	20.00	159.48	10929.47	-429.20	160.63	458.28	458.28	159.48	0.00	
11100.00	20.00	159.48	11023.44	-461.24	172.62	492.48	492.48	159.48	0.00	
11175.09	20.00	159.48	11094.00	-485.29	181.62	518.16	518.16	159.48	0.00	Cisco
11200.00	20.00	159.48	11117.41	-493.27	184.61	526.68	526.68	159.48	0.00	
11300.00	20.00	159.48	11211.38	-525.30	196.59	560.88	560.88	159.48	0.00	
11400.00	20.00	159.48	11305.35	-557.33	208.58	595.09	595.09	159.48	0.00	
11500.00	20.00	159.48	11399.32	-589.37	220.57	629.29	629.29	159.48	0.00	
11600.00	20.00	159.48	11493.29	-621.40	232.56	663.49	663.49	159.48	0.00	
11700.00	20.00	159.48	11587.26	-653.43	244.55	697.69	697.69	159.48	0.00	
11745.49	20.00	159.48	11630.00	-668.00	250.00	713.25	713.25	159.48	0.00	Strawn
11800.00	20.00	159.48	11681.23	-685.46	256.54	731.89	731.89	159.48	0.00	
11866.80	20.00	159.48	11744.00	-706.86	264.54	754.74	754.74	159.48	0.00	Atoka
11900.00	20.00	159.48	11775.20	-717.49	268.52	766.10	766.10	159.48	0.00	
12000.00	20.00	159.48	11869.17	-749.53	280.51	800.30	800.30	159.48	0.00	
12032.81	20.00	159.48	11900.00	-760.04	284.45	811.52	811.52	159.48	0.00	

4

3 MANZANO
QUARRY '99

2

COI

COI

COI

CELP 76.42%
TLW 1.0%
CI 1.0%
TRAJAN 0.5%
NORTHPORT 3.68%
VESTIGE 1.0%

COI
CHESAPEAKE
WAREHOUSE S.L.

MANZANO '92
BROWNFIELD 1-11

WAREHOUSE 1-10
(DWL)

BAHLBURG 2.87%
DALCO 2.46%
BANDERA 2.7334%
MAGNOLIA 2.7334%
LAMB 2.7334%

100%
LINE 224

MANZANO '97
BIG BERTHA

9

11

COI

COI

COI

COI

MANZANO '96
'SV' CHIPSHOT

MANZANO '97
CHIPSHOT 'SV' 2

16S/36E

16

15

14

— Unit Outline



CHESAPEAKE OPERATING, INC.

Warehouse 2-10
Strawn Isopach (C.I. = 20)
Lea County, NM

Cliff A. Hanson

1" = 1000'

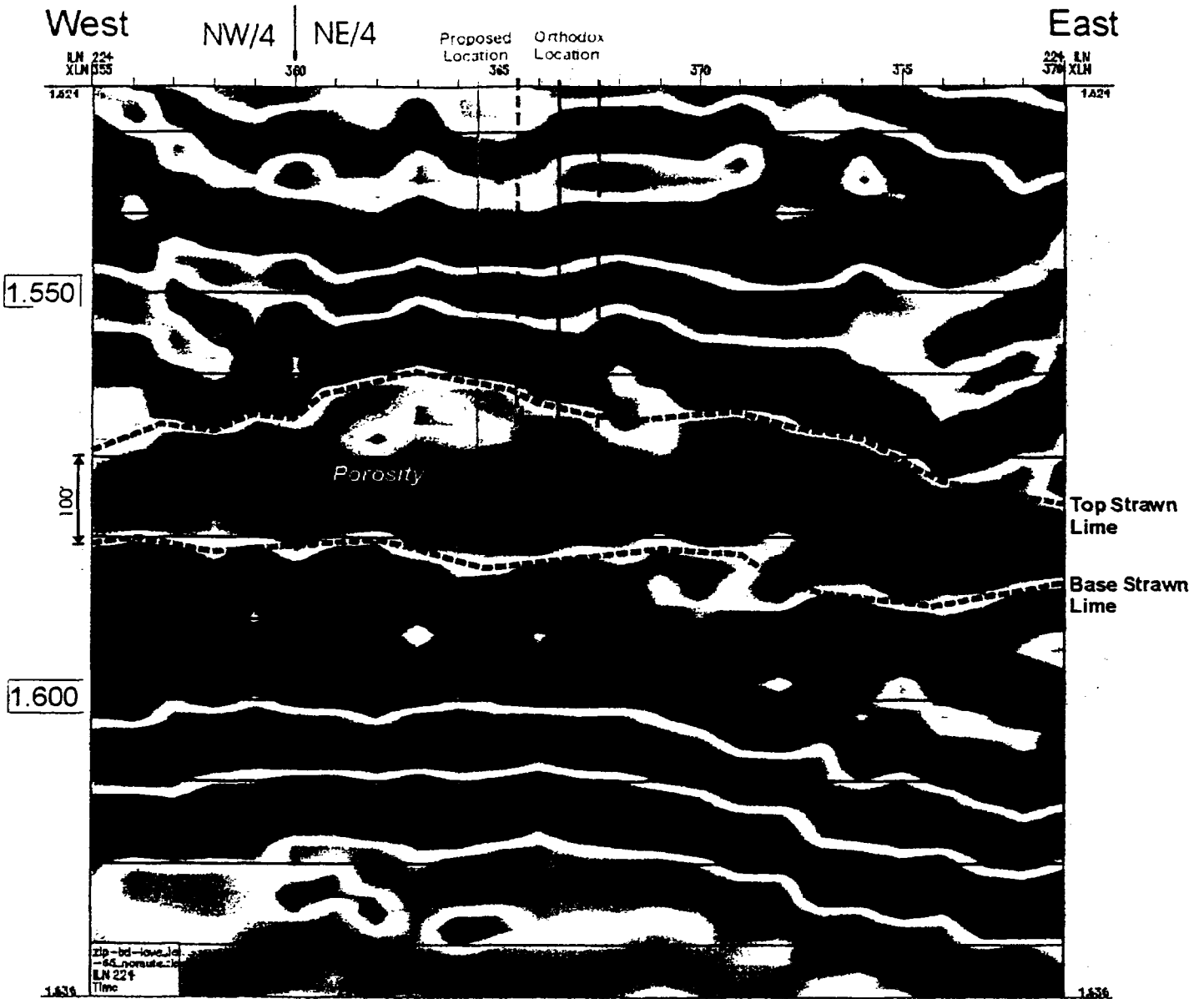
Lynda Townsend

Robert A. Hether N

02/0000

Randy Gentry

LINE 224



CHESAPEAKE OPERATING, INC.

Warehouse 2-10
Lea County, NM

Cliff A. Hanoch

Lynda Townsend

Robert A. Hefner IV

6/21/2000

Randy Gasaway



PROPERTY #	PROPERTY NAME	DOI NO/YR DESCRIPTION	OWNER # SEQ	OWNER NAME	INTEREST TYPE	LAST CHANGE
812222-	WAREHOUSE 1-10	W1 01/00				
501008	TIM INVESTMENTS INC P O BOX 54325 OKLAHOMA CITY OK 73154-1525				.01000000	1-MOR 2/22/99
501217	TRADIM DEVELOPMENT CO P O BOX 16007 OKLAHOMA CITY OK 73113				.00500000	1-MOR 2/22/99
501218	MORTENSON PROTECTION CO 2601 HW EXPRESSWAY STE 902E OKLAHOMA CITY OK 73112-7208				.03680000	1-MOR 2/22/99
501601	VESTIGE INC DBA VESTIGE ENERGIES P O BOX 54316 OKLAHOMA CITY OK 73154				.01000000	1-MOR 2/22/99
501910	BALBORN EXPLORATION, INC P.O. BOX 866931 PLANO TX 75086-6937				.02870000	1-MOR 2/22/99
501992	DALCO PETROLEUM, L.L.C. PO BOX 1904 LOVINGTON NM 88260-1904				.02460000	1-MOR 2/22/99
502657	BANDERA MINERALS LTD LLC P O BOX 701228 TULSA OK 74170-1228				.02733334	1-MOR 2/09/00
605000	CHESAPEAKE INVESTMENTS AN OKLAHOMA LTD PARTNERSHIP P O BOX 18496 OKLAHOMA CITY OK 73154				.01000000	1-MOR 2/22/99
605037	CHESAPEAKE EXPLORATION LP P O BOX 18496 OKLAHOMA CITY OK 73154				.76420000	1-MOR 2/22/99
624602	MAGNOLIA ROYALTY CO INC P O BOX 10703 MIDLAND TX 79702				.02733333	1-MOR 2/22/99
633880	GARY J LANG INC P O BOX 3383 MIDLAND TX 79702				.02733333	1-MOR 2/22/99



KELLAHIN AND KELLAHIN

ATTORNEYS AT LAW

EL PATIO BUILDING

117 NORTH GUADALUPE

POST OFFICE BOX 2265

SANTA FE, NEW MEXICO 87504-2265

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)

TELEPHONE (505) 982-4285
TELEFAX (505) 982-2047

June 23, 2000

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

NOTICE OF THE FOLLOWING NEW MEXICO OIL CONSERVATION
DIVISION ADMINISTRATIVE CASE:

*Re: Administrative Application of Chesapeake
Operating, Inc. for an unorthodox subsurface
location, Lea County, New Mexico.*

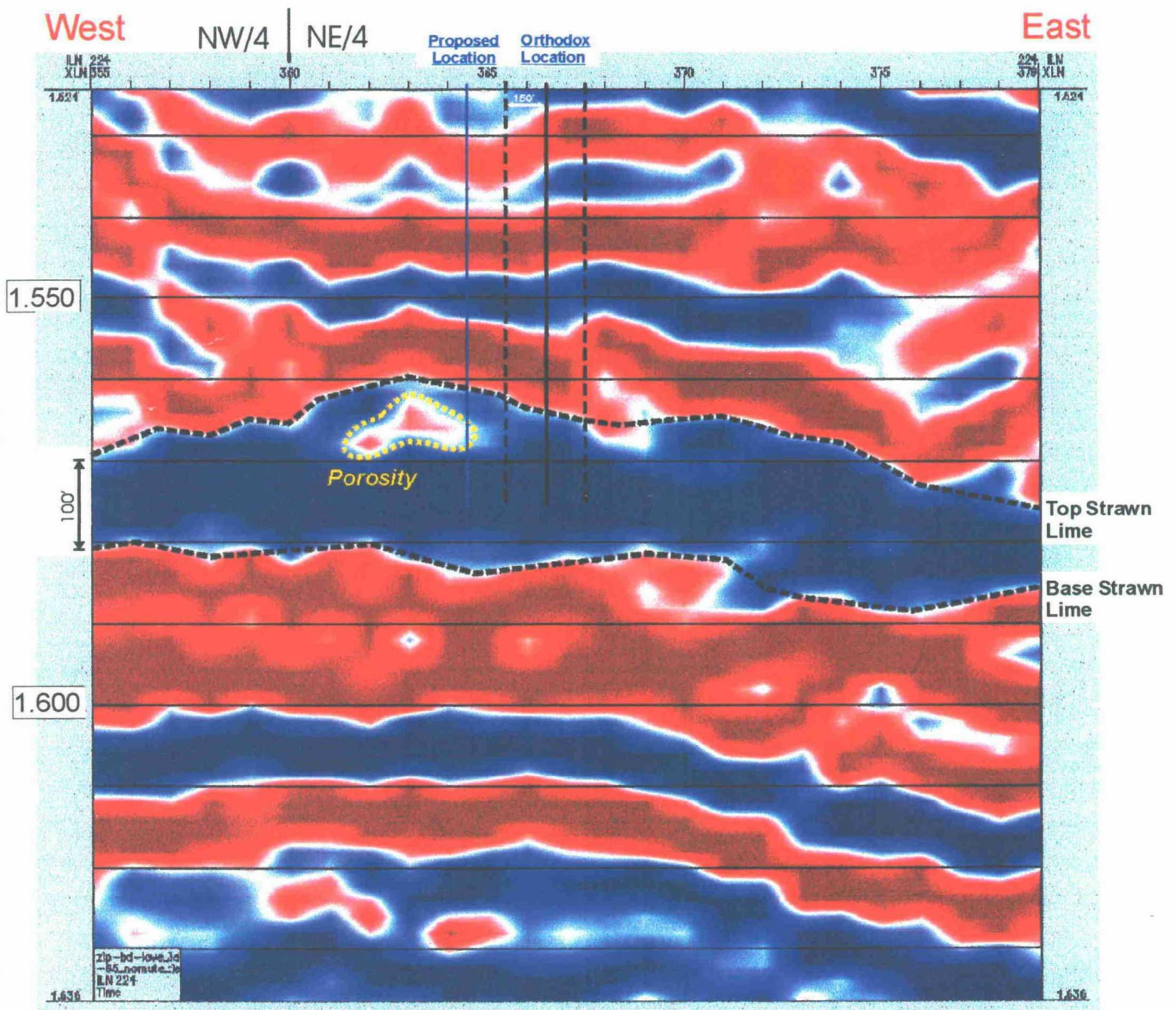
On behalf of Chesapeake Operating, Inc., please find enclosed our
a copy of its referenced administrative application. Should you have any
objection to the Division approving this application, then it will be
necessary for you to file a written objection with the New Mexico Oil
Conservation Division, 2040 South Pacheco, Santa Fe, New Mexico 87505
within twenty (20) days of the date of this letter.

Very truly yours,

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

W. Thomas Kellahin

LINE 224



CHESAPEAKE OPERATING, INC.

Warehouse 2-10
Lea County, NM

Cliff A. Hanoch		Lynda Townsend
Robert A. Hefner IV	6/21/2000	Randy Gasaway

LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE

**LARGE FORMAT
EXHIBIT HAS
BEEN REMOVED
AND IS LOCATED
IN THE NEXT FILE**