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STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF HEARING:

APPLICATION OF CHESAPEAKE OPERATING, INC. CASE 13310 FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

Chesapeake Operating, Inc. submits this pre-hearing statement as required by the New Mexico Oil Conservation Division.

APPEARENCES OF THE PARTIES

APPLICANT

ATTORNEY

Chesapeake Operating, Inc. 6100 N. Western Ave Okiahoma City, OK 73118 Attn: Lynda Townsend 405-879-9414

Thomas Kellahin, Esq. P. 0. Box 2265 Santa Fe, New Mexico 87504 505-982-4285

OPPONENT

ATTORNEY

none

STATEMENT OF THE CASE

APPLICANT:

Chesapeake Operating, Inc., in accordance with Section 70-1-17.C seeks a compulsory pooling order pooling all mineral interest from the surface to the base of the Seven Rivers formation underlying a standard 40-acre spacing unit consisting of the NW/4SE/4 of Section 13, T19S, R33E, Lea County, New Mexico for its La Rica "13" Federal Well No. 4 to be drilled as an standard oil well location in Unit J of this section and the designation of Chesapeake Operating Inc. as the operator plus the standard provisions of the Division's compulsory pooling order including a 200% risk factor penalty in accordance with Commission Order R-11992, effective August 15, 2003.

PROPOSED EVIDENCE

APPLICANT

WITNESSES	EST. TIME	EST. EXHIBITS
Mike Braun, consulting landman, or Lynda Townsend	15-20 min	about 10

PROCEDURAL MATTERS

None

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