

10/31/08 DATE IN	SUSPENSE	Brooks ENGINEER	11/16/08 LOGGED IN	SD TYPE	PRU0831145150 APP NO.
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



Chesapeake Operating
Langley Getty Com #
2RE 3 3H

ADMINISTRATIVE APPLICATION CHECKLIST

200826

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP ☒ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners
[B] ☒ Offset Operators, Leaseholders or Surface Owner
[C] ☐ Application is One Which Requires Published Legal Notice
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/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.

Ocean Munds-Dry Ocean Munds Dry Attorney
Print or Type Name Signature Title Date 10-31-08
omundsdy@hollandhart.com
e-mail Address



October 31, 2008

HAND-DELIVERED

Mark E. Fesmire, P. E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application of Chesapeake Operating Inc., Inc. for Administrative Approval of the Simultaneous Dedication of the South-Half of Section 21, Township 22 South, Range 36 East, N.M.P.M., Lea County, New Mexico to its existing Langley Getty Well No. 2RE and the proposed Langley Getty Well No. 3H.

Dear Mr. Fesmire:

Chesapeake Operating, Inc. is the operator of a standard 320-acre spacing unit in the Langley Devonian Gas Pool (**Pool Code 79936**) comprised of the south-half of Section 21, Township 22 South, Range 36 East, N.M.P.M., Lea County, New Mexico. This spacing unit is dedicated to Chesapeake's Langley Getty Well No. 2RE which has been horizontally drilled and produces from the Devonian formation.

Chesapeake seeks administrative approval of the simultaneous dedication of this standard 320-acre gas spacing unit to the following two horizontal gas wells:

- A. the existing **Langley Getty Well No. 2RE (API No. 30-025-32210)** horizontally drilled from a surface location 977 feet from the South line and 1002 feet from the West line to an end point or bottomhole location 832 feet from the South line and 3343 feet from the West line of said Section 21; and
- B. the proposed **Langley Getty Well No. 3H** to be horizontally drilled from a surface location 1960 feet from the South line and 645 feet from the West line to a proposed end point or bottomhole location 1980 feet from the South line and 1650 feet from the East line of said Section 21.



Both the penetration point and the bottomhole location for the Langley Getty Well No. 2RE are at a standard location in the Devonian formation pursuant to Division Rules 104.C (2) (a) and 111.A (7). Chesapeake now intends to horizontally drill and complete its proposed Langley Getty Well No. 3H to be drilled to the targeted subsurface end-point or bottomhole location 1980 feet from the South line and 1650 feet from the East line (Unit J) of Section 21. Chesapeake proposes to drill this well in compliance with the set-back requirements of Division Rules 104.C(2)(b) and 111.A(7) for deep gas wells in southeast New Mexico.

Attached hereto as **Exhibit A** is a copy of Division Form C-102 for this well that shows the proposed surface and bottomhole location of the well.

Exhibit B is a map of offset operators around the spacing unit in Section 21. **Exhibit C** is a list of affected parties as defined by Division Rules. As required by Rule 1210, a copy of this application (with attachments) has been sent to those affected parties in accordance with Rule 1207(A)(5) and they have been advised that if they have an objection to this application it must be filed in writing with the Division's Santa Fe office within twenty days from the date this notice was sent.

The simultaneous dedication of the S/2 of said Section 21 to the Langley Getty Well Nos. 2RE and 3H will afford Chesapeake the opportunity to efficiently produce the Devonian formation under this spacing unit. Chesapeake's proposed simultaneous dedication of these wells does not exceed the number of wells allowed by Division Rule for this spacing unit.

Your attention to this application is appreciated.

Sincerely,

Ocean Munds-Dry
Attorney for Chesapeake Operating, Inc.

Enclosures

DISTRICT I
1825 N. FRENCH DR., BOBBS, NM 88240

DISTRICT II
1301 W. GRAND AVENUE, ARTESIA, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

DISTRICT IV
1220 S. ST. FRANCIS DR., SANTA FE, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
1220 SOUTH ST. FRANCIS DR.
Santa Fe, New Mexico 87505

Form C-102
Revised October 12, 2005
Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

WELL LOCATION AND ACREAGE DEDICATION PLAT

☐ AMENDED REPORT

API Number	Pool Code	Pool Name
Property Code	Property Name LANGLEY GETTY	Well Number 3H
OGRID No.	Operator Name CHESPEAKE OPERATING, INC.	Elevation 3538'

Surface Location

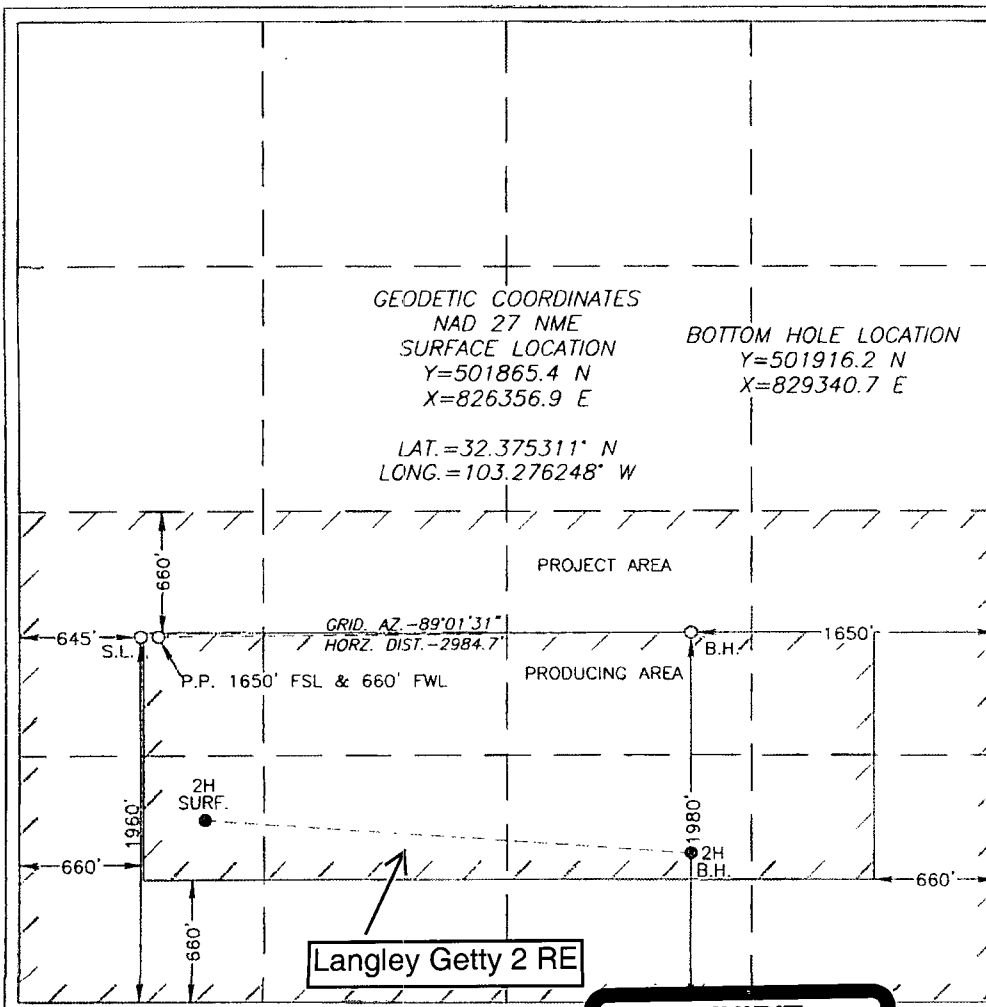
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	21	22-S	36-E		1960	SOUTH	645	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	21	22-S	36-E		1980	SOUTH	1650	EAST	LEA

Dedicated Acres	Joint or Infill	Consolidation Code	Order No.
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NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



OPERATOR CERTIFICATION

I hereby certify that the information herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature

Date

Printed Name

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date Surveyed

Signature & Seal of Professional Surveyor

Certificate No. GARY EIDSON
RONALD J. EIDSON

AR

12641
3239

EXHIBIT

tabbles

A

OFFSETS IN SECTION 21

CHK	Breck	CHK			
Breck	Ernest			Breck	Breck
CP	Langley Getty				CP
Dalport		Breck			
Breck		CHK Breck	CHK	Breck	Arena

Exhibit C

**Application of Chesapeake Operating, Inc.
Simultaneous Dedication of
S/2 of Section 21, Township 22 South, Range 36 East, NMPM
Lea County, New Mexico**

Breck Operating Inc.
P.O. Box 9111
Breckenridge, TX 76424

Arena Resources, Inc.
4920 Lewis Ave., Ste 107
Tulsa, OK 74105

Enervest Operating Co.
210 N. Auburn Ave.
Farmington, NM 87401

ConocoPhillips, Inc.
3300 N "A" Street #6
Midland, TX 79705

Dalport Oil Corporation
1401 Elm Street
Dallas, TX 75202