



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

April 11, 2007

Division Order No. IPI-281

Chesapeake Operating, Inc.
2010 Rankin Highway
Midland, Texas 79701

Attn: Ms. Shay Stricklin

**RE: Injection Pressure Increase
 East Loving SWD Well No. 1
 Eddy County, New Mexico**

Dear Ms. Stricklin:

Reference is made to your request dated March 13, 2007, to increase the surface injection pressure on the East Loving SWD Well No. 1. This request is based on a step rate injection test that was conducted on the well on February 26, 2007. The step rate test data shows that approval of the request will not result in the fracturing of the injection formation and confining strata.

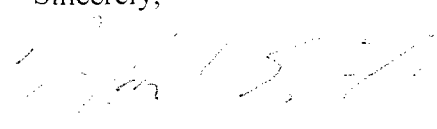
You are therefore authorized to increase the surface injection pressure on the following well:

<i>Well Name & Number</i>	<i>Maximum Surface Injection Pressure</i>
East Loving SWD Well No. 1 API No. 30-015-26764 Unit A, Section 15, Township 23 South, Range 28 East, Eddy County, New Mexico	1150 PSIG

The Division Director may rescind this injection pressure increase if it becomes apparent that the injected fluid is not being confined to the injection zone or is endangering any fresh water aquifers.

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Sincerely,


Mark E. Fesmire, P.E.
Director

cc: Oil Conservation Division - Artesia
File: Case No. 10307