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

APPLICATION OF CHESAPEAKE PERMIAN, L.P. FOR AN UNORTHODOX GAS WELL LOCATION AND TO TERMINATE ORDER R-11432-A, LEA COUNTY, NEW MEXICO.

OIL CONSERVATION COMMISSION
Case No.13267 Exhibit No.
Submitted By:
Chesapeake Operating
Hearing Date: June 10, 2004

CASE NO. 13267

CERTIFICATE OF MAILING AND COMPLIANCE WITH ORDER R-8054

STATE OF NEW MEXICO)

) SS.

COUNTY OF SANTA FE)

W. Thomas Kellahin, being first duly sworn, hereby certifies that he is an attorney for the Applicant and responsible for notification in this matter and that the notice provisions of Division Rule 1207 (Order R-8054) have been complied with, that Applicant has caused to be conducted a good faith diligent effort to find the correct addresses of all interested parties entitled to receive notice, that on April 14, 2004, he caused to be mailed by certified mail return-receipt requested the attached notice of this hearing and a copy of the application for the above referenced case, at least twenty days prior to the hearing of this case set for May 13, 2004 that has been continued to June 10, 2004, to the parties shown in said application and as evidenced by the attached copies of return receipt cards and/or receipts of certified mailing, and that pursuant to Division Rule 1207, notice has been given at the correct addresses provided by such rule.

Thomas Kellahin

SUBSCRIBED AND SWORN to before me this 8th day of June, 2004, by W. Thomas Kellahin.

Lynda Kellahin, Notary Public

My Commission Expires: June 16, 2004

OFFICIAL SEAL
Lynda Kellahin
NOTARY PUBLIC
STATE OF NEW MEXICO
My Commission Expires:

NMOCD Application Chesapeake Operating, Inc. Page

(11) Notice is being sent to Yates Petroleum Corporation as the offsetting operator towards whom the Boyce "15" Well No. 5 encroaches. Chesapeake has sent notification of this application and hearing as set forth on Exhibit A.

WHEREFORE, Applicant requests that, after notice and hearing, this Application be approved as requested.

KELLAHIN and KELLAHIN

BY W. Thomas Kellahin

P. O. Box 2265

Santa Fe, New Mexico 87504

(505) 982-4285

EXHIBIT "A"

Yates Petroleum Corporation 105 South Fourth Street Artesia, New Mexico 88210 Attn: Mr. Randy Patterson

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

April 14, 2004

CERTIFIED MAIL-RETURNED RECIEPT REQUESTED

TO: NOTICE OF THE HEARING OF THE FOLLOWING NEW MEXICO OIL CONSERVATION DIVISION CASE:

Re: Application of Chesapeake Operating, Inc. for an unorthodox gas well location and the termination of Order R-11432-A, Lea County, New Mexico

On behalf of Chesapeake Permian, L.P., please find enclosed our application for an unorthodox gas well location for its Boyce "15" Well No. 5 in Unit B of Section 5, T16S, R35E to the dedicated to the E/2 of this section and for the termination of Order R-11432-A which has been set for hearing on the New Mexico Oil Conservation Division Examiner's docket now scheduled for May 13, 2004. The hearing will be held at the Division hearing room located at 1220 South Saint Francis Drive, Santa Fe, New Mexico, 87505.

You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, we are notifying you of your right to appear at the hearing and participate in this case, including the right to present evidence either in support of or in opposition to the application. Failure to appear at the hearing may preclude you from any involvement in this case at a later date.

Pursuant Division Rule 1208.B, parties appearing in cases are required to file a Pre-Hearing Statement with the Division not later than 5:00 PM on Friday, May 7, 2004, with a copy delivered to the undersigned. This statement must include: the names of all witnesses the party will call to testify at the hearing; the approximate time of the party will need to present its case, and identification of any procedural matters that are to be resolved prior the hearing.

Very truly yours,

Thomas Kellahin

COMPLETE THIS SECTION ON DELIVERY SENDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the re-Yates Petroleum Coporation 105 South Fourth Street D. Is delivery address different from item 1. Artesia, NM 88210 Yes If YES, enter delivery address below: Attn: Randy Patterson .11 Chesapeake Boyce May 13, 2004 4/14/04 nandise 2. Article Number

Domestic Return Receipt

(Transfer from service label)
PS Form 3811, August 2001

Let Service in Ch_{esapeake} B_{oyce} ovided) May 13, 2004 1208 4/14/04 2000 Certified Fee Return Reciept Fee (Endorsement Required) Here 2030 Yates Petroleum Coporation Restricter (Endorsen 105 South Fourth Street Total Pr Artesia, NM 88210 7007 Attn: Randy Patterson Street, / or PO Bc. City, State, ZIP+4 PS Form 3800, June 2002

7002 2030 0007 1208 5144

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