## CASE NO. 13582

## APPLICATION OF CHESAPEAKE OPERATING, INC. FOR STATUTORY UNITIZATION OF THE TRINITY BURRUS UNIT AREA, LEA COUNTY, NEW MEXICO.

Amend Exhibit "G" Paragraph 3 of the Unit Operating Agreement for the Trinity Burrus Abo Unit to read in its entirety as follows:

3) After the date of Unitization, unit production and costs shall be allocated to each tract which contains a well with a non-consent balance based on such tract's tract participation factor. Unit costs attributable to any interest which is not a non-consenting interest with respect to unit operations shall be subject to the non-consent penalties in accordance with the terms of the applicable original agreements. Unit costs attributable to any interest which is a nonconsenting interest with respect to unit operations pursuant to an election made after the date of the Unitization Order shall be capped at the maximum 200% penalty allowed under New Mexico law for penalties pertaining to unit costs.

> BEFORE THE OIL CONSERVATION DIVISION Santa Fe, New Mexico Case No. <u>13582 and 13583</u> Exhibit No. 5 Submitted by: <u>CHESAPEAKE OPERATING, INC.</u> Hearing Date: <u>October 20, 2005</u>