



Manzano, LLC

P.O. Box 2107

Roswell, New Mexico 88202-2107

2005 JUL 21

AM 505 625-1996

FAX (505) 625-2620

July 18, 2005

W. Thomas Kellahin
P.O. Box 2265
Santa Fe, NM 87504

Re: Administrative Application of Chesapeake Operating, Inc.
for approval of unorthodox well location for its
Jordan "12" Well No. 3, Unit E, SW/4NW/4 of Section 12,
T10S, R32E, Lea County, New Mexico

Dear Mr. Kellahin:

Pursuant to your letter of July 13, 2005 requesting a waiver of objection for the above referenced unorthodox well location, Manzano, LLC as offset operator, and Kenneth Barbe, Jr. as an offsetting working interest owner hereby grant such waiver subject to Chesapeake Operating, Inc. waving any objection to Manzano drilling at a mirror location to the same proposed depth in the east half of section 11, T10S, R32E, Lea County, New Mexico.

Very truly yours,

Kenneth Barbe, Jr.
Manager

Agreed to and accepted this _____ day of _____, 2005.

Chesapeake Operating, Inc.

BY: _____

ITS: _____

cc: NMOCD