KELLAHIN & KELLAHIN Attorney at Law

W. Thomas Kellahin

Recognized Specialist in the Area of Natural Resources-oil and gas law-New Mexico Board of Legal Specialization P.O. Box 2265 Santa Fe, New Mexico 87504 117 North Guadalupe Santa Fe, New Mexico 87501

Telephone 505-982-4285 Facsimile 505-982-2047 kellahin@earthlink.net

August 4, 2004

VIA FACSIMILE 476-3462

Mr. Mark Fesmire, Director Oil Conservation Division 1220 South Saint Francis Drive Santa Fe, New Mexico 87505

Re: Request for Dismissal of Applications of Chesapeake Operating, Inc. for compulsory pooling, Lea County, NM

(1) NMOCD Case 13310 La Rica 13-4 Well

(2) NMOCD Case 13311 La Rica 13-3 Well

(3) NMOCD Case 13312 La Rica 13-2 Well

Dear Mr. Fesmire:

Chesapeake Operating Inc. is the successor to Concho Resources Inc. and is the applicant in these cases appearing on the August 5, 2004 docket. Chesapeake will continue to attempt to obtain voluntary agreement from the working interest owners and therefore requests that these cases be dismissed.

Verv Thomas Kellahin

CC: Chesapeake Operating Inc. Attn: Lynda Townsend