



State of New Mexico  
Commissioner of Public Lands

310 OLD SANTA FE TRAIL  
P.O. BOX 1148  
SANTA FE, NEW MEXICO 87504-1148

Ray Powell, M.S., D.V.M.  
COMMISSIONER

March 7, 2011

RECEIVED OOD

COMMISSIONER'S OFFICE  
2011 MAR - Phone (505) 827-5760  
Fax (505) 827-5766  
www.nmstatelands.org

Chesapeake Exploration L.L.C.  
1600 Northwestern Avenue  
Oklahoma City, OK 73118

Attn: Mr. Terry Frohnapfel

Re: Notice of Termination  
Kemnitz Lower Wolfcamp East Unit Agreement  
Lea County, New Mexico

Dear Mr. Frohnapfel:

Our records reflect that Chesapeake Operating, Inc. is the operator of record for the Kemnitz Lower Wolfcamp East Unit, Lea County, New Mexico.

*Article 18.1, TERM of the agreement provides that: The term of this agreement shall be for the time that Unitized Substances are produced in paying quantities and as long thereafter as Unit Operations are conducted without a cessation of more than ninety (90) consecutive days, unless sooner terminated by Working Interest Owners in the manner herein provided.*

Our records reflect the following:

- The Kemnitz Lower Wolfcamp East Unit Well No. 2-K Sec. 22-16S-34E was plugged and abandoned on 10/31/2007.
- The Kemnitz Lower Wolfcamp East Unit Well No. 3-O Sec. 22-16S-34E was plugged and abandoned on 12/8/2007.
- The Kemnitz Lower Wolfcamp East Unit Well No. 4-A Sec. 28-16S-34E was plugged and abandoned on 3/12/2008.
- The Kemnitz Lower Wolfcamp East Unit Well No. 5-C Sec. 27-16S-34E was plugged and abandoned on 4/15/2008.
- The Kemnitz Lower Wolfcamp East Unit Well No. 6-M Sec. 22-16S-34E was plugged and abandoned on 3/17/2008.

Please be advised that since all wells in the Kemnitz Lower Wolfcamp East Unit Agreement have been plugged and abandoned the Unit Agreement has this date been terminated effective April 15, 2008 being the date the last unit well was plugged and abandoned.

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Please notify all interested parties of this action.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.  
COMMISSIONER OF PUBLIC LANDS

BY:   
LARRY J. ROYBAL, Deputy Director  
Oil, Gas and Minerals Division  
(505) 827-5744

RP/LR/pm

cc: OCD-Santa Fe Attn: Mr. Ed Martin  
TRD-Santa Fe Attn: Mr. Valdean Severson  
RMD-Santa Fe Attn: Mr. Kurt McFall  
Ms. Natalie Welsh, Exxon Mobile  
Reader File