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		Check ([B]	One Only for [B] or [C] Commingling - Storage - Me DHC CTB	easurement PLC DPC			- 30E - 555 - 30E - 51dy
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		[D]	Other: Specify				1
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		[B]	Offset Operators, Lease	cholders or Surface C)wner		wild cat box 1
		[C]	Application is One White	ich Requires Publish	ed Legal Notice		\mathcal{V}
		[D]	Notification and/or Con U.S. Bureau of Land Management -	Commissioner of Public Lands,	BLM or SLO		···
		[E]	For all of the above, Pro	oof of Notification o	r Publication is A	Attached, an	ıd/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.

<u>Httorny</u> <u>3/5/17</u> <u>agrankin@hollandNavt.com</u>

HOLLAND&HART

Adam G. Rankin Associate Phone 505-954-7294 Fax 505-983-6043 AGRankin@hollandhart.com

March 5, 2012

4. -

VIA HAND DELIVERY

Jami Bailey Oil Conservation Division New Mexico Department of Energy, Minerals and Natural Resources 1220 South St. Francis Drive Santa Fe, New Mexico 87505

2012 MAR PECEWED OCI i cn υ ÷

Re: Application of Chesapeake Operating, Inc. for administrative approval of an unorthodox well location for its PLU Ross Ranch 21 25 30 USA No. 1H well in the Bone Spring Pool Section 21, Township 25 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.

Dear Ms. Bailey:

Chesapeake Operating, Inc. (OGRID No. 147179) hereby seeks administrative approval pursuant to the provisions of Division Rule 19.15.15.13 NMAC for an unorthodox well location for its PLU Ross Ranch 21 25 30 USA No. 1H to be located in Section 21, Township 25 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. The proposed wildcat well is to be drilled at a surface location 125 feet from the North line with a penetration point 330 feet from the North line and 400 feet from the West line of Section 21. The bottom-hole location will be 100 feet from the South line and 400 feet from the West line of Section 21. A 162.98-acre project area has been dedicated to this horizontal well comprised of the W/2 W/2 of Section 21.

Exhibit A is a land plat for Section 21 and surrounding sections that shows the proposed nonstandard location of the PLU Ross Ranch 21 25 30 USA No. 1H in relation to adjoining units and existing wells. This location is unorthodox because the Bone Spring formation under this acreage is governed by the Division's statewide rules which provide for wells on 40-acre spacing units to be located no closer than 330 feet to the outer boundary of the spacing unit. The bottomhole location of this well will be located 100 feet from the South line of Section 21 for engineering reasons, and is, therefore, closer to the section line than allowed by Division rules.

Exhibit B is the Well Location and Acreage Dedication Plat (Form C-102), which shows that the proposed PLU Ross Ranch 21 25 30 USA No. 1H well encroaches on the spacing and proration unit to the South.

Holland & Hart up

 Phone
 [505] 988-4421
 Fax
 [505] 983-6043
 www.hollandhart.com

 110
 North Guadalupe
 Suite 1
 Santa Fe, NM
 87501
 Mailing Address
 P.O. Box
 2208
 Santa Fe, NM
 87504-2208

 Denver
 Aspen
 Boulder
 Colorado Springs
 Denver Tech Center
 Billings
 Boise
 Cheyenne
 Jackson Hole
 Las Vegas
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HOLLAND&HART

PLU Ross Ranch 21 25 30 USA No. 1H March 5, 2012 Page 2

Exhibit C is a list of the affected parties. Pursuant to 19.15.4.12(A)(2)(c) NMAC, affected parties are those toward whom the non-standard location encroaches. Here, the proposed bottomhole location encroaches on to the South. The affected lessee is BOPCO, LP. A copy of this application with all attachments was mailed to the notice recipient.

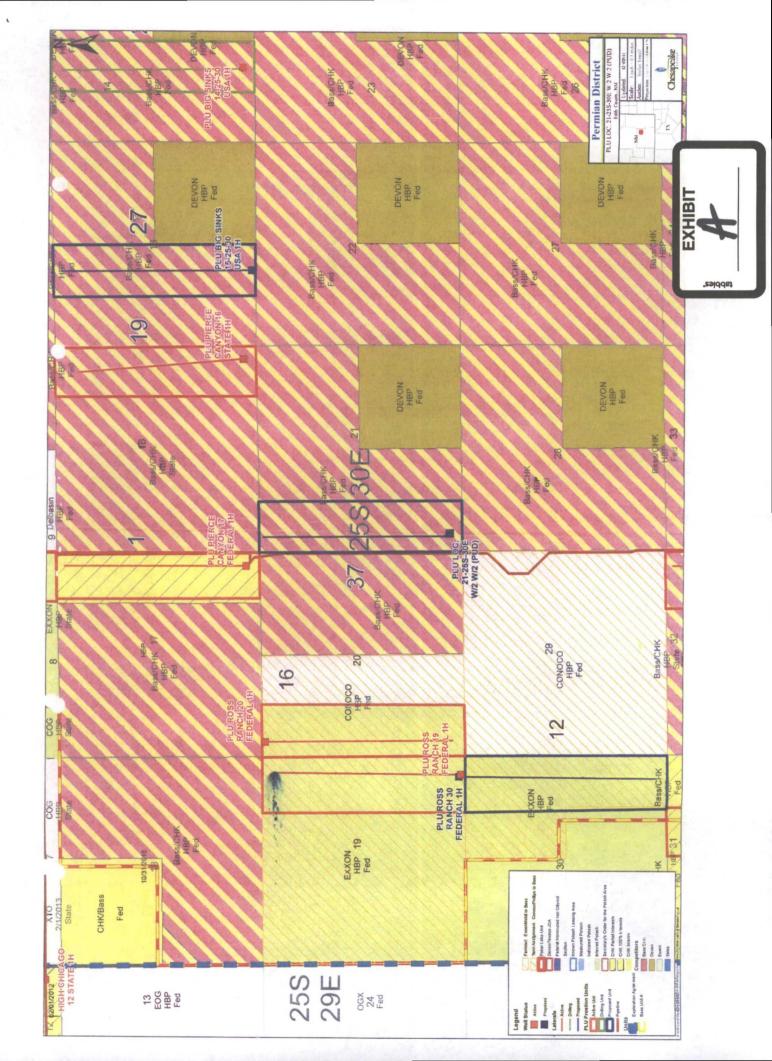
Your attention to this application is appreciated.

Sincerely,

Adam G. Rankin ATTORNEY FOR CHESAPEAKE OPERATING, INC.

AGR

cc: Teresa Long



DISTRICT I 1625 N. French Dr., Hobbs, NJ 88240 Phona (676) 303-6161 Faxi (576) 203-0720 DISTRICT II 811 S. First St., Arleyin, NM 88210 Phona (675) 746-1263 Faxi (575) 748-9723 DISTRICT III 1000 Rio Brazos Rd., Aziec, NM 87410 Phona (605) 334-8178 Faxi (505) 334-6170 DISTRICT IV 1220 8, 81 Francis Dr., Santa Po, NM 87503 Phona (503) 476-3460 Faxi (505) 470-3482

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-102 Revised August 1, 2011

Submit one copy to appropriate District Office

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

: -

WELL LOCATION AND ACREAGE DEDICATION PLAT

D AMENDED REPORT

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Lot - N 32.108625258° Long - W 103.893499178' NMSPCE - E 677520.438 (NAD-83) Lot - N 32.108500995° Long - W 103.893017479' NMSPCE - N 403474.080 NMSPCE -							Protessional	Surveyor	N I		
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(NAD-83) Lot - N 32.108500996 ⁵ Long - W 103.893017479 ⁵ MMSPCE - N 403474.080 MMSPCE - E 636335.184 (NAD-27) EXHIBIT BASIN SURVEYS 26055		NMSPCE-	403532.107		ļ		11111111		4		
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<u>Exhibit C</u> Chesapeake's NSL Application PLU Ross Ranch 21 25 30 USA No. 1H

BOPCO, LP 201 Main Street, Suite 3100 Ft. Worth, TX 76102



Adam G. Rankin Phone 505-988-4421 Fax 505-983-6043 agrankin@hollandhart.com

February 29, 2012

VIA E-MAIL AND UPS OVERNIGHT DELIVERY

BEPCO*

Attn.: Monty Montgomery 201 Main Street, Suite 3100 Fort Worth, Texas 76102

Re: Application of Chesapeake Operating, Inc. for administrative approval of an unorthodox well location for its PLU Ross Ranch 21 25 30 USA 1H well in the Bone Spring Pool Section 21, Township 25 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.

Dear Mr. Montgomery:

Chesapeake Operating, Inc. has submitted the above-referenced application to the New Mexico Oil Conservation Division for an unorthodox well location for its PLU Ross Ranch 21 25 30 USA 1H well. This well is located in Section 21, Township 25 South, Range 30 East, N.M.P.M., Eddy County, New Mexico, and is to be drilled horizontally in the Bone Spring pool at a surface location 125 feet from the North line and a penetration point 330 feet from the North line, and approximately 400 feet from the West line of Section 21. The bottom-hole location will be at an unorthodox location 100 feet from the South line and 400 feet from the West line of Section 21.

Division Rules provide that an application may be approved sooner if the applicant obtains waivers from affected parties. We therefore request your waiver of objection to this administrative application. We respectfully request you that you sign this letter and return it by e-mail delivery to me (agrankin@hollandhart.com) as soon as possible.

Thank you for your consideration of this matter. Should you wish to discuss please feel free to call Teresa Long at (405) 935-9175.

lincerely. Adam G. Rankin

BEPCO*agrees to waive objection to Chesapeake Operating, Inc.'s application for an unorthodox well location for its PLU Ross Ranch 21 25 30 USA 1H well.

By:		Date:	3.5.2012	·		
	Name & Title W. Frank McCreight, Sr. Vice Pr *now known as BOPCO, L.P.	resident M	M			
Phone	[505] 988-4421 Fax (505) 983-6043 www.hollandhart.com	'n	1		·	
110 N	orth Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address	P.O. Box 2208 Sa	nta Fe, NM 87504-2208			
Denve	r Aspen Boulder Colorado Springs DenverTech Center Billi	ings Boise Cheye	nne Jackson Hole Las Vegas	Salt Lake City Santa	Fe Washington, D.C.	۵

HOLLAND&HART

Adam G. Rankin Phone 505-988-4421 Fax 505-983-6043 agrankin@hollandhart.com

March 5, 2012

<u>CERTIFIED MAIL</u> RETURN RECEIPT REQUESTED

TO AFFECTED PARTIES

Re: Application of Chesapeake Operating, Inc. for administrative approval of an unorthodox well location for its PLU Ross Ranch 21 25 30 USA No. 1H well in the Bone Spring Pool Section 21, Township 25 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.

Ladies and Gentlemen:

Enclosed is a copy of the above-referenced application which was filed with the New Mexico Oil Conservation Division on this date by Chesapeake Operating Co. for administrative approval of an unorthodox well location for its PLU Ross Ranch 21 25 30 USA No. 1H. The proposed wildcat well is to be drilled at a surface location 125 feet from the North line and a penetration point 330 feet from the North line, and 400 feet from the West line of Section 21. The bottom-hole location will be 100 feet from the South line and 400 feet from the West line of Section 21.

As an owner of an interest that may be affected by the proposed well, you may object to this application. Objections must be filed in writing within twenty days from this date at the Division's Santa Fe office that is located at 1220 South Saint Francis Drive, Santa Fe, New Mexico, 87505. If no objection is received within this twenty-day period, this application for an unorthodox well location may be approved.

Sincerely,

Adam G. Rankin ATTORNEY FOR CHESAPEAKE OPERATING, INC.

Enclosures

Holland & Hart LLP

Phone [505] 988-4421 Fax [505] 983-6043 www.hollandhart.com

110 North Guadalupe Suite 1 Santa Fe, NM 87501 Mailing Address P.O. Box 2208 Santa Fe, NM 87504-2208

Denver Aspen Boulder Colorado Springs Denver Tech Center Billings Boise Cheyenne Jackson Hole Las Vegas Salt Lake City Santa Fe Washington, D.C. 🗘