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 CONSIDERING:

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CASE NO. 13583

APPLICATION OF CHESAPEAKE OPERATING, INC. FOR APPROVAL OF A WATERFLOOD PROJECT AND QUALIFICATION OF THE PROJECT AREA OF THE TRINITY BURRUS UNIT FOR THE RECOVERED OIL TAX RATE PURSUANT FO THE ENHANCED OIL RECOVERY ACT, LEA COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This Prehearing Statement is submitted by Holland & Hart LLP as required by the Oil Conservation Division.

APPEARANCES OF PARTIES

APPLICANT

Chesapeake Operating, Inc. Attn: Terry Frohnapfel 6100 N. Western Post Office Box 18496 Oklahoma City, OK 73154-0496 (405) 810-2727

ATTORNEY

William F. Carr, Esq. Holland & Hart LLP Post Office Box 2208 Santa Fe, New Mexico 87504 (505) 988-4421

STATEMENT OF CASE

Applicant in the above-styled cause, seeks approval of its Trinity Burrus Unit Waterflood Project by injection of water into the Wolfcamp formation through <u>seven</u> injection wells located in the following described area:

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TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM

Section 15:	E/2 SW/4, SW/4 SE/4
Section 22:	E/2, E/2 W/2
Section 23:	W/2, W/2 E/2
Section 26:	W/2 W/2, NE/4 NW/4, SE/4 SW/4
Section 27:	E/2, E/2 W/2

The applicant requests that the Division establish procedures for the administrative approval of additional injection wells within the unit area without the necessity of further hearings and the adoption of any provisions necessary for such other matters as may be appropriate for said waterflood operations. Said area is located approximately 25 miles northeast of Lovington, New Mexico.

PROPOSED EVIDENCE

APPLICANT

<u>WITNESSES</u>	EST. TIME	EXHIBITS
Terry Frohnapfel (Land)	Approx. 20 Min.	Approx. 12
David Godsey (Geology)	Approx. 15 Min.	Approx. 4
Everett Bradley (Engineer)	Approx. 20 Min.	Approx. 5

PROCEDURAL MATTERS

Chesapeake Operating, Inc., will request that this case be consolidated for the purposes of hearing with Case 13582.

William F. Carr Attorneys for Chesapeake Operating, Inc.

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