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## FAX TRANSMITTAL FORM

## To

Name: Michael E. Stogner  
Agency:  
Oil Conservation Division  
Fax: 479-5822

## From

W. Thomas Kellahin

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- ☐ Urgent  
☐ For Review  
☐ Please Comment  
☐ Please Reply

Date sent: 8-29-03  
Time sent: 2:30 pm  
Number of pages including cover page:

3

Please see attached letter dated August 29, 2003.

*Note to file:  
This begins in reference to  
my telephone conversation w/ Tom on  
Wed (10:25 AM) Aug. 27, 2003.*

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August 29, 2003

**VIA FACSIMILE**

Mr. Michael E. Stogner  
Oil Conservation Division  
1220 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Re: NMOCD Administrative Application of  
Chesapeake Operating, Inc and Doyle Hartman  
for approval of two non-standard spacing unit:  
(a) Bartley Adkins "8" Well No. 1 Unit D, W/2 & SE/4NW/4  
120-acre Section 8, T20S, R37E  
(b) Bartley "8" Well No. 2 Unit C, NE/4NW/4  
40-acre Section 8, T20S, R37E

Dear Mr. Stogner:


On behalf of Chesapeake Operating, Inc. and Doyle Hartman, Mr. Gallegos and I wish to clarify our belief that this joint application complies with Division Rule 1207 A.3.

Approval of Chesapeake's requested 120-acre non-standard proration unit ("NSP") requires notice or waiver by Doyle Hartman (100% WIO) and the BLM (Federal Royalty owner). Mr. Hartman has waived any objection to the Chesapeake application and the BLM by approving Hartman's APD for a 40-acre unit for his oil well has by implication also waived any objection to Chesapeake's application. By deleting the Chesapeake's fee, the BLM has 100% of the royalty for the oil well.

Mr. Stogner  
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If the Chesapeake application is granted first, then the remaining 40-acre tract, by necessity, must be approved as a standard oil well spacing unit for which no non-waiver is required.

Very truly yours,



W. Thomas Kellahin

cc: J. E. Gallegos, Esq.  
Attorney for Doyle Hartman

Chesapeake Operating, Inc.  
Attn: Lynn Townsend